Zensar Technologies Limited

zensar

Integrated Annual Report 2020-21

Connected Experiences.
Sustainable Future.

RPG

About RPG Group

Established in 1979, the RPG Group is a diversified conglomerate with businesses in the areas of information technology, infrastructure, tyres, pharmaceuticals, energy, and agribusiness. Founded by Dr. R.P. Goenka, the Group's lineage dates back to early 19th century. Today, the group has several companies in diverse sectors and the most prominent among them being Zensar Technologies, CEAT, KEC International and RPG Life Sciences. Built on a solid foundation of trust and tradition, the RPG name is synonymous with steady growth and high standards of transparency, ethics, and governance.

hello **happiness**

2020, the year of adversity, has taught us the value of resilience, courage, and empathy, and more importantly, the triumph of the human spirit. The pandemic changed many paradigms. Survival and health took precedence over worldly possessions. At RPG, the happiness of our employees, investors, customers and various stakeholders is a priority and forms the bedrock of all initiatives. We made work from anywhere a reality for our 30,000+ employees, delivered safe and digital solutions for clients, provided means to food and sanitation to the underprivileged, covid testing booths and ventilators to stressed healthcare centres and hospitals and we continue to endeavour to make sustainability the core of our brand purpose.

"hello happiness" is not just another tagline for us. It is intrinsic to life at RPG and is our promise to the world, signifying our intent to touch and enrich others' lives and work collectively towards a common goal that makes each of us rise beyond our limitations. It is a proud proclamation that we are an organisation where fences do not constrain dreams, and each one of us is encouraged to reach for happiness that is within our grasp.

Connected Experiences. Sustainable Future.

The market is ever-evolving, driven by digital-led acceleration and we believe it is critical to introduce solutions that lead to disruptive innovation in the industry. The pandemic has redefined an altogether new paradigm, resetting the future of work. It is evident that companies that are resilient and manage speed and quality will be at the helm of creating an all-round value for its stakeholders. It is with this vision that we intend to drive our operations that enable our stakeholders to stay connected and lead a sustainable way of life.

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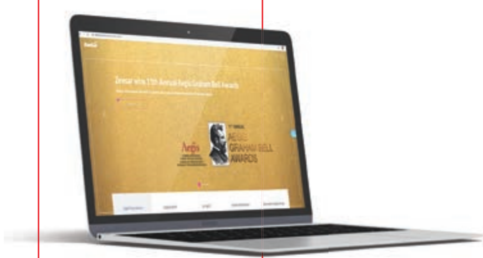


Scan this code with a QR reader app on your smartphones or tablets and know more about us.

We have significantly increased our efforts on sustainability in our operations and solutions. We are better prepared to manage the well-being of our employees, emissions, energy consumption, supply chains. Our technology solutions are foundational, repeatable, and scalable. These have long-lasting benefits to our shareholders, team members, and the world.

We envision a digital world where we all learn, grow and benefit. Our commitment to communities means we volunteer through various initiatives towards a clean environment and support people to learn and grow through multiple initiatives including street cleaning activities, meal donations during pandemic times, the Udaan centre, sponsorship for learning to earn. These community engagement initiatives are focused on creating value for the society at large.

Aligning to the future requires driving speed and acceleration, keeping human experiences at the core and leveraging technology to achieve inter-connectedness in all aspects of our business. As we move ahead in our journey to create more value for our stakeholders, we look forward to providing solutions that enable connected experiences and a sustainable future.

About the Report

This is the 1st Integrated Annual Report of Zensar Technologies Limited, for the reporting period ended on March 31, 2021. The reporting principles have been applied to ensure content and quality of the report in alignment with the Integrated Report Framework by IIRC and in accordance with the GRI Standards: Core Option. The report also aligns with the Sustainable Development Goals (SDGs).

Zensar's performance across six capitals, viz. Financial, Intellectual, Human, Natural, Manufactured, Social and Relationship has been disclosed in the report.

Scope and Boundary

In this report, disclosures pertaining to the initiatives and the approach adopted by Zensar are disclosed, as part of its journey towards achieving excellence across various aspects like Environment, Social and Governance (ESG).

The attached table enlists the coverage for each capital.

Capitals	Coverage (Global/ India)
Financial Capital	Global
Intellectual Capital	Global
Natural Capital	India
Human Capital	Global
Manufactured Capital	Global
Social and Relationship Capital	India

The data and disclosures in the report are reviewed internally through our internal control mechanism and there is no external assurance on non-financial data presented in the report.

About Us

We are a living digital technology company, offering reliable and measurable digital solutions that help transform the digital environment of enterprises. We are a part of USD 4 billion RPG Enterprises Group and the USD 40 billion APAX Portfolio Company. Zensar Technologies is one of the very few technology companies globally to be publicly listed on the stock exchange for over 57 years.

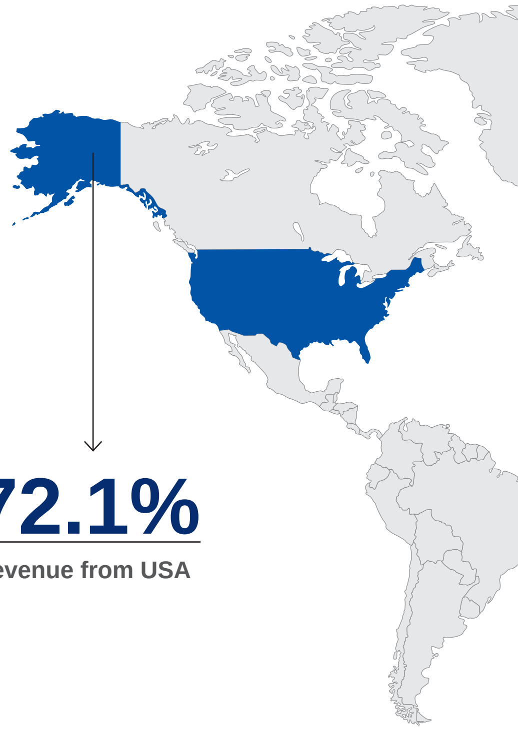
Our Corporate Profile

As a leading digital solutions and technology services company, Zensar Technologies is empowering customers across the globe to manage, operate and optimize technology infrastructure responsibly for delivering digital business outcomes. In the era where digitisation is the way forward, we leverage our expertise and technical know-how to offer unique and innovative solutions that enable our clients to achieve new thresholds of business performance.

We leverage our approach to Return on Digital ® with New and Exceptional Technologies (RoD NeXT) to constantly innovate and launch digital tools for enterprises that help in the growth of their businesses. Furthermore, we are deeply focused on delivering limitless business values by leveraging Experience, Decision and Research AI.

Zensar's Digital Foundation Services enable clients to accelerate digital transformation by leveraging technologies such as cloud, automation and artificial intelligence to deliver business outcomes such as 35% faster time-to-market, work from anywhere and lower capital expense. The unique service-centric monitoring capabilities are a foundational element for Zensar's integrated managed service platform, The Vinci. Zensar's managed services enabled by this platform drive the three Ps (proactive, predictive and preventative) across multiple environments, thereby delivering enhanced operational services through a lean and agile environment.

Our Presence



72.1%

Revenue from USA

Our Vision

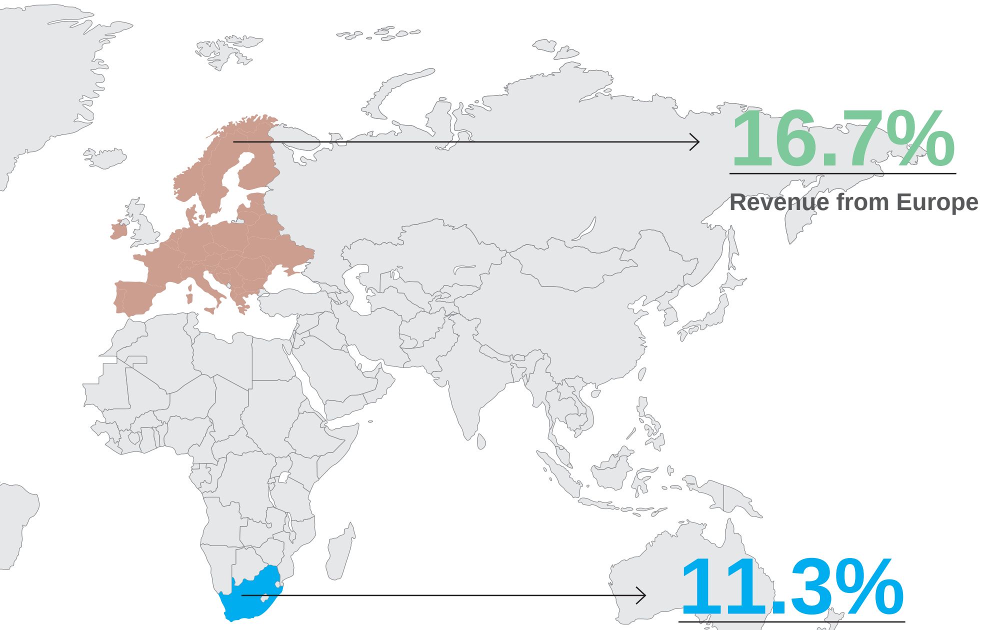
Leaders in business transformation.

Our Mission

We strive to be the best at delivering innovative, industry-focused solutions with measurable business outcomes.

Our Values

- Customer Centricity
- Commitment to People and the Community
- Continuous Innovation and Excellence



Numbers that define us

US$ 494 Mn
Revenue

8
Countries of presence

9,111
Employees across all offices as of March 31, 2021

24
Offices across the globe

64.2%
Digital Revenue in FY21

20
Unique patent filed

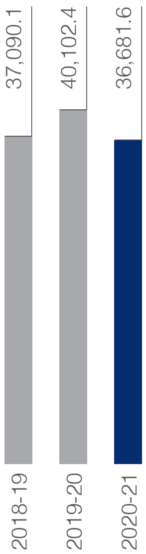
*The reported numbers are for core business (excluding TPM business divested in FY21), refer Note No. 34(i) of the Consolidated Financial Statements.

Our Offerings

Services	Solutions	Customers across sectors
Analytics	Digital supply chain	Hi-Tech
Application transformation	Enterprise Analytics	Manufacturing
Digital Foundation	Customer Experience Transformation	Retail and Consumer Services
Digital Experience	Living AI	Banking and Financial Services
Enterprise Applications	The Vinci	Insurance
Testing	Connected Autonomous cloud	
Unified Digital Commerce	Connected Experience	

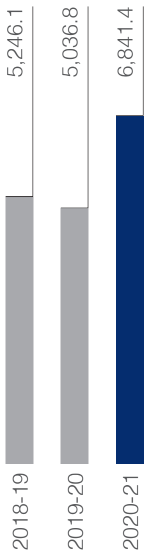
Performance Highlights

Revenue
(INR Million)



CAGR
(0.6%)

EBITDA
(INR Million)



CAGR
14.2%

PAT
(INR Million)

CAGR
1.6%

Revenue by business
(In %)

9.1	14.2	41.9	12.2	19.8
Banking	Consumer Services	Hi-tech	Manufacturing	Insurance

Digital revenue as % of total revenue

30.0% 2016-17 → 64.2% 2020-21

Revenue per employee
(INR million)

INR 3.4 2016-17 → INR 4.0 2020-21

Gross cash (Not adjusted for divestment) (INR million)

INR 5,173 2016-17 → INR 12,159 2020-21

*The reported numbers are for core business (excluding TPM business divested in FY21), refer note No. 34(i) of the Consolidated Financial Statements.

Revenue by Service

85%
Digital and application services

15%
Digital Foundation services

134
Active customers

1,187 years
Cumulative experience of leadership team

24
Number of $5 Million revenue generating accounts in FY21

34 Years
Average age of employees

9+
Technology partners

Strategic Highlights

Q1

QUARTER ONE

- BIG Innovation Awards/Global for Zenlabs, its innovation hub
- IDEA Enabler awards/India for InsureArk - Zensar's rapid digitalization platform
- AVA Digital Awards/Global in platinum category for digital marketing, web-based production and digital video creation.
- Zensar was mentioned in ISG Digital Business Service and Solution Provider Lens Study UK 2020 - Rising Star in Digital Product Lifecycle Services, Rising Star in Digital Supply Chain Transformation services, Leader in Digital Customer Experience and Leader in Blockchain Services UK
- Zensar was mentioned as a Disruptor in Applied AI and Advanced Analytics RadarView™ for displaying novel and disruptive mechanics in innovation in applied intelligence and advanced analytics.

Q2

QUARTER TWO

- Cloud Computing Awards/US based with global reach for proven framework called cloud adoption framework which is aligned to industry leading cloud providers.
- Zensar mentioned in Market Guide for Blockchain Consulting and Proof-of-Concept Development Services, 2020
- Zensar was mentioned as an Innovator in RadarView™ for Hybrid Enterprise Cloud
- Zensar was featured as an Aspirant in Everest group's Data and Analytics (D&A) Services PEAK Matrix® Assessment 2020
- Zensar was mentioned as a Major Contender in Everest Digital Interactive Experience (IX) Services PEAK Matrix® Assessment 2020

Q3

QUARTER THREE

- Zensar was recognized for delivery of excellence modernisation and optimisation at CII National Competition and Summit on Lean/India in the category of Lean Implementation on a Customer process or at Customer premises.
- Zensar has been mentioned in the Gartner Market Guide for Agile and DevOps Custom Software Development Services, 2020
- Zensar wins best case study awards in ISG Digital Case Study Book
- Zensar was mentioned as an Aspirant in Pega Services PEAK Matrix® Assessment 2021
- Zensar was mentioned as a Major Contender in Insurance Business Model Innovation Enablement Services PEAK Matrix® Assessment 2021 – Pathways to Drive Competitive Advantage Amidst Uncertainties
- Zensar was mentioned as a Major Contender in Everest Group BFS IT Services – Application and Digital Services in Capital Markets PEAK Matrix® Assessment 2021
- Zensar was mentioned as a Major Contender in Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – PEAK Matrix® Assessment 2021
- Zensar named as Disruptor in Avasant RadarView™ Digital Workplace Services

Q4

QUARTER FOUR

- Awarded at CII DX Award/India for its employee engagement initiatives
- Awarded at SDC Awards/Global for its work in the Open Source/DevOps Innovation of the Year
- Aegis Graham Bell Awards/Global in the AI-Powered category for its offering, the Vinci, which is an integrated managed services AI Ops platform powered by AI and analytics.
- L&D Influencer Awards/India for Best Learning strategy of the Year
- AVTAR and D&I awards/India
- CFO 100 Awards/India in Digital Transformation category
- Global Marketing Excellence Awards/ India for Covid-19 outreach campaign
- Recognized as a Major Contender in Guidewire Services Everest Peak Matrix® Assessment™ 2020
- Zensar was mentioned in the ISG Next-gen Application Development & Maintenance (ADM) Services Provider Lens™ US 2020- Contender in Next-gen ADM, Leader in Application Maintenance Services – Midmarket/ Niche, Contender in Agile Development, Product Challenger in DevSecOps Consulting, Product Challenger in Continuous Testing – Midmarket and Expert Consulting, Product Challenger in Continuous Testing – Large Accounts
- Zensar was mentioned in ISG Provider Lens™ Study for Digital Workplace of the Future — Services & Solutions U.S., Digital Workplace Consulting Services: Product Challenger, Managed Workplace Services - Large Accounts
- Zensar was mentioned as an Aspirant in Everest Group Aware (Intelligent) IT Infrastructure Services Automation PEAK Matrix® Assessment 2021
- Zensar was mentioned as a Challenger in Avasant Manufacturing Digital Services 2020 2021 RadarView™ for delivering advanced digital solutions to the clients by leveraging its wide portfolio of IPS and robust partner ecosystem.

Chairman's Message

H. V. Goenka
Chairman

Dear Shareholders,

Our continuous pursuit of innovation kept us in good stead during the extraordinary scenario that unfolded in 2020. The remarkable ability of the organization to rise above challenges and turn obstacles into opportunities has been truly inspiring.

“At the onset of the pandemic, our suite of digital platforms helped clients connect with their customers and conduct business while pivoting to a work-from-home model.”

We have always worked to facilitate for our clients, their digital capabilities and their resilience to sudden disruptions. In 2020, we had the opportunity to test that resilience. At the onset of the pandemic, our suite of digital platforms helped clients connect with their customers and conduct business while pivoting to a work-from-home model. Our continuous commitment to our clients during the crisis strengthened our partnerships and deepened their trust.

Our own ways of working changed almost overnight, switching to a 100% work-from-anywhere model to keep our people safe and healthy. Simultaneously, we launched our group-wide Happiness initiative and our Happiness Councils worked hard to help employees, teams, and leadership identify and promote conditions and benefits that create sustainable happiness in the workplace. We also continued our skills development programs so that Zensarians could feel more productive, relevant, and satisfied in their roles.

Like so much of the world, our business was impacted by the pandemic. In early 2021, we created more positive momentum with the appointment of Ajay S. Bhutoria as Chief Executive Officer and Managing Director. We are excited and optimistic about this new era for Zensar.

I want to express my gratitude to all Zensarians, the Board of Directors, and the management team for their commitment in achieving long-term, balanced results. I also thank our business partners, associates, clients, and stakeholders for their trust and unwavering support.

H. V. Goenka
Chairman

CEO's Message

Ajay S. Bhutoria
Chief Executive Officer and Managing Director

Dear Shareholders,

For Zensar and the world at large, 2020 was a year of unprecedented challenge that brought into focus our strength and resilience in the face of adversity. As an organization, our primary focus has been two-fold- first, the safety and well-being of our associates. We have continued to provide 24*7 support through our emergency response teams and have initiated vaccination drives for our employees. Second, we provided support to our clients by going above and beyond to help them navigate the pandemic. Our clients have been a continual source of support and encouragement, for which we are grateful.

Despite the challenges posed by the pandemic, we have continued our commitment to business excellence.”

Since becoming CEO, I have immersed myself in Zensar to find an organization brimming with energy and passion, working tirelessly to provide value to our clients. I have spoken to our customers and heard first-hand about the strength of our relationships and the deep trust they have in us. I am excited by the vast potential of Zensar and the go-forward strategy that our team has diligently put together.

The past year has been a mixed bag of milestones, opportunities, and difficulties. The company's growth has been soft for various reasons, but despite the challenges posed by the pandemic, we have continued our commitment to business excellence. We ensured business continuity and strong client engagement while working from home. Our Work-from-Anywhere model expanded our talent pool and continues to be a success with over 550 associates remotely onboarded.

The pandemic has led to a structural shift in the way we carry out digital transformation for our clients, and created opportunities in customer experience, software engineering, and cloud-based transformation. Zensar is in a solid position to harness these opportunities through a strong foundation of capabilities. Our integrated digital experience service line is well-equipped to deliver velocity and agility to our clients. Over the next few quarters, we will execute our strategy to facilitate company growth.

We modeled our approach to take advantage of the strategic growth opportunities (SGOs) identified through critical examination of the market and changing client needs. These SGOs will be geared toward experience platforms, engineering, data, and cloud. Detailed playbooks will guide the careful implementation that will sharpen our go-to-market and articulate customer value with clarity and confidence. We will continue to invest in partnerships with hyperscalers, leading products, and platforms to create more growth. Advancing the skills of our associates is another area of strong focus. Of course, our clients remain our top priority.

It is essential to conduct business purposefully and take these actions with integrity. To that end, we must closely monitor our impact on the local and global environments and drive sustainability through green interior certifications and energy management programs. This helps the world at large as well as the communities we serve. Our commitment to diversity, inclusion, and equity in the workplace are core values of our multi-geography organization. Our Global Diversity and Inclusion Council has representatives from various demographics, fostering an environment of appreciation toward our associates.

As an organization aligned to excellence, I am confident our new strategy will motivate us to learn, disrupt, and grow. And I know our work will be re-energized to maximize shareholder value.

Ajay S. Bhutoria
Chief Executive Officer and
Managing Director

Board of Directors

H. V. Goenka
Chairman, Non-Executive,
Non-Independent Director

Ajay S. Bhutoria
Chief Executive Officer and
Managing Director

A.T. Vaswani
Non-Executive,
Independent Director

Arvind Agrawal
Non-Executive,
Independent Director

Venkatesh Kasturirangan
Non-Executive,
Independent Director

Shashank Singh
Non-Executive,
Non-Independent Director

Ketan Dalal
Non-Executive,
Independent Director

Ben Druskin
Non-Executive,
Independent Director

Harsh Mariwala
Non-Executive,
Independent Director

Anant Goenka
Non-Executive,
Non-Independent Director

Radha Rajappa
Non-Executive,
Independent Director

Leadership Team

Ajay S. Bhutoria
CEO & MD, and Management Board Member, RPG Enterprises

Prameela Kalive
Chief Operating Officer

Navneet Khandelwal
Senior Vice President and Chief Financial Officer

Vivek Ranjan
Senior Vice President and Chief Human Resources Officer

Harjott Atrii
Executive Vice President and Head, Digital Foundation Services

Nachiketa Mitra
Executive Vice President and Head, BFSI

Chaitanya Rajebahadur
Executive Vice President and Head, Europe

Harish Lala
Senior Vice President and Head, Africa

Business Model

As a Global IT Services provider, we have been working on our living digital journey over the last few years to enhance value and experiences of customers. This year was clearly focusing on strengthening our fundamentals. We appreciate our longstanding relationship with customers in this crisis, and invested in building innovative offerings to enhance customer experience.

This year, we have focused equally on ensuring the well-being and richer experiences for our employees in this pandemic. We were the early adapters of the complete WFA (Work from Anywhere) model. This empowered employees to work in flexible schedules and improve their Work-Life balance. We value our stakeholders and our focus has been to continuously support them during this difficult time. Over the past year, Zensar, through the RPG Foundation, has been involved in various community development initiatives like distributing meals and rations to the needy.

Our business model is in line with our mission to deliver innovative industry focused solutions and partner with customers for their success. It emphasizes on our strong association with the stakeholders and putting into effect the strategy to deliver value to them. The model showcases our purpose to actively contribute to all our stakeholders to ensure a secure and sustainable business. Through this model, Zensar intends to deliver hyper-personalized and unified experiences. We engage with customers to learn their journey and partner with them to provide value drivers. Our new SGOs (Experience Services, Foundation Services, Application Services, Data Engineering and Analytics and Advanced Engineering Services) are in alignment to these value drivers and would reshape our portfolio of offerings. To execute this plan, we are investing in employees to enhance their skills and attracting high level of expertise. Our business performance is closely tied to the environment and social drive we believe in and the model comprises how closely we monitor and track on these KPIs. Zensar encourages robust governance across the organisation that has encouraged resilient business practices and provides assurance to deliver on our strategy.

The business model is prepared in accordance with the <IR> framework. Inputs and outcomes are defined with the help of six capitals. The output is in terms of various services that we provide to our clients. The overall value creation process is distinguished by support from various stakeholders across business processes and influence of external environment.

Introducing six capitals:

Financial Capital

At Zensar, we strive to generate sustainable returns from our operations and develop cutting edge capabilities to accelerate growth.

Intellectual Capital

We take immense pride in our R&D Labs / initiatives and have a co-innovation model for research, helping us stay ahead of the curve.

Human Capital

We have great emphasis on diversity and inclusion along with the holistic development of our employees.

Manufactured Capital

Our aim at Zensar is to create an infrastructure that offers a safe and comfortable work environment for our employees.

Natural Capital

We are committed to reducing our overall environmental footprint in our premises through optimal use of resources such as energy, water, and air.

Social and Relationship Capital

Our customers, communities, suppliers are very critical and to our business. We believe in touching lives of our stakeholders and having a transparent, long-lasting relationship with them.

External

Inputs

Financial Capital

- Shareholders' Equity
- Retained Earnings
- Operating Cash Flow

Read more on Pg. 24

Human Capital

- Knowledge-based Workforce
- Talent acquisition and retention
- Investment on training & development
- Employee Engagement
- Employee Diversity

Read more on Pg. 28

Intellectual Capital

- Investment in Research Innovation
- Innovation portfolio
- New collaborations and Memberships

Read more on Pg. 36

Natural Capital

- Environmental Investments
- Energy Management Initiatives
- Water Management Initiatives
- Waste Management Initiatives

Read more on Pg. 42

Manufactured Capital

- Number of office locations and data centres
- Innovation Hubs
- Global Delivery Centres

Read more on Pg. 48

Social and Relationship Capital

- Expenditure on community development projects
- Procurement spend
- Client Base
- Employee volunteers
- Strategic alliances and partnerships

Read more on Pg. 50

Vision

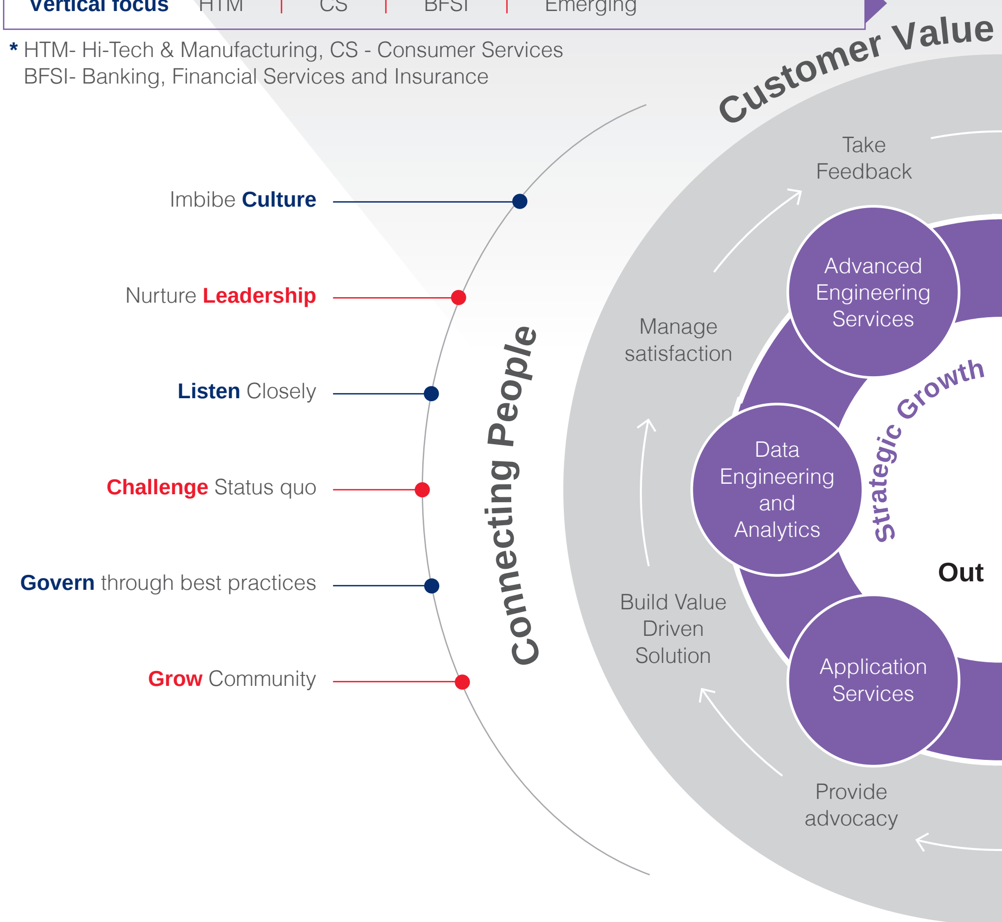
Leaders in business transformation

Mission

We will be the best in delivering innovative industry-focused solutions with measurable business outcomes. We will partner with customers for their success

Vertical focus HTM | CS | BFSI | Emerging

* HTM- Hi-Tech & Manufacturing, CS - Consumer Services
BFSI- Banking, Financial Services and Insurance



Environmental Initiatives

2 GJ / employee Specific energy consumption	**100%** Single Use Plastic (SUP) free workplaces	**0.15** tCO2e / associate Specific GHG emissions

Social Initiatives

35,742 Lives Touched through community development programs	**30%** Women Employees	**46** Diverse Nationalities

Governance Initiatives

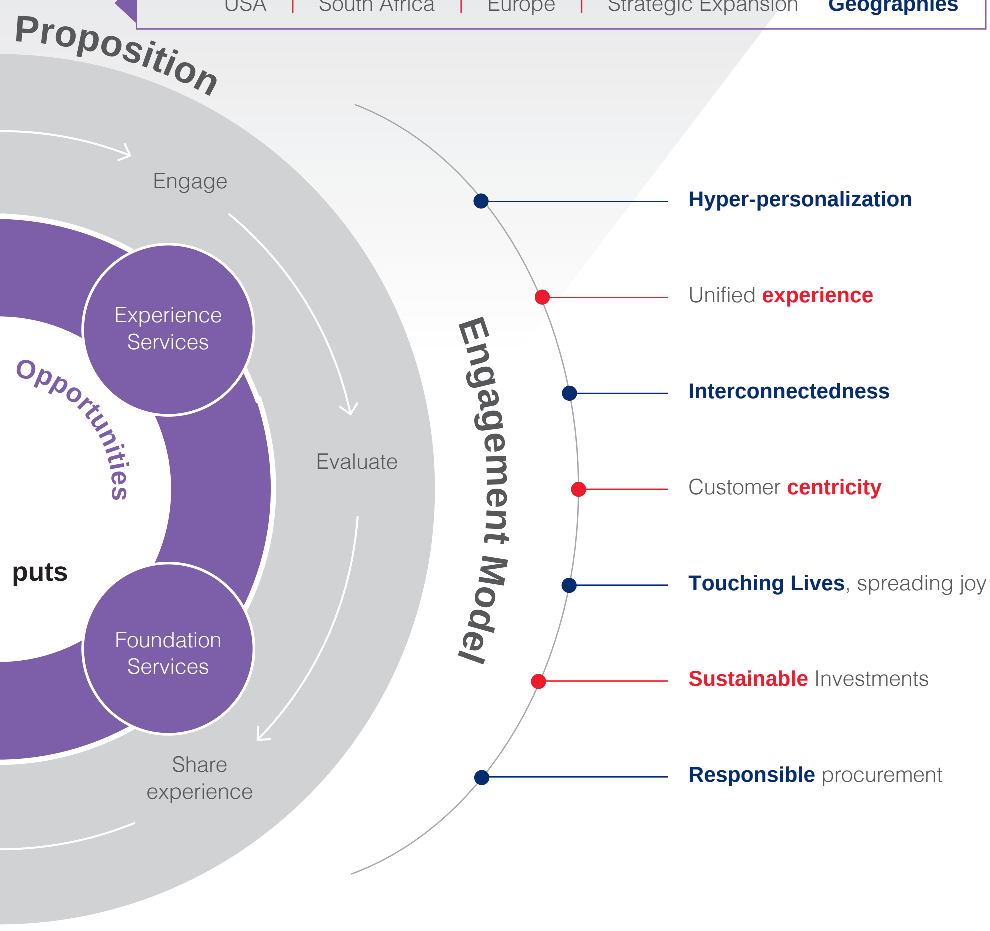
Robust Risk management framework	**Good** governance standards	**100%** working environment protected by Information Security Management System (ISMS)

Environment

Value

- Customer Centricity
- Commitment to People and Community
- Continuous Innovation and Excellence

USA | South Africa | Europe | Strategic Expansion **Geographies**



- Investors, Analysts and Shareholders
- Customers
- Employees
- Communities
- Regulators
- Vendors

Outcomes

Financial Capital

- Revenue
- EBITDA
- PAT
- EPS
- ROCE

Human Capital

- Readiness to respond
- High Employee Retention
- Associate Skill Development
- Employee Well-being
- Inclusive Work Environment

Intellectual Capital

- Number of patents filed
- Recognition for innovation
- No. of people working at ZenLabs
- Align to technological change
- Thought Leadership and point of view papers

Natural Capital

- Renewable energy
- Energy savings
- Water Efficiency
- Reduction in Emissions
- Reduction in Waste Generated

Manufactured Capital

- Delivery Excellence
- Agile Workspaces
- Reduction in Down Time

Social and Relationship Capital

- Impacts of Community Development Projects
- Customer Engagement Survey Scores
- Total new customers added

Risks and Opportunities

On January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the outbreak of the respiratory disease caused by a new coronavirus, known as Covid-19, a “public health emergency of international concern.” It disrupted businesses and gravely impacted the lives of many people, extensively impacting the global economy and testing the financial, operational, and commercial resilience of businesses.

With specific risks arising, such as employee health and safety, cyberattacks, data transfer confidentiality issues, and maintaining business continuity, the Enterprise Risk Management framework at Zensar helped align both the strategic and operational endeavours while dealing with the global pandemic. With extreme agility we enabled 100% remote working for our employees across all regions globally, with heightened emphasis on the obligations and responsibilities of employees when working remotely, and on the Information Security and Data Privacy requirements. We effectively used collaborative tools and our digital platforms to ensure no disruption to our employees/clients’ engagement.

The Enterprise Risk Management program at Zensar enables risks to be assessed and managed at various levels with a Top-down and Bottom-up approach covering the Enterprise, the Business Units, the Geographies, and the Functions. The ERM program covers compliance with applicable government and regulatory requirements, potential risk areas in various economic, social, and industrial environments Zensar operates in. Our ERM framework encompasses the risks that the organization is facing under different categories, such as Strategic, Operational, Financial, Compliance, and Cyber Security with each of these categories having internal or external dimensions. Systematic and proactive identification of risks and mitigations thereof enable effective and timely decision-making. The Risk Management program covers end-to-end Risk governance processes, including identification, prioritization, monitoring and reporting of risks affecting various business units and geographies. The Risk governance framework has been designed seeking professional advice from experts in Risk Advisory domain.

For FY 21, we had identified Top 19 risks at the organization level, and Top 6 Risks (as below), which are presented to the Risk Management Committee on a regular basis. Details of the ERM framework, processes, and Top Risks can be referred to in the relevant section of this report.

Key Risk

Loss of revenue and market share due to gaps in strategy identification & governance

Root Cause(s)

Dynamically changing business environment and business consumption patterns and change in client requirement portfolio.

Failure to identify the right levers and inability to align with changes in business environment.

Key Risk

Risk of loss of revenue and market share due to damage to Company's reputation

Root Cause(s)

Ethical & behavioral issues, fraudulent activities, sexual misbehavior/harassment - especially by senior management, and misinterpretation of facts with malicious intent by external entities.

Key Risk

Risk of business disruption due to natural and people-made disasters

Root Cause(s)

Situations arising due to events such as pandemics, earthquakes, floods, fires and others.

People-made disasters including but not limited to political unrest, geopolitical tensions, wars and terrorist attacks.

Key Risk

Impact to growth objectives due to unsuccessful acquisitions

Root Cause(s)

Acquisition of companies with high valuations and subsequent inability to avail necessary business synergies to add value.

Failure to integrate effectively and align processes, systems, and cultures.

Key Risk

Loss of business and reputation due to violation of data security and privacy (Cybersecurity)

Root Cause(s)

Attacks from third parties, which include ransomware attacks, data breaches, denial of service and other forms of cybersecurity incursions.

Key Risk

Risk of impact on productivity and engagement linked to employee's physical and mental well-being

Root Cause(s)

Physical and mental health issues due to the pandemic.

Lack of connect with peers, team and management.

Anxiety regarding health as well as financial stability.

Also, in addition to the above, we are cognizant of the risks related to climate change and their possible impact on our operations. We are in the process of defining climate change-related risks, the magnitude of their impact and possible financial implications on our operations. The outcome of this exercise will help us define appropriate risk mitigation measures and their implementation plan.

We are transforming ourselves to be aligned to the future and have invested in-line with the same. Looking at the market trends, we have restructured our business model to provide product, experience design services and experience-led engineering services.

The Risk governance framework has been designed in line with the scale of our operations, breadth of geographical spread and complexity of our business model.

Note : Further details set out in the Management Discussion and Analysis report, herein.

Stakeholder Engagement

As an organisation which drives inclusive, supportive and knowledge-based working environment, we engage with our stakeholders on a regular basis. We capture feedback from our stakeholders and addressing them is critical for the long-term business sustainability.

This engagement model is one of the channels helping us identify emerging risks, challenges, and opportunities that we consider and plough back in our strategy building exercise. Our key stakeholder groups comprise of customers, employees, shareholders, investors and analysts, community, vendors, and regulatory authorities.

Key stakeholder groups and the engagement mechanism is as outlined in the table below:

Stakeholders	Customers	Employees	Shareholders
Impact to Business	• Partners in solution development • Partners in innovation journey	• Drivers of our business activities and solutions	• Contribution to the capitals and governance
Engagement mode	• Customer feedbacks • Customer engagement surveys • Account reviews • Regular Meetings	• ZenVerse - our real time tool for employees • Happiness index survey • Emails / Newsletters • Townhall sessions • Ombuds processes	• Quarterly and annual financial results • Annual report • Annual General Meetings • Investor Presentations
Key Priorities	• Integrated solution • Seamless delivery experience	• Development • Career growth • Occupational health • Working environment	• ROI and profitable growth • Business outlook • Adequacy of disclosures and Communications • Governance

Investors and Analysts	Communities	Vendors	Regulatory Authorities
• Catalysts in growth and expansion	• Partners in long term value creation	• Suppliers of goods and services	• Compliance with applicable laws, government directives and policies
• Quarterly briefings • Analysts meet	• Community development initiatives • Grievance redressal mechanism	• Vendor engagement interactions • Workshops and trainings • Grievance redressal mechanism	• Meetings with directives of regulatory authorities • Submissions of various returns and compliances with statutory authorities • Partnership with industry bodies and associations
• Return on Investments • Value Creation	• Social Impact	• Joint value creation • Payment cycles • Opportunities of engagement	• Policy advocacy • Responsible corporate Governance, developmental activities

Materiality Assessment

The material topics are the areas with respect to environmental, social and governance (ESG) aspects that are important for Zensar to build the foundation of value creation. They have high relevance to our business and need meaningful attention.

Zensar conducted a materiality assessment exercise capturing opinions of our internal and external stakeholders on these topics and subsequently deliberated with leadership to shortlist the high impact topics. The prioritized material topics gave us a profound sense of the expectations of our stakeholders.

The detailed process of materiality assessment exercise carried out is as follows:

Identification

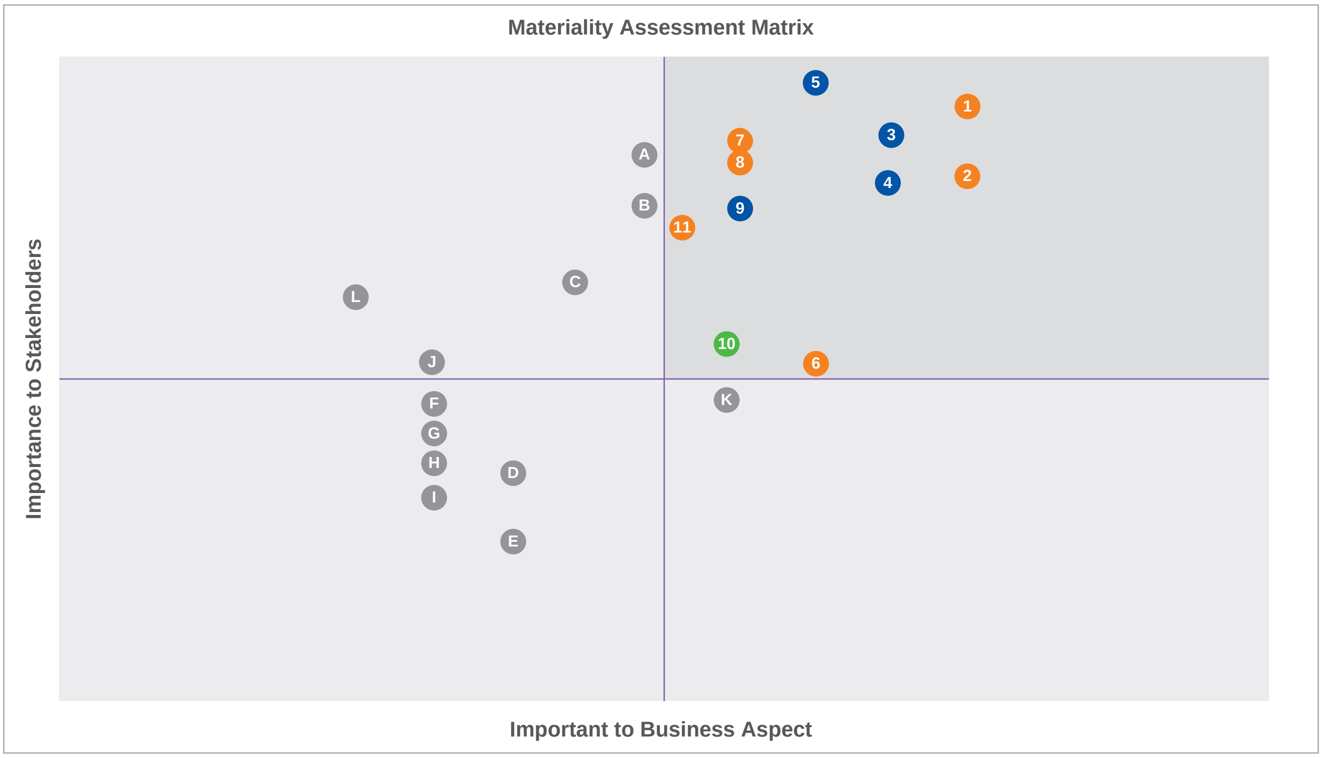
We started with identifying key material topics that are relevant and applicable for our business activities. Secondary research was conducted in reference with global standards and frameworks (like SASB, GRI Standards) and and benchmarking with the Industry. Based on this, a list of material topics were shortlisted.

Prioritisation

The identified material topics were prioritized based on the inputs from key stakeholders taken with the help of a structured questionnaire using the materiality assessment tool.

Finalisation

Based on impact on business and the inputs of the Leadership team the topics were rated in order of their importance. The outcome is represented in the matrix below.



1 Customer Satisfaction 2 Innovation and Digital Transformation 3 Delivery Capabilities 4 Financial Performance 5 Ethical Governance and Compliance 6 Infrastructure Development 7 Talent Retention and Acquisition 8 Employee Well Being 9 Business Continuity 10 Energy Management 11 Diversity and Equal Opportunity A Skill Management and Upgradation B Human Rights and Grievances C Environmental Compliance D Climate Change Vulnerability E Social Impacts of Products F Water Management G Opportunities in Clean Technology H Waste Management I Emissions Management J Community Development K Environmental Impact/Green Infra L Policy Advocacy

High Priority Social Material Topics | High Priority Governance Material Topics | High Priority Environmental Material Topics | Other ESG Material Topics

The material topics identified as high priority are presented in the table below. We plan to review these material topics internally on an annual basis considering alignment with our business objectives.

Material Topics	GRI Standards Topics	Alignment with SDGs	Key Performance Indicators	Reference section in the IR
Customer Satisfaction	• Customer Privacy	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• Substantiated complaints concerning breaches of customer privacy and losses of customer data	Social and Relationship Capital
Innovation and Digital Transformation	• Non-GRI	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Patents filed • White paper published	Intellectual Capital
Ethical Governance and Compliance	• Anti-corruption • Anti-competitive Behavior	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• Operations assessed for risks related to corruption • Communication and training about anti-corruption policies and procedures • Confirmed incidents of corruption and actions taken • Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate Governance Report
Financial Performance	• Economic Performance	8 DECENT WORK AND ECONOMIC GROWTH	• Direct economic value generated and distributed	Financial Capital
Employee Well-being	• Employment • Diversity and equal opportunity	3 GOOD HEALTH AND WELL-BEING	• Comprehensive set of benefits provided to full-time employees to take care of their health, family and death/disability • Parental leave • Diversity of governance bodies and employees • Ratio of basic salary and remuneration of women to men	Human Capital
Talent Retention & Acquisition	• Employment • Training and Education	8 DECENT WORK AND ECONOMIC GROWTH	• New Employee Hires and Separations • Learning in emerging technologies captured through average hours of training undertaken	Human Capital
Delivery Capabilities	• Non-GRI	8 DECENT WORK AND ECONOMIC GROWTH	• Number of Global Delivery Centres • Number of Employees	Manufactured Capital Human Capital
Business Continuity	• Non-GRI	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Implementation of BCMS	Manufactured Capital
Diversity and Equal Opportunity	• Diversity and Equal Opportunity	5 GENDER EQUALITY	• Diversity of governance bodies and employees • Ratio of basic salary and remuneration of women to men	Human Capital
Energy Management	• Energy	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Energy consumption within the organization • Energy consumption outside of the organization • Energy Intensity • Reduction of Energy Consumption	Natural Capital

Financial Capital

Navneet Khandelwal - CFO

“Despite the challenges presented by the pandemic during FY21, we have ended this fiscal with a strong cash position at $166.3 Mn. Our DSO stood at 77 days, On a Y-o-Y basis, DSO days improved by 9 days, which underscores our initiatives to continually improve on operational metrices. Building on our focus areas of driving velocity and empowerment, we will continue to launch programs that drive solutions through scalable, agile processes to deliver predictable outcomes with consistency.”

Key Highlights

18.7%
EBITDA Margin (+620bps YoY)

77
DSO (Down 9 days YoY)

USD 166.3 Mn
Net Cash (up 178.4% YoY)

8 DECENT WORK AND ECONOMIC GROWTH

Contributions to SDGs

Inputs	Outcomes
• Shareholders’ Equity • Retained Earnings • Operating Cash Flow	• Revenue • Earnings before Interest, Taxes, Depreciation, and Amortization • Profit After Tax • Earning Per Share • Return on Capital Employed

The reported numbers are for core business (excluding TPM business divested in FY21), refer note No. 34(i) of the Consolidated Financial Statements.

Economic Value Creation

Economic Value Creation entails Economic Value Generated (EVG) and Economic Value Distributed (EVD). While the former includes the revenues generated by the company, the latter includes the expenses in the form of payments made to internal and external stakeholders.

Post deduction of EVD from EVG, we derive the Economic Value Retained by the Company, in monetary terms. This constitutes the profitability of the Company and is an indication of the Economic Value Created for the shareholders and other stakeholders.

All units in INR Million

Parameter	FY 2020-21	FY 2019-20
Economic Value Generated	**37,814**	**41,817**
Revenues	37,814	41,817
Economic value distributed	**33,552**	**40,125**
Operating costs	9,840	13,741
Employee wages and benefits	21,526	23,475
Payments to providers of capital	683	1,689
Payments to Government	1,421	1,167
Community Investments	82	53
Economic Value Retained*	**4,262**	**1,692**

* Economic value retained = Direct economic value generated - Economic value distributed

Contribution to exchequer in form of taxes plays an important role in development of the region and the jurisdiction that the Company operates in. With the same philosophy, Zensar's tax strategy is to comply with the tax laws in the jurisdictions in which it operates. The tax strategy is reviewed annually by the CFO, and the Head of Tax. The tax governance and control framework is embedded in the Company's internal controls, and compliance with these controls is assessed through periodical reviews by the Company's Internal Audit function and independent external auditors. The Head of Tax is responsible for compliance with the internal controls. The tax disclosures are included as part of the financial statements, which are audited by independent external auditors. The Company engages with tax authorities in various jurisdictions through tax inquiries and audits. The system has established to report concerns about unethical or unlawful behavior through The Secretary and Corporate Governance & Ethics Committee. For more details on tax, defined benefit plan obligations and retirement plans, refer to the financial statements and notes to accounts.

Financial capital is the pool of funds in the form of equity, debt and retained earnings which is used to support our business operations. For our business, financial capital enables creating other forms of capital and enhances capabilities to deliver world class products/services to our customers. We have effectively deployed financial capital not just to deliver business results, but also to generate sustained economic value for all stakeholders.

The overarching objective for us is to deploy financial capital optimally and efficiently which will accelerate growth and help sustain margin profile in the long run. We are developing cutting edge capabilities to identify white spaces and achieve the following primary objectives.

01
Develop cutting edge capabilities to accelerate growth and identify the white spaces

02
Accelerate growth

03
Maintain margin profile

We have refreshed our strategy and defined five strategic growth opportunities (SGOs) that will help repurpose the available resources, investments and alliances to deliver maximum business impact.

Initiatives

Margin improvement

In FY21, we have recorded EBITDA margin of 18.7% compared to 12.5% in FY20. Profit after tax (PAT) margin stood at 9.5% in FY21, an improvement of 300bps over previous year. The significant increase of 620 bps in EBITDA margin in FY21 was driven by below key efforts.

- **Strong Control on Operation:** Focus on increasing offshore mix; lower sub-contracting costs due to enhanced internal fulfilment; lean and automation initiatives led to a positive impact on the margins.
- **Cost Control:** We have adopted a process whereby ROI from each major spent is assessed which has helped in optimizing our spends and thereby improving margins.
- **Lower Travel Cost:** Restrictions imposed by various countries due to Covid-19 pandemic led to low travel cost during the previous year resulting in significant savings and thereby contributing to margin expansion.

Sustained efforts towards reducing Days Sales Outstanding (DSO)

The sustained internal efforts on reducing the DSO over the past several quarters have generated a positive outcome, especially during FY21. The class-leading efforts that facilitated this significant improvement included benchmarking, operational levers, tactical compression, structural changes, and implementation of new age IT tools.

Profit after tax (PAT) margin stood at 9.5% in FY21, an improvement of 300bps over the previous year.

Operational Levers

- Adopted steps to improve the "first-time accurate" invoice and eliminate inefficiencies.
- Identified areas that delayed conversion from 'unbilled to invoicing' to minimize unbilled time.

Tactical Compression

- Streamlined the billing process and analysed the Customer Accounts Payable cycle to trigger generation and invoicing processes at the right time.

Structural Changes

- Co-ownership of collections with a partnership approach between the sales team and the finance team
- Redefined roles and responsibilities for the collection team by establishing Standard Operating Procedures (SOPs).
- Adopted leading practices to improve cash collection efficiency

IT Enablement to IT-led

- Implemented in-house advanced analytics tool based on predictive analysis of invoicing and collections over the previous four years. The tool identifies and triggers red flags for invoices that require follow-up based on prior processing timelines. This tool has helped the finance team prioritise its collection efforts based on the outcome of the analytics.

Strategic allocation of cash

Our capital allocation strategy revolves around reinvigorating sustainable profitable growth and investing in businesses and opportunities that expand our capabilities.

Debt Free in FY21

- In FY21, we became a debt-free Company having repaid all external borrowings. We, at Zensar, have a healthy cash reserve, despite complete repayment of debt, which will be utilised to explore growth avenues and capitalise on market opportunities.

Mergers & Acquisitions (M&A)

- Strategic Growth Opportunities (SGO) driven M&A is one of the key pillars of growth identified in the strategy refresh exercise. The war chest that the Company has built over the years enables Zensar to explore acquisition targets within the gamut of five identified SGOs.
- Building capability in areas of investment and getting a leapfrog are imperative for any M&A activity at Zensar. The core objective of an M&A activity is to ensure predictable, sustainable, and profitable growth.

Digital Transformation in Finance Function (Project Honeycomb)

Digital is transforming our lives daily. Leveraging technology to enhance our business has been our focus. We have been listening to our business teams and receiving insights. We explore possibilities to enhance the experience and bring in more efficiency. With this perspective, Digital Transformation was initiated under the flagship program "HoneyComb". This program was constructed with a focus towards empowering the organization to have data-driven decision making and accelerate processing time with innovation and automation. We commenced with a clear vision and strategy to increase velocity.

Under this flagship project, in FY21 we have been able to deliver digital platforms by investing in new-age technologies like Blockchain, Intelligent BOTS and Analytics. We re-imagined our current processes and built home-grown systems to enhance them. Some of these platforms are in Q2C (Quote to Cash), H2R (Hire to Retire), P2P (Procure to Pay) and R2R (Record to Report) processes. In this journey, we have transformed our finance function's outlook to be agile, with data centric approach. There has been a great emphasis on investing in the right skilled employees to ensure we are future ready. Some of the high impact projects that we did in FY21 were ZenAccurate, ZenWallet and ZenConfluence.

ZenAccurate is a product built to manage and automate the pricing process. It has made our pricing process agile, scalable and competitive with relevant benchmarks and analytics to ensure we price in line with deal strategy.

ZenWallet, an experience-led digital platform for tracking and managing projects on a real time basis in line with budgeted cost has empowered the delivery organization to take informed decisions and deploy flexible delivery plans to meet the client goals while managing the costs effectively.

Case Study ZenConfluence: Optimising subcontractor management through blockchain

ZenConfluence a blockchain enabled system solves the following problems effectively:

- Managing skills which need sub-contracting
- Proactive decision-making
- Upfront estimation of impact to the project to initiate risk mitigation
- Analytics-driven spend optimisation
- Seamless channel for vendor invoice submission and tracking dues
- Governance of contracts renewal

The system provides a unified view to all stakeholders working in Zensar (global recruiters, project managers and finance team) in procure to pay lifecycle.

ZenConfluence, our in-house block-chain based Subcontractor Management System, has been designed to create smooth workflow, bring traceability and effective analytics driven control over subcontracting costs. This has delivered immediate results in controlling subcontracting costs globally. This has also enhanced vendor and customer experience.

- ZenConfluence has received the Chairman's Award - Innovation Festival 2020_21 at RPG. (*detailed in the case study).
- It was also mentioned in Gartner's Market Guide for Blockchain Consulting and Proof-of-Concept Development Services, and Tool: Vendor Identification for Blockchain Service Providers, published 26 Aug 2020.

There has been a great emphasis on investing in the right skilled employees to ensure we are future ready.

Human Capital

Vivek Ranjan - CHRO

"FY 2020-21 was the year of the global pandemic and it has certainly taught us the importance of being connected and improving mental and physical wellness. At Zensar, our primary focus is on connectedness and wellness. Keeping employee centricity in mind, we have taken several initiatives to promote employee well-being, diversity, and inclusion. Our Happiness framework, one of its kind in the industry, plays a pivotal role in enhancing employee well-being."

Key Highlights

9,111
Employees global Headcount

52
Average training hours per employee

46
Diverse nationalities

30%
Permanent women employees

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

Contributions to SDGs

Inputs	Outcomes
• Knowledge-based workforce • Talent acquisition and retention • Investment on training and development • Employee engagement • Employee diversity	• Readiness to respond • High employee retention • Employee skill development • Employee well-being • Inclusive work environment

We are a preferred employer in the IT industry due to the razor-sharp focus on talent retention and development. Our Employee Value Proposition (EVP) relies on four pillars - Grow, Own, Achieve and Learn, enabling employees to be the best version of themselves. End-to-end virtual on-boarding through the internally developed application Talent @ Zensar (T@Z) has resulted in a smooth on-boarding experience for employees. A market competitive compensation strategy for all employees clubbed with holistic rewards and recognition mechanisms has ensured high retention and increased employee productivity.

Our leadership development programs like FIT LeAP and ACE LeAP enable employees to develop competencies for future roles. We also have tie-ups with premier B-schools for availing access to their executive education programs for our middle and senior level talent. In partnership with a global learning experience platform, our employees have access to a suite of learning offerings for honing their technical and managerial skills. It has a wide range of self-learning and instructor-led programs. The employees must complete specific learning hours every year to meet performance goals.

Organization Management Review (OMR) is a comprehensive process to review the organisation structure and incumbents of key roles in the structure to ensure alignment to our overall strategy. This process also includes succession planning of key roles and development planning for top talent that gets identified through this process.

The fast-paced adoption of digital tools and platforms in HR has helped us make the employee journey more engaging and productive. We have an internal platform where employees can post queries or concerns, and the concerns are addressed by the relevant stakeholders.

Talent Acquisition

We, at Zensar, always believe in hiring the right talent to meet the business requirements. Our intense focus on campus hiring has resulted in providing the best career platform to numerous engineering graduates. We also hire graduates from premier B-schools across the country. Our key geographies for inducting fresh and experienced talent include the US, UK, South Africa, and India.

We are an equal employment opportunity employer encouraging diversity in the workplace. Candidates for any role receive equal consideration for employment without regard to their race, creed, colour, ancestry, religion, sex, age, sexual orientation, gender identity, disability, marital status or any such other discriminating factors.

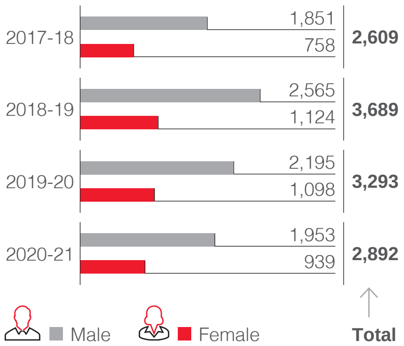
Onboarding

Our onboarding process has been made 100% digital and all our hiring is now done remotely. The entire documentation process is done through our internally developed application, Talent @ Zensar. Once on board, we have different induction programs, such as our Lateral Induction and Campus to Corporate programs, to help our employees assimilate.

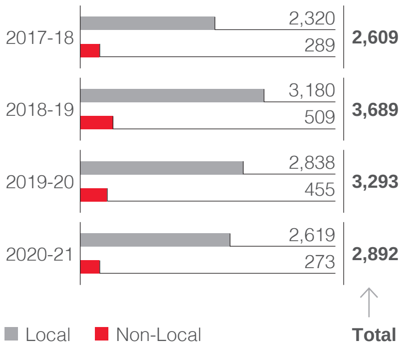
Employees hired by age group

Age Group	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
< 30 years	1,698	1,961	2,105	1,566
30-50 years	1,063	1,181	1,439	989
> 50 years	131	151	145	54
Total	**2,892**	**3,293**	**3,689**	**2,609**

Employees hired by gender



Employees hired by residential status



Our intense focus on campus hiring has resulted in providing the best career platform to numerous engineering graduates.

Case Study **Gender Sensitisation: Aligning Diversity and Inclusion agenda**

As we take pride in our way of incorporating diversity and inclusion at our workplace, we decided to organize a company level sensitisation discussion for the same, designed specifically for people who interact with managers and group leaders.

The main agenda of this discussion was:

- To help people become self-aware of the stereotypes they may be consciously or subconsciously carrying about others.
- To change behavior and instill empathy into the views we hold about our own and the other sex.
- To help distinguish between sex and gender.

The whole session was a 6 hours classroom model and 2 hours virtual model. The session started with a "look within" exercise that encouraged participants to examine their personal beliefs regarding the division of labour between men and women and equality of access to work.

Packed with video clippings that portrays unconscious biases towards different genders, the session further highlighted the biases towards women at the workplace and how they are perceived to be less talented than their male counterpart in terms of female being not able to handle complex modules and calculations. The session also highlighted some of the reservations that females have for their male counterparts like how some women team members assume that their male managers would never understand in case they have a personal problem to share with them, how some women managers may assume that their male team members can always stay late.

The session also elaborated the stereotyping that happens leading to the discussion and understanding of the difference between sex and gender and thereby enabled the participants to learn to be sensitive and communicate accordingly. The content further talked about conversational collisions, unspoken messages, double messages and ended with a beautiful note encouraging all to practice Equity and Inclusion.

Major outcomes were in the form of alignment with Diversity and Inclusion agenda of Inclusion of all - including PWD, other genders, cultures and more in the workforce.

Compensation

We are an equal opportunity employer and our policies, compensation, and rewards are strongly aligned to this premise. Our integrated set of compensation components and pay-mix, incentives, recognition policies, and benefit schemes makes us competitive in the talent market and provides for premium consideration for "top talent."

Diversity and Inclusion

At Zensar, our philosophy on Diversity is to Include and Impact. Our diversity program embraces employees of different genders, ages, sexual preferences, nationalities, backgrounds, experiences, special physical disabilities and supports them to work collaboratively by creating a culture of inclusivity.

Average Learning hours in FY 2020- 21

Diversity Metrics:

- The summary of learning hours of our male and female associates is as follows. In FY 2020-21, we were able to deliver 5,250 unique learning topics to our 2,593 women associates.
- We track the progress of our female associates and provide them with ample growth opportunities

Our All-Inclusive Policies:

Our policies play a key role in outlining our commitments to diversity and inclusion. Our list of policies for supporting all-inclusiveness includes - special referral bonus for hiring women candidates, flexible working hours, sabbatical for handling personal critical situations including maternity complications, adoption leave, bereavement leave, adoption & surrogacy leave for single parents.

25.8% of our women employees are top talent.

Empowering Initiatives:

We have taken many initiatives to boost diversity and inclusion at the Company level. This initiative includes - partnerships with daycare centres near the workplace, pregnancy care program, virtual support groups and parenting workshops, mandatory sensitization learning programs for mid-level managers, "Enliven" program to bring women back to the workforce post a sabbatical, Womentoring - Mentoring initiative for Women Top Talent leaders to support balanced leadership and many more.

Accolades (Diversity & Inclusion):

Our diversity and inclusion initiatives have been recognized by external stakeholders. These recognitions are a testimony of our efforts and their positive outcome. Some examples are as follows:

- Listed participant in McKinsey's Women in Workplace study for the US region
- Signatory member of United Nations Global Compact and UN Women

Learning and Development (L&D)

Building next generation technology capabilities are a critical business imperative for Zensar. We have mechanisms to reskill, cross-skill, upskill, and multiskill initiatives in the emerging technology areas.

The learning and development programs boost employees' performance, morale, consistency, and productivity. Our learning objectives are aligned in two categories – Technical learning in which we focus majorly on technical capacity building of our employees; and behavioral learning in which we focus majorly on non-technical aspects such as soft skills and leadership or managerial skills of our employees.

Average learning hours are as follows:

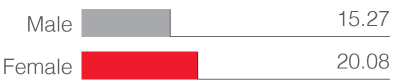
Senior Management

Behavioral Learning
(hours)

Technical Learning
(hours)

Middle Management

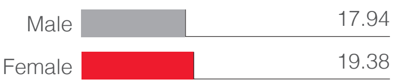
Behavioral Learning
(hours)



Technical Learning
(hours)

Junior Management

Behavioral Learning
(hours)



Technical Learning
(hours)

Key highlights:

Average Technical Learning hours per employee during FY 2020-21 is

52

Person hours

More than

7,300+

Employees have completed up-skilling and cross-skilling in emerging technologies during FY 2020-21

500+

Freshers from Work From Anywhere (WFA) batches completed technical trainings and were deployed on delivery projects

Our key training initiatives include

- **ZenLearn:** An app to help our employees plan and execute the planned training
- **VLearn:** Suite of offerings for virtual learnings at a global scale.
- **TechTonic 2.0:** Enables up-skilling and cross-skilling of our employees through identified technology tracks.
- **DFS Academy & Cloud Competency Building:** This is a focused initiative to build cloud competencies in Azure, AWS, and GCP.

Featured in Avtar's 100 Best Companies for Women and Working Mothers in India, the third time in a row in 2020

We have a well-crafted Zensarian 5.0 competency framework which acts as a foundation for the development of leadership competencies.

During Covid-19, we introduced bite-sized learning modules. We have also introduced learning modules & sessions to address emotional well-being.

Employee Engagement

Employee engagement, we believe is a connection between employees and the organization that manifests in a psychological and emotional commitment enabling them to realize and contribute to their full potential. Celebrating life, celebrating work, and celebrating excellence help build this connection.

Some of the initiatives driving engagement are listed below:

Communication Channels:

Our communication channels include:

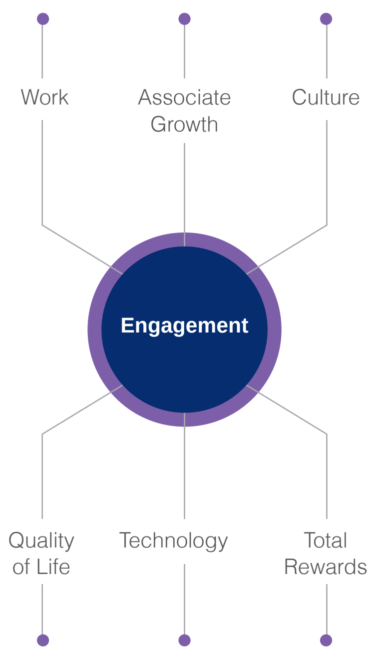
- **ZenLounge** – Our intranet that enables the employees to keep track of all organizational initiatives, activities, and updates and express their views on the same.
- **ZenVerse** - An exclusive app, for employees to directly connect and interact with the CEO and the leadership.
- **Talent@Zensar** - A one-stop digital platform that enables employees to manage all Talent related processes/ interactions through a single platform.

Listening Channels:

We have diverse listening channels at Zensar including, skip-level meetings, leadership-connect sessions, employee pulse surveys, group-level meetings, Everybody Meeting, CEO 1000 club, and focused group discussions.

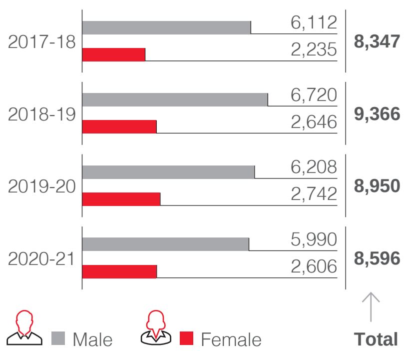
We also have a well-designed grievance mechanism and escalation matrix which helps in providing necessary channels for employees to raise their concerns.

Associate Engagement Framework

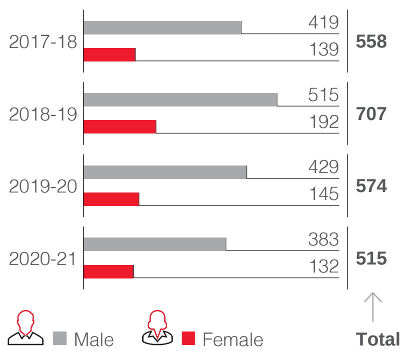


Employee segmentation by gender

Permanent Employee

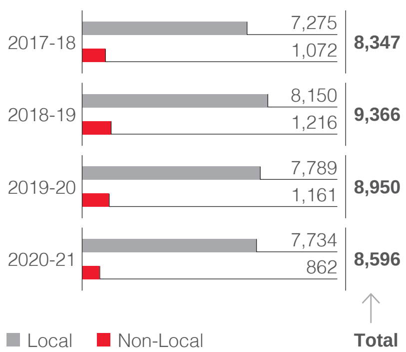


Temporary Employee

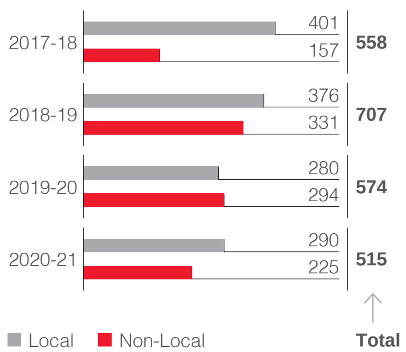


Employee segmentation by residential status

Permanent Employee



Temporary Employee



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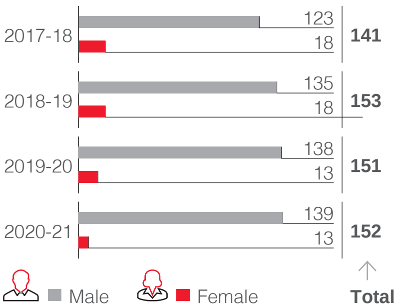
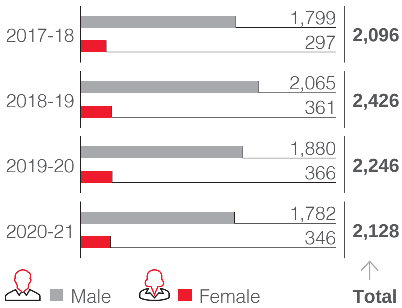
Employee segmentation by Employee Type

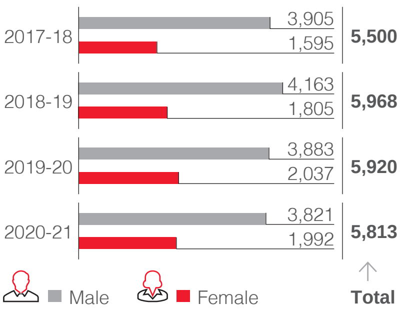
Senior Management



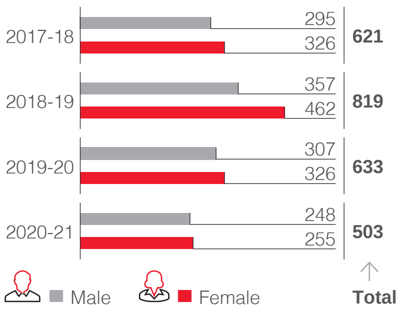
Middle Management



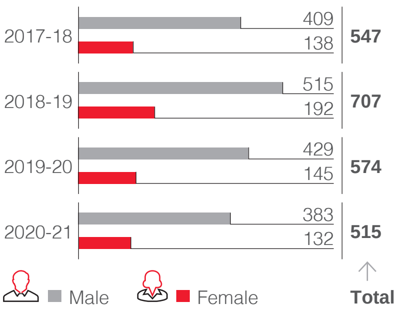
Junior Management



Trainee

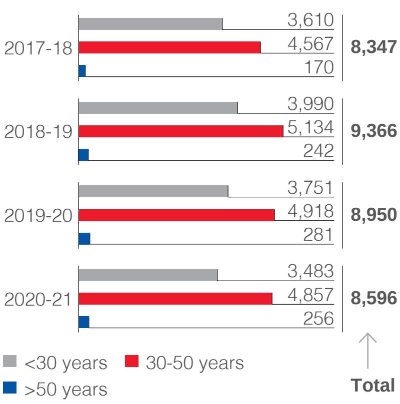


Retainer & Sub Contractors

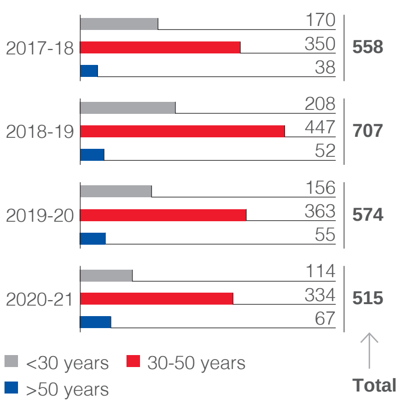


Employee segmentation by age group

Permanent Employees



Temporary Employees



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Overview of our workforce

Happiness Framework

Happiness is inherent to life at RPG and we aspire to continuously improve the happiness of our employees. "RPG Happiness Framework" consists of factors that drive happiness of our employees. It aims to create an empowering and enabling work environment. This framework puts our employees' Happiness first and serves as our guiding light for policies, processes and workplace initiatives.

The key metrics for the framework is as follows:

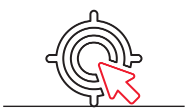
Key factors for happiness framework

I am passionate about my work

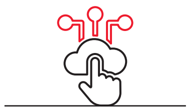
I cherish our culture

I am growing

I feel valued



I live a purposeful and balanced life



I feel connected

Our Happiness Global Council continuously reviews existing programs, policies, and initiatives to cater to more happiness and engagement at the workplace. During the reporting period, a Happiness survey was conducted between 5th to 26th March 2021 to capture employees' pulse concerning the tenets of Happiness Framework.

Talent Retention

To ensure maximum retention of the talent, we focus on developing and rewarding our talented and performing employees.

Recognising our employees is an integral part of Zensar's values. The framework, being global, enables consistent experience irrespective of employees' location.

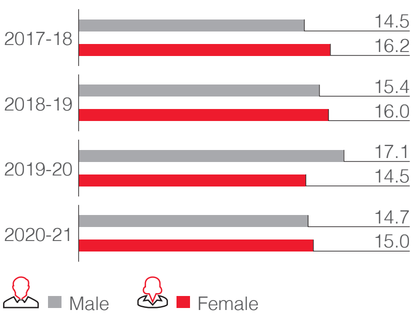
We have multiple categories of monetary and non-monetary awards and a continuous recognition mechanism to recognize our talents at various levels. This includes Quarterly and Annual Excellence Awards, CEO Club Awards, RPG Top Gear Performance Awards Felicitation and Spot Awards.

Details of the employee turnover* are provided in the table below.

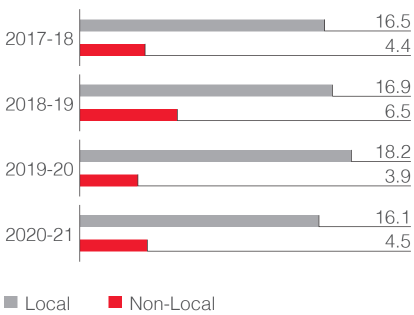
Turnover by age (in %)

Category	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
< 30 years	20.1	20.5	20.4	19.9
30-50 years	11.3	13.3	12.0	11.5
> 50 years	7.4	10.3	9.5	6.1

Turnover by gender (in %)



Turnover by residential status (in %)



*Does not include temporary employees

We always focus on developing and rewarding our talented and performing employees.

Employee Well-being

The holistic well-being of our employees has been our key priority. In the difficult times of Covid-19, we have ensured that our employees are well connected and engaged with us, and that they receive the maximum advantage from various health programs.

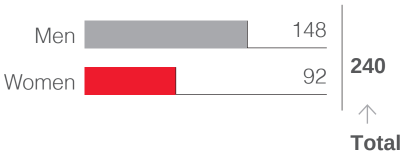
Following are some of the key initiatives towards employee well-being:

- 130+ sessions conducted on holistic wellness of our employees (Mental, Physical, Financial etc.)
- Global Work from Home Policy
- Extensive support to Employees during Covid through, Emergency Response Teams present in each region, Covid-19 Safety feature on Talent@Zensar mobile app for employees to reach out for assistance through 'Safe/healthy' feature, Policy updates
- Return to office plan

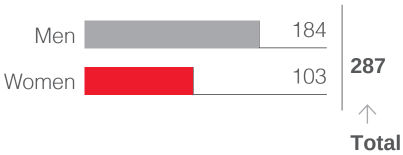
- Mental Well-being Summit
- Tie up with third party agency to extend benefits of Covid testing & homecare packages at affordable rates in India
- Initiative to capture key challenges faced by employees. Conducted FGD's to produce recommendations on key survey responses
- Regulatory Messages, WHO Links, All Covid-19 Zensar Announcements
- Telemedicine & Teleconsultation

We seek to provide the best benefits to our permanent employees. Health insurance, accident insurance, term life benefits, voluntary car insurance, employee assistance program, annual health check-up, car lease benefits, pregnancy care program, national pension scheme, leave travel allowance, telephone reimbursement, fuel reimbursement, relocation allowance, and gratuity are the benefits provided to them. All employees who availed parental leave during the previous reporting period are currently employed with us after 12 months of return to work. The following table provides details on parental leaves:

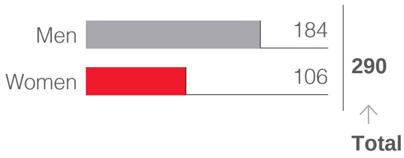
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work



Total number of employees that returned to work in the reporting period after parental leave ended



Total employees that took parental leave during FY 2020-21



Occupational Health and Safety

Healthy and safe working environment for all our employees is one of our top priority. We have multiple programs to ensure well-being of our employees.

Intellectual Capital

Chaitanya Rajebahadur - Executive VP

"We focus on innovation to turn around challenges into exciting opportunities. Laying our foundation on the principles of strong innovative mindset, we have invested a significant amount of time in coming up with innovative ideas that adds value to our stakeholders. We have an in-house platform that is instrumental in fostering innovation culture across the organization."

Key Highlights

150

Patents Filed (cumulative till FY21)

188

Whitepapers Published (cumulative till FY21)

38

Number of people at ZenLabs

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Contributions to SDGs

Inputs	Outcomes
• Investment in research and innovation • Innovation portfolio • New collaborations and memberships	• Number of patents filed • Recognition for innovation • Number of people working at ZenLabs • Align to technological change • Thought leadership and point of view papers.

Augmented/ Virtual Reality Innovation of the Year

at International SDC awards

The 2021 Big Innovation Awards

for work done by ZenLabs on building client-focused solutions across next-generation technologies

ZenConfluence

A blockchain-based solution designed to manage subcontractor's lifecycle within Zensar

Chairman's Award - Innovation Festival 2020-21

at RPG Innovation Festival Season-3 for blockchain solution on "ZenConfluence: Subcontractor Management System"

As a digital solutions and technology services company, we take pride in our strong innovation capabilities and Intellectual Property (IP). Our invaluable IP is the result of our culture that drives an innovative mindset. We identify white spaces for innovation and focus on building best in class technology solutions through our intellectual capital. An applied research centre, ZenLabs is the epicenter of our Intellectual Capital enhancement.

ZenLabs acts as an innovation hub for us and is recognized by the Department of Scientific and Industrial Research, Government of India (DSIR). We acknowledge the belief that stakeholders are vital to an organization's innovation drive. Our own innovation is tailored to the demand for specific areas of growth, alongside creating novel technologies in unchartered space in the sector. We follow an inside-out and outside-in approach at ZenLabs, wherein a co-innovation approach is adopted in collaboration with internal and external stakeholders. This also helps us in developing new solutions with insights from our business leaders.

In addition to ZenLabs, our technology groups aligned to business units have contributed significantly to our innovation efforts. They help us improve our adaptability in dealing with the changing nature of our customers, stakeholders and their requirements. The pandemic has strengthened the spirit of collaboration and innovation with many newer technologies being the focus of our improved yet meticulously executed projects across a range of clients from different sectors. We firmly believe in the excellence of our ability to deliver quality in our products through the challenges brought about by the pandemic. Our dedication to innovation has resulted in unique offerings tailored to the specific situational requirements of our clients during these uncertain times.

Intellectual Property

The Intellectual Property at Zensar stems from the innovation driven mind-set and culture of learning new technology. This requires us to invest our time and efforts into nurturing and improving the capabilities of our people. One of our most interactive and influential programs is 'Tech Café' where everyone at Zensar can tune in to learn from industry leaders and management on issues of importance within the sector and beyond. This has helped us inspire our creators to use additional knowledge to drive their work forward.

We encourage innovative thought process through a group level platform of RPG Innovation festival, where the entire organization comes together to present innovative ideas, and a few shortlisted ideas are presented at the group level. Technology mentors have initiated a one to one connect program to interact individually with the top talent at ZenLabs. This helps in nurturing talent through effective mentoring. Our employees also take part in hackathons, and ideathons, organized on a regular basis, to better foster team spirit and collaborative understandings of specific problems that require dynamic and sustainable solutions.

Some of our solutions are focused on helping our customers explore newer revenue streams by helping them optimize their existing processes. Zensar's technology groups at businesses have bridged between our own innovation processes and our solution offerings to the customers. It helps us move beyond.

Employees position themselves at the frontier of technology through an emphasis on heuristic learning. We believe that motivation to learn is an integral part of development in the technology space.

For us to grow, we must effectively manage our intellectual property throughout our projects. We develop products and platforms creating potential for non-linear revenues and potential new revenue streams. We engage with our customers through customer Innovation days to explore the art of possibility and demonstrate thought leadership. This demonstrates our desire to move beyond the realms of a sole business approach.

Innovation centres

ZenLabs is a focal point of our research and development efforts. It is a source of majority of our patents that result from our ongoing research. ZenLabs was first set up in our Pune campus in FY18. We expanded the reach by launching second ZenLabs at Hyderabad in FY19.

Areas of work @ ZenLabs

Our approach involves a focus on observing, investing, and collaborating (OIC) on progress within the technological sphere.

As part of the observed, we understand and investigate the latest trends in technology to build an effective technological organization. We study and publish white papers to better understand our problems and create effective solutions to solve them. Some of these areas which we track on a regular basis include quantum computing, DNA computing, space technology, nano technology, etc.

We invest in building our intellectual property on an open model of engagement with our valued customers. These include deep learning and generative models, computer vision, augmented reality, virtual reality, semantics, NLP and Relational Models, cloud computing, data and artificial intelligence engineering, predictive analytics and actionable intelligence, blockchain and distributed ledgers, etc. State of the art algorithms are owned by us, and this adds significant value to our intellectual capital.

We realize that the spirit of research and technological progress involves collaboration with other stakeholders to further our own objectives. One of our initiatives involves building academic alliances with partner institutions in assisting us with our research into areas such as artificial intelligence. The collaborative efforts will help us harness the creative abilities of individuals and stakeholders from a wider range of expertise.

Unique Talent @ ZenLabs

Our talent pool at ZenLabs comes from institutes across the globe and with a multitude of different backgrounds. They come from global universities including many of the researchers being Ph.D. holders, experienced researchers and solution architects bringing valuable knowledge and experience on board. This leads to achieving new heights in technical excellence. We recognize the importance of improving the creative process of our employees by providing them with the exposure and facilities needed to carry out research in the most effective manner.

We study and publish white papers to better understand our problems and create effective solutions to solve them.

Case Study **Partner Intelligence Analysis**

A two-phased consulting activity focused towards improving the partner engagement on the GTM platform was undertaken.

Customer's GTM program empowers partners with marketing resources designed to accelerate Time-to-market, generate leads, and grow business.

The customer team wanted to understand various parameters to evaluate the partner performance for their large number of partners (300k+). The sales of the offering of the organization are majorly driven by the partners. It was not possible to see how partners are taking the brand to their customers, whether they are paying more attention to the customers offering against their competitors. Post the analysis, we also provided recommendations about improving the partner engagement using AI in the GTM program. Our team built various AI-enabled algorithms.

We wanted to bring an unbiased and latent view of the partners. Hence, we decided to use the social media data of the partner to derive various insights.

Outcome of the initiative was in the form of a data driven methodology to evaluate their Digital Marketing content-based partner engagement program. Another output included partner intelligence tenets cross various structured and unstructured data source by understanding implicit and explicit behavior of Partners across Twitter. This also helped in identification of partners who will be effective with minimum hand holding as opposed to partners who will not succeed unless there is strong support and an AI Roadmap to enhance the customer's GTM program and other strategic initiatives.

We also encourage our employees and management to take part in industry-specific forums which help them understand the extent of knowledge and innovation of our peers. In all, we are aware of the importance of understanding and collaborating with the industry at large, to produce the best possible results for our own research and development.

Innovative Solutions

With our human experience-centric approach, proprietary platforms and AI-enabled solutions, we enable enterprises to smoothly manage digital transformation from an environment that is fragmented, replete with disparate point solutions, and heavy on human intervention. This has made us a partner of choice for many large and mid-size organizations driving their transformation to become a more customer-focused agile and responsive enterprise.

During the reporting period, our technology practices launched multiple solutions including Zensar Enterprise Resiliency Framework (ZERF), ZenTrust, InsureArk ZenCARE, mainframe modernisation, Integrated Digital XDR as a service, SAP migration to cloud, application performance monitoring, certsecure, zero trust – identify access management program among others.

The technology practices has focused on transforming the end-to-end Application life cycle for enterprises – making them more agile and helping them chart an efficient digital transformation roadmap.

We are aware of the importance of understanding and collaborating with the industry at large, to produce the best possible results for our own research and development.

Case Study

Our innovative journey: Supply chain transformation for a departmental store chain.

We undertook a project for an acclaimed departmental store in the USA which aimed to transform their supply chain. Our objective was to create an on demand supply chain which can scale up and down based on the business need while addressing the organisation's unique business need. The stakeholders for the project involved the Chief Information Officer, Chief Executive Officer, Chief Development Officer, Vice President - Merchandising, and Vice President - Supply Chain in addition to several other stakeholders across thesupply chain.

This involved a 3 - year transformational program with phase wise roll out in large distribution centres, small distribution centres which cater to seasonal loads, and customer fulfilment centres including online channels for outbound processes. The process involved the transformation of an existing combination of legacy, commercial product based, and application based fragmented warehouse management system to a Cloud based One WMS platform.

The outcome of the project was for the organisation to entirely move out of commercial warehouse management to have a built for purpose warehouse management platform that leverages the power of cloud computing. This is an ongoing initiative which involves the retiring obsolete warehouse management systems. As a milestone, we supported warehouse management systems for one supply distribution centre before peak demand cycles for 2021. This approach has resulted in increased capacity, availability, and scalability for peak periods with best in class security practices. Our objective involves retiring existing infrastructure and reducing large digital footprints.

Case Study **Transforming IT operations for a global financial service firm through Zensar's Autonomics platform**

One of our clients from the global financial services sector wanted us to reduce the operational noise by 75% through automated resolution to translate it into a 25% reduction in the operational cost. The client having a presence in over 30 countries with a workforce spread across the continents, implied the stakes were quite high. Through the initial analysis that we conducted of the prevalent practices, we observed that absence of automated processes for the on-premises environment was leading to manual time-consuming interventions resulting in costly human errors. This led to the need for improvement in productivity.

The root cause for low productivity as observed by our team was the lack of process automation linked to rise of event flood, delayed Root cause analysis (RCA) and more issues with higher Mean time to resolve (MTTR). Our team concluded that one of the key solutions would be an end-to-end integrated system that would cater to monitoring, event correlation, ITSM, and automation. We also monitored the real-time and historical data for anomaly detection and performance analysis.

Way ahead

The intellectual capital is a defining factor in shaping our services as we expand into newer domains and explore white spaces. Understanding and refining this capital will help us realign the core of our customer delivery. As a way forward, we aspire to maximize co-innovation projects with our customers, and look forward to developing an approach emphasising alliances with notable academic institutions and partners within academia and research. These partnerships will help us explore newer technologies and differentiate ourselves in terms of our technical excellence. We would continue our focus on qualitative results in improving our organization as compared to a sole quantitative approach beyond conventional measures. We look forward to participating in top-tier conferences around the world, showcasing our research-intensive publications. This ensures our focus on the nexus of technology and long-term value creation for our stakeholders.

We look forward to participating in top-tier conferences around the world, showcasing our research-intensive publications.

Natural Capital

Prameela Kalive - COO

"At Zensar, our operations involve working from various office locations across the globe. We are very conscious of the environmental footprint while operating out of these facilities. We undertake various initiatives, primarily for saving energy and water, reducing GHG emissions, and responsible waste management at our premises. We believe that these steps are critical milestones in our ESG journey. We believe that our efforts are instrumental in moving towards making Zensar a greener enterprise."

Key Highlights

100%
SUP free workplace

2
Indian Green Building Council (IGBC) certified facilities

2.02 GJ/ Employee
Specific energy consumption

1.75 m^3/ Employee
Specific water consumption

6 CLEAN WATER AND SANITATION

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Contributions to SDGs

Inputs	Outcomes
• Environmental investments	• Renewable Energy
• Energy Management Initiatives	• Energy Savings
• Water Management Initiatives	• Water Efficiency
• Waste Management Initiatives	• Reduction in Emissions
	• Reduction in Waste Generated

NATURAL CAPITAL

At Zensar, we operate from multiple office locations across the globe. We are committed to minimize our environmental footprint at each of our premises, through optimum utilisation of key resources. We have undertaken proactive measures by using energy efficient infrastructure such as Heating, Ventilation and Air Conditioning (HVAC) systems, UPS, lighting with Daylight and Occupancy Sensor, Indoor Air Quality Management, Proper waste management, Ergonomic Design, adopting to green building design etc. Our objective is to leverage our office designs in a way that allows us to enhance the sustainability of our office premises.

Our facilities operations supported by our in-house support team and Technical Infrastructure Management Support (TIMS) team played a key role in ensuring smooth functioning of the critical technical infrastructure.

Our Environment, Health, Safety and Energy (EHSEn) policy and objectives outline our commitment to nurture the natural capital. All our office locations in India are certified with ISO 14001:2015 Environmental Management System.

Our EHSEn management systems and control measures help us monitor compliance to environmental regulatory requirements.

We are cognizant of risks related to climate change and their possible impact on our operations. We are in the process of defining comprehensive climate change-related risks framework.
The outcome of this exercise will help us define appropriate risk mitigation measures towards our objectives of sustainability.

Energy Management

The sustainability initiatives adopted include cloud computing, green interior certifications, energy management programs and in-house applications to streamline employee commute. These efforts have been further augmented by technology-enabled Real time Energy Management System, and adequate training of our Facilities Executives and contractual support staff.

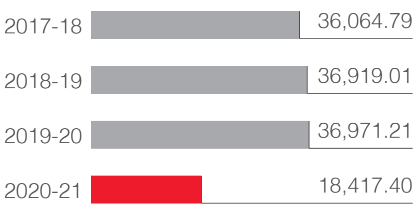
Considering the direct impact of energy consumption on our environmental footprint, through our Energy Management System ISO 50001:2011, we encourage efficient use of energy, set goals and targets for energy savings, and have adopted a robust mechanism to review progress on a regular basis providing real-time updates on energy consumption and it alerts us when it is time to act. Our energy conservation efforts have helped us achieve power savings of 5 million units (18,000 GJ) across all locations in India during the reporting period.

During the reporting period, our energy consumption across India operations was 18,417.40 GJ. This includes electricity imported from grid and diesel consumed for running DG sets. We are planning to include renewable energy in our overall energy mix. We aim to have 20% of our energy consumption requirement for our headquarter at Pune campus met through solar rooftop in FY 2021-22. We plan to achieve and meet our future energy requirement through other renewable energy solutions.

The trend of energy consumption for our India operations is as indicated below:

Energy Consumption

Total GJ



During the reporting period, due to Covid-19, our employees were working from home, however, our facilities operations continued to support the business-critical infrastructure supported by our inhouse support team and TIMS team. The critical infrastructure included client-facing ODC computers, which were kept in power-on mode along with necessary Heating, Ventilation and Air Conditioning (HVAC) and Precision Air Conditioning (PAC) systems. Additionally, the operations team also supported functioning of other basic infrastructure.

Our early adoption of work-from-home initiative and flexi-working hours has impacted environment and employees in a very productive manner. Our estimates suggest that we were able to save 0.6 million units of electricity through work from home environment out of 5-million-unit savings during the reporting period.

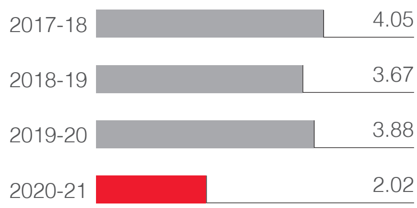
Some of our specific energy savings initiatives for this year are as follows:

- Use of Building Management System (BMS).
- Maximising usage of fresh air during low ambient temperature
- Use of portable or independent air conditioning units
- Improvement in cross ventilation
- Removal of extra heat loads from the space like large display units.
- Optimum use of lights while maximising use of natural lights.

With efficient management of Data Centre cooling requirements and our focus on energy savings initiatives, we have attained steady decline in specific energy consumption (energy consumption per employee) during past few years. This trend is indicated in the graph below:

Energy Intensity

Energy Intensity GJ/Associate



Case Study

Real Time Energy Management

We continuously strive to optimize our operations and adopt energy efficient technology solutions to update our systems in order to progress towards the goal of sustainable development. We monitor real time energy usage of all buildings (equipment) and control energy to avoid energy wastage in our Pune Campus and Epark office. We have initiated the Remote Energy Optimisation and Sustainability Services (REOSS) in order to analyse and interpret energy use. This solution also helps us in performance modelling of data and engaging in a process of continuous performance optimisation with remote monitoring and analytics.

As a result of the initiative, more than 20 Energy Conservation Measures (ECM) were identified in the span of past two years till March 2020, out of which 8 ECMs are continued in FY 2020-21 to save approx. 2.13 lakh units of electricity.

Few of the ECMs that contributed to energy savings are listed below:

- Running chillers for pre-cooling and limiting usage of 2 ODU units
- Closing of main supply for AC during non-working and providing individual AC for critical areas
- Avoiding running of large deep freezer 24/7 for Cafeteria
- Replacing door locks and gaskets for all refrigerators
- Optimising consumption due to chillers by avoiding simultaneous running of compressors and pumps and increasing the chiller set points during winter season
- Turning off all floor wise AHUs for specific building during non-working hours

Green Infrastructure

Sustainability is an important consideration across our facilities, where we make provisions for the efficient use of energy, water stewardship and resource conservation. As a result of our focus on green infrastructure, two of our facilities in India are IGBC Certified green interiors with platinum rating. We expect the certification for the remaining facilities to be awarded soon, making 100% of our new facilities in India to be IGBC certified green interiors.

Emissions Management

At Zensar, we are cognizant of the need to reduce Greenhouse Gas (GHG) emissions in our operations.

We have taken several measures to identify, monitor and reduce our GHG emissions, and are leveraging technology to envisage future readiness to reduce our carbon footprint. The "ZenCommute" in-house app is used to control and enhance vehicle occupancy as well as route optimization, which, in turn, reduces our carbon footprint. Our employees also have access to cab facilities, 10-15% of which are CNG-operated. We are planning to increase their share to 10% YoY.

Case Study

Optimum Utilisation of Electrical Infrastructure and Equipment

We believe that sustainability of our operations depends on our ability to obtain optimum utilisation of electrical infrastructure and equipment, use it cautiously and manage it conscientiously to achieve highest amount of output. Due to work from home, majority of our electrical infrastructure equipment were underutilized. We worked on few infrastructure device changes to get maximum efficiency and save energy in our all India operations. We analysed and identified the precise requirements.

The initiative involves integrating circuits and discarding the non-essential and low efficiency electrical infrastructure.

The outcomes of optimum utilisation resulted in shutdown of around 2 UPS system of 60 KVA at Hyderabad and network equipment and ACs of non-occupied areas. AHUs are operated on fan mode and make use of maximum fresh air, optimized DGs and running cost.

We thereby continuously strive to identify opportunities for improving energy efficiency

Details of GHG emissions on account of our operations are presented in the table below:

Emissions Scope	Unit	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Scope-1 GHG Emissions	tCO_2e	32.87	80.65	78.80	57.42
Scope-2 GHG Emissions	tCO_2e	1,344.75	2,684.80	2,682.75	2,640.23
Total (Scope-1 and Scope-2)	tCO_2e	1,377.62	2,765.45	2,761.54	2,697.65
GHG Emissions Intensity (Scope-1 and Scope-2)	tCO_2e / Employee	0.15	0.29	0.27	0.30
Scope-3 GHG Emissions	tCO_2e	26,398.78	1,148,456.25	527,909.77	1,210.23

We monitor the SOx, NOx and Particulate Matter (PM) emissions arising from the stack of the DG set at our Pune facility, which is used as a backup power option. We encourage direct flights for our employees instead of connecting flights to reduce the carbon footprint. The Ozone Depletion Substances (ODS) emissions from our facilities were 9.48 kg of CFC-11 eq. during the reporting period.

Water Management

Our facilities use water primarily for internal consumption. Water withdrawal due to our operations do not have any significant impact on the source of water supply. However, we encourage water efficiency through reduction of water consumption and other conservation measures.

We have adopted concerted efforts at every level to implement water abatement measures in addition to rainwater harvesting and groundwater recharging initiatives at our Pune campus. As part of our water efficiency efforts, sensors and aerators are installed in urinal flushes and water taps, respectively, across locations to reduce flow and usage, in addition to drip irrigation system for irrigation of green belt areas.

Water Withdrawal by Source (in kilolitres):

Parameter	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Fresh Water	1,403	6,036	5,862	923
Water supply from authorities	14,511	24,261	43,719	38,876
Any Other Source (Tankers)	0	25,098	10,240	5,886
Total Water withdrawal	**15,913.68**	**55,395.12**	**59,821.05**	**45,685.06**

Wastewater Management

The wastewater generated at our premises at Pune campus is recycled using our inhouse Sewage Treatment Plant (STP) and used for gardening purposes, thus helping us reduce the freshwater consumption. Since our offices were not occupied due to Covid-19 pandemic, the STP plant was non-operational during the reporting period.

We encourage direct flights for our employees instead of connecting flights to reduce the carbon footprint.

Waste Management

We are rigorously working to enhance our waste management practices by increasing awareness and taking specific steps to reduce waste generation in line with our environmental management system. We have a well-defined system of segregation at source, collection, and management of both hazardous and non-hazardous waste. We have adopted the 3R philosophy of 'Reuse, Reduce and Recycle' to fend off waste pollution.

Some of the waste management initiatives we have taken include:

- Prohibition of single-use and non-recyclable plastic and Distribution of plastic waste to NGOs
- Distribution of used office chairs (approx. 350) to employees resulting in re-use
- Use of biodegradable dustbin bags and setting up of a biogas plant
- Treatment of garden waste in vermicompost pit
- Re-use of wooden furniture scrap for any modifications
- Paperless invoice processing implemented through in-house Document Management System (DMS)
- 'Zero Food Wastage' pledge and awareness program.

The total waste generated during the reporting period was 15.21 MT, 0 MT of which was hazardous, and 15.21 MT was non-hazardous. Of the total non-hazardous waste generated, 13.54 MT was recycled.

Waste Description	Unit	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Hazardous Waste Generated	MT	0	1.77	30.71	0,94
Non – Hazardous Waste Generated	MT	15.21	95.03	97.41	53.46
Waste Diverted from Disposal (Hazardous Waste)	MT	0	8.87	30.71	0.94
Waste Diverted from Disposal (Non - Hazardous Waste)	MT	13.54	65.25	63.08	33.04
Waste Directed to Disposal (Non – Hazardous Waste)	MT	1.92	34.46	36.87	21.42

Biodiversity Management

In alignment with our commitment to conserve biodiversity, we have adopted an initiative for the maintenance of a biodiversity park in Pune, in collaboration with the Pune Municipal Corporation.

Our key initiatives in this realm include the maintenance of a biodiversity park in Pune in collaboration with Pune Municipal Corporation. The park is home to 2,287 floral and 79 fauna species. It also helps us generate compost.

We have actively worked towards making our office spaces greener through a scientific approach of indoor and outdoor plantation, to help improve indoor air quality. Owing to this initiative, our Pune campus has a total green cover of 13,360 sq. m., with 2,350 shrubs and 592 trees.

We continued our green skilling program from the previous year to raise awareness.

We promote a culture of sustainability, by observing days that are of a global environmental significance, in addition to awareness campaigns and competitions to encourage environmentally conscious behavior. Our employees can nominate themselves for "Sustainability" category of the annual Zensar 'Outstanding Contribution to CSR' award. Winners are felicitated with a monetary reward and a certificate.

We have adopted an initiative for the maintenance of a biodiversity park in Pune, in collaboration with the Pune Municipal Corporation.

Manufactured Capital

Harjott Atrii - Executive VP

"Keeping customer centricity in mind, we have designed our offices with best in class physical and digital infrastructure that serves as business hub which facilitates collaboration and creativity. We have invested in the agile workspaces that provide quality and efficient service. In FY 2020-21 we had a smooth transition for employees to work from home with customer specific network requirements, thanks to our systematic investment to secure IT environment as part of ISO 27001."

Key Highlights

25+
Number of Offices (India)

15+
Number of Global Delivery Centres

75
Area in Square Feet per Employee

04
Number of Data Centres

ISO 14001:2004, ISO 45001:2018, ISO 50001:2011
Key Certifications

04
Number Customer Experience Centres

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Contributions to SDGs

Inputs	Outcomes
• Number of Office Locations and Data Centers • Innovation Hubs • Global Delivery Centres	• Delivery Excellence • Agile Workspaces • Reduction in Down Time

MANUFACTURING CAPITAL

As part of our endeavour to manage a diverse set of highly skilled employees, we have always worked towards catering to the local needs by retaining a global outlook. We have consistently invested towards scaling up of our infrastructure that ensures a comfortable work environment to our employees. Our investments have been in line with the changing requirements of employees that includes our offices, data centres and innovation hubs. We have built state-of-the-art agile workspaces that are designed to maximize flexibility and build a cohesive work environment. Our infrastructure has been an example of how quickly we adapted to the pandemic induced work from home situation that ensured all our customer projects run without any downtime. We empowered our employees to work from any location by investing in tools and technologies that enabled seamless and real time connectivity.

Our data centres, one each at Pune, Hyderabad, Bengaluru in India and Westborough in the US, act as the backbone of our IT infrastructure. We have adopted measures to secure our IT infrastructure through adoption of ISO 27001 Information Security Management Systems (ISMS). The compliance for ISMS standard, which is regularly audited, ensures secure and safe working environment for our business that is driven by three pillars, viz. People, Process and Technology. Our data centres are designed to be "Green Data Centres" owing to the energy conservation initiatives that have resulted in 40% reduction of power consumption and a cloud migration leading to 95% of premises infrastructure being virtualized. Moreover, our unique GDCs (Global Delivery Centres) are built to provide a seamless experience to our employees across global locations.

We at Zensar ensure best in class infrastructure with modern interior design and atmosphere to inspire flexible work habits to our employees. The highlights of these workspaces include features like Collaboration Spaces, Focus Rooms, Standing Workstations, Wellness Room, Phone Booths, Couches, Recreation Area, Lounge, Dry Pantry and a Multicuisine Cafeteria. This has assisted our employees to collaborate and build togetherness with common goals. The Pune campus has over 60% of its area under green cover, with an intent to provide our employees with a stress free and productive work environment. This is a conscious effort to improve the quality of air and make workspace more attractive.

To facilitate an effective process of selection of an appropriate office premises, we have developed an internal standard that lays down the process and criteria, not only for the new offices that we on-board, but also for re-vamping our existing offices. To make our purchase cost effective and competitive, we have a well defined selection process. Some of the key criteria for selection of the office includes green availability of building certifications, accessibility of transport hubs and safety.

Our IT infrastructure is designed in a mechanism that facilitated early work from anywhere during the pandemic. Leading online platforms were adopted to enable seamless communication with our various stakeholders. Additional data security requirements of our customers were met by network redesigning and securing end to end connectivity. Additional VPN client licences were enabled to accommodate new users. To facilitate easy onboarding of our newly recruited employees, we adopted the Virtual Desktop Interface (VDI) infrastructure, we implemented requisite changes to our data security policies to safeguard interests of our clients as our associates delivered work from home.

We have optimized the capabilities of our old infrastructure by utilising our project experience and in-house expertize to bring in the right solutions that has enabled us to conserve resources, reduce and repurpose e-waste. As we continue to streamline our facilities, we are in the process of adoption of a Business Continuity Management Standard (BCMS) that will ensure availability of centralized Business Continuity Plans. These plans would provide a holistic approach to handle business disruptions across our facilities and ensure round-clock readiness and support to handle any probable disruptions.

Zensar offices in Pune and Bangalore are IGBC Green Interiors PLATINUM rating certified by Indian Green Building Council.

Social and Relationship Capital

Nachiketa Mitra - Executive VP

"FY 2020-21 was full of unanticipated challenges for our stakeholders. We came forward as a team to proactively build solutions that fostered stronger relationship by leveraging the already existing synergy. Our employees have shown resilience in this tough pandemic period by ensuring that customers are not impacted with the change in mode of operations. We continued our focus towards building local community resilience by actively participating in this crisis."

Key Highlights

11
Average hours of Volunteering/ person

87%
Procurement from local vendors

INR 53.7 Million
Total CSR spend

35,742
Lives touched through CSR Programs

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
15 LIFE ON LAND

Contributions to SDGs

Inputs	Outcomes
• Expenditure on community development projects • Procurement spend • Client base • Employee volunteers • Strategic alliances and partnerships	• Impacts of community development projects • Customer engagement survey scores • Total new customers added

We at Zensar practice a continuous feedback process wherein it invites all the different stakeholders to voice their opinion/perspective, facilitate a better business relationship. Our initiatives are built in-line with the feedback received and this exchange of information results in all-round well-being of our stakeholders.

It is with this ideology, that we interact with key stakeholders that includes, our customers, communities, investors, and vendors, among others. The relationships with these key stakeholders form the value that we intend to create by area like generation of local employment, client management, procurement from domestic vendors and community development projects. As part of the RPG Group which has a strong cultural foundation, we at Zensar inherit the same values and are committed to touching lives of all our stakeholders. Happiness is at the core of our group value and we are committed to enriching lives by rising beyond the expectations.

Communities

At Zensar, we believe it is imperative for an organization to engage on managing the social and economic challenges that mankind faces. The priority is to identify the causes of the issues that the communities are facing and provide enabling solutions that empower the communities to be self-reliant. We have been actively working by contributing to the key areas identified and drive these initiatives through the RPG Foundation, that overlooks the initiatives across our group companies.

The highlights of these initiatives are as below:

CSR Activity	Count of Beneficiaries for FY 2020-21		
• Vocational Skilling & Entrepreneurship program • Zensar Digital -Skilling Digital sector • Zensar health – Skilling in healthcare • Zensar drive – skilling in driving sector • Zensar construction - Skilling in construction field	**Zensar Health:** **594** trained **349** employed	**Zensar drive:** **200** trained **111**employed	**Zensar skills:** **320** trained **270** employed/ became entrepreneurs
	Zensar Digital: **328** trained **190** placed	**Zensar Digital (ESD):** **2,504** number of candidates are under training from across Tier 2 & 3 engineering colleges	
Employability Skills Development program	**2,438** community people were trained and 791 received placements.	Currently **2,504** students are receiving the training	
Pehlay Akshar Schooling	**30,000** plus children reached through "A Story A Day" campaign	**84** classroom videos created which are being telecasted through DD Sahyadri. The implementation has been through Pehlay Akshar foundation.	**550** Students reached through digital education, implemented by RPGF
Economic development by leveraging government benefits	**1800** people were benefitted through initiatives like supply of ration and surgery for cataract		
Covid response	**1,14,400** meals distributed, donation of 2 Covid testing booths to Pune Municipal Corporation	**Over 4,000** PPE kits and 2000 N95 masks distributed in addition to ration to over 2000 people	**500** blankets distributed to needy people
Maintenance of a Biodiversity Park, an initiative towards Environmental Sustenance	• Initiatives like vermicompost and protection of flora and fauna have been taken up.		
Volunteering at Zensar	With a pool of over **100** volunteers, the activities covered included	• Food/Medical Equipment and Mask Distribution • Covid awareness • Joy of Giving week activities	• Motivational sessions with our beneficiaries • Motivated children during the virtual science fair

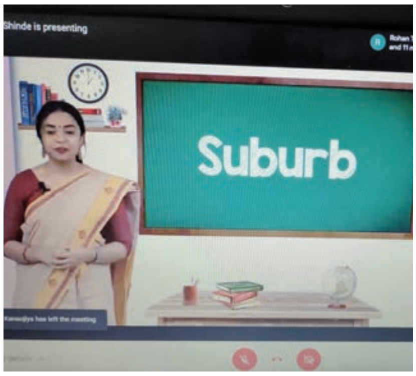
Understanding our Key Initiatives

Zensar Drive: The program enables women and men from under privileged section of the society to become occupational drivers and begin a journey of being employed. Our focus is empowering women and providing them with opportunities to work in an occupation that has a polarised gender balance. Through our implementation partner, we train youths to drive two-wheelers and help them procure driving licenses. Along with driving, we help them build their basic communication skills, first aid and train women candidates on self-defence. Generally, our Swayam Drive graduates are employed as delivery executives and are employed by Amazon and Swiggy. Many of them have also started their own entrepreneurial ventures like cooking and delivering food.

Zensar Health: The program aims to enable men and women to take up employment in the flourishing healthcare industry - helping address the gap of workers available, especially after the onset of Covid-19, while offering women from the underprivileged background with opportunities to earn their livelihood. This program offers training in different courses, tailored to suit local hospital/ clinic needs - at the end of which, the trained candidates can become bedside assistants, general duty assistants and home health aides. To help our trainees towards their growth, we are currently exploring a digital platform to connect trained candidates to potential employers.

Zensar Skills: The program focuses on building skills for employability and entrepreneurship within the underprivileged youth and provide them with means to become gainfully employed or set up a small business of their own. To fulfil the objective of equipping the youth and the women with technical skills which may be in demand, locally and in the future, they are trained in multiple skills such as white goods repair, construction, entrepreneurship.

Digital Education: The program lays focus on teaching computer and basic programming skills to children from marginalized backgrounds, attending Government schools across Pune and Hyderabad.



Pehlay Akshar Schooling: The initiative helps improve the functional English capabilities of learners, especially, students studying in Government schools.

Economic Empowerment:
The initiative aims to empower underprivileged people by providing them with a regular supply of food through government channels. The program also creates awareness about various governmental schemes that the communities can avail.

Environmental Sustenance:
Under this initiative, we maintain the biodiversity park spread across 1.5 acres of land, which is a project in collaboration with the Pune Municipal Corporation.

Our Success Stories

Zensar Health

Anita Bhandekar
25 Yrs,10th Pass

Anita's husband who works as a daily wager, lost his job owing to pandemic. Anita being the beneficiary of Swayam health initiative works at a Covid care centre in Pune and earns INR 15000/month

Zensar Digital

Abhishek K
B. Com

Having struggled to secure a job during the ongoing pandemic, Abhishek enrolled for a web development course that has enabled him to secure a job and earn INR 15000/ month

Community Development

Ashok Sasane
Age – 60 Yrs

After being recommended to undergo a cataract surgery which would have cost Ashok, INR 13000 in a private hospital, Ashok, as beneficiary of the initiative, underwent the surgery free of cost, by availing the benefits of "Shahri Garib Yojna"

Customers

The dynamic market conditions combined with the need to adopt upcoming innovations makes the customer as one of our important stakeholders. To stay competitive, it is also important that we deliver to our customers what they expect with supreme level of quality. Our customer-centric approach enables us to achieve this through the various modes of interactions that have been adopted at Zensar and allows us to protect the interests of our customers, by adopting necessary measures.

At Zensar we acknowledge that securing the information and data that is shared with us while serving our clients is our utmost priority and prime responsibility. To ensure that we abide by our commitment, we have adopted ISO 27001 (Information Security Management System) to secure our information systems and have adopted training programs to create awareness amongst our employees regarding risks related to phishing, malwares, end point security, etc. to secure critical data of our customers. Amidst the Covid-19 pandemic, the Company has also executed a teleworking agreement with its employees to ensure a secure work environment while working from home and avoid data leakages of any kind. All the applications have been upgraded with additional levels of security. This has added value to the customer experience.

The commitment to generate value for our customers and achieve operational excellence ensures that our delivery teams align with the business objectives. We design solutions that create value for our customers using the inputs derived from the periodic customer surveys. The survey is conducted for customers that span across all the regions in which we operate.

> For our digital operations assurance program, we work with customers to set up virtual workspace environments consisting of enterprise grade cloud migration exercises.

Custom offerings for our customers, launched as a part our Covid-19 response.

We launched our Zensar Enterprise Resiliency Framework (ZERF) to minimize risk and maximize business value during such uncertain times. A range of flexible business solutions were launched, as part of the ZERF that included cost takeout solutions, virtual workplace solutions, and industry solutions.

Our cost takeout solutions comprised ZenTrust and touchless transition-based products. For our ZenTrust platform, we focus on best in class applications and a business process management (BPM) operation cost reduction framework that ensures 20% - 35% cost takeout. This is powered by a leading portfolio of domain expertize, frameworks, and solution accelerator. In addition to this, we enable the transition of vendor-managed and in-house client business, as well as information technology workloads to our experts without any business disruption or physical interaction. Our touchless transition initiatives therefore, eliminates the physical element of work using collaborative tools and technology for proper indexing, knowledge transfer, and shifting the workload in an agile and accurate manner.

Our virtual workplace solutions include our virtual agile framework, digital operations assurance, and products designed for everywhere experiences. Our virtual agile framework assists in enabling better creativity. To do this, we have carved out virtual workspaces by ensuring all needed business data and work environments are available for employees on the cloud for remote operations. We assist seamless application development, deployment, and operations even if all those who work on the projects are doing so remotely. For our digital operations assurance program, we work with customers to set up virtual workspace environments consisting of enterprise grade cloud migration exercises. We also conduct end-to-end operational preparedness testing from a functional, performance, scalability and security testing perspective for both applications and data. In terms of designing products for everywhere experiences, we digitally enable virtual events and provide customers with a one-stop shop for virtual event hosting solutions. To achieve this, we provide end-to-end services for remote event planning, design, and execution.

Our industry solutions and offerings during this period have included InsureArk, contact centre automation, digital customer onboarding solutions, and touchless inventory management. For InsureArk, we offer a range of insurance solutions for virtual claims servicing, automated resource scheduling, behavioral usage-based insurance, and digital customer onboarding. This is enabled through the implementation of a ready-to-use omnichannel conversational bot platform, and customized integration with internal and customer facing systems. Our contact centre automation offerings include end-to-end services for insurance and retail contact centre automation to help improve operational efficiency, especially when the volumes are unpredictable, and the workforce is limited. Solutions provided include omnichannel bots, FAQ chatbot, remote event planning, design, and execution thereby ensuring business continuity and cost optimisation. Our digital customer onboarding products help us facilitate zero visit account creation experiences through the utilization of cloud technologies to build portal-based customer & KYC engines. Chatbots are used to reduce the manual operation on the account services side, post customer onboarding. We also offer touchless inventory management services where we have already created a solution to enable unified inventory monitoring across the supply chain to better predict stocking and warehouse demands for enterprises.

Investors

Our investor community is one of our key stakeholders and we communicate the key business performance indicators to them on a quarterly basis. Additionally, in FY 21, we also conducted investor meetings on a regular basis providing an interface to our investors to interact with us. We are committed to create value for our investors through our offerings in the form of diverse solutions. As a part of this commitment, we share with our investors the upcoming innovations developed by us, that broadens the horizon of our service offerings and translates into a wider client base. This is further supported by case studies on the solutions that we provide and the impact that it creates for our clients. Every quarter we disclose the essential details of our financial performance to our investors in addition to the key developments like the Total Contract Value (TCV) of deals won, the key wins, and the awards and recognitions received. Ensuring safety at our operational facilities and creating value for the communities around us are at the centre of our values and we communicate our initiatives on the same to our investors, reinstating the trust that we have garnered over the decades.

Vendors

We at Zensar acknowledge the importance of valuing our vendors. Our vendors enable us to deliver industry leading solutions to our customers. To maintain this valued relationship, we screen our vendors on certain parameters, human rights being the most important one.

Supplier diversity is another focused area wherein Zensar is investing in building a robust framework. With a view to support the local economy, MSME status of the vendors is looked upon while onboarding them. We have a well-defined techno-commercial evaluation process to ensure that the onboarding process is fair and competitive. In alignment with our values, we promote the vendors that are abiding to the local governmental laws, including the compliance to the local labour laws. We continue to focus on our three pillars of procurement process - quality, delivery, and cost.

Covid-19 Initiatives

Key Highlights

1,14,400 meals were distributed
under meal distribution program

Ration distribution for 2 months
to 361 support staff across India locations

Alternate sourcing model
550 employees onboarded permanently working out of Tier 2, 3, 4 cities

Zero security incidents
Security Benchmark: 810 BitSight Security Rating

100%
transformation of delivery operations globally to work from home

We are committed to support our stakeholders, which is evident through our efforts during Covid-19 pandemic. We responded to the challenging situation with solutions that had direct benefits for our stakeholders, including our employees, customers and the communities. Some of the initiatives taken up as response to the pandemic are:

Employees

- Shifting to a work-from-home model within 7 days, a testament to the agility and responsiveness of our entire organization. During this time, we ensured data privacy, security, and IT support for employees working from home.
- Tracking employee health and wellness digitally around the clock and in real time across each of our geographic operations. More than 8,500 employees were able to mark themselves safe and confirm their well-being during this period.
- Implementing the Covid-19 Nerve Centre, an integrated program detailing Zensar's responses to the crisis in the areas of employee wellness, business continuity, client management, cybersecurity and data privacy, business opportunities, cash, liquidity, cost management, and investor and analyst management.
- Reporting zero security incidents of cybersecurity attack in our organization. Zensar's security benchmark - Bitsight rating has reached 810 which is amongst the top 1% companies monitored globally by Bitsight.

Customers

- Proactively engaging with our clients to understand their difficulties, meet their immediate needs, and ensure on-time delivery of services and solutions.
- Launching several Covid-19 markets-facing propositions. We developed ZERF (Zensar Enterprise Resiliency Framework) to offer end-to-end assistance across three impact zones to reduce Covid-19 impact, expedite recovery and transform overall business for our clients. ZenCare, another of our propositions, supports and empowers end users to access a virtual workplace and collaboration tools in a secure environment from any remote location. Finally, ZenTrust allows enterprises to optimize in-flight and planned project costs, ensure business continuity, secure business applications, and digitally enable stakeholders.
- Cost efficiency is a strategic choice Zensar took during this pandemic. We worked on improving our cash reserve, optimizing our dependency of subcon cost and improved utilization. We worked with our customers to improve our DSO. We expanded our reach to onboard people across 15+ Tier 2, 3 and in some cases Tier 4 cities in India.

Communities

- Volunteering is one way of engaging with the local community. During the early peak of the Covid-19 spread, we launched our significant corporate social responsibility programs of meal distribution, serving 1,14,400 meals to the migrants and the needy in communities across geographical locations.
- We donated two Covid-19 testing booths to local administration to cater to higher demand of tests.
- We donated the below material to the Pune Municipal Corporation and to the Police Commissioner's office in Hyderabad.

We are focused on creating value and supporting our community, taking care of the needs of our clients, and keeping our employees safe and sound. We remain committed to fulfilling our mission of delivering innovative and industry-focused solutions.

Abbreviations

3R	Reuse, Reduce, Recycle
AGM	Annual General Meeting
AI	Artificial intelligence
BEE	Black Economic Empowerment
BMS	Building Management System
B-Schools	Business Schools
C2C	Campus to Corporate
CEO	Chief Executive officer
CFO	Chief financial officer
CRO	Chief Risk Officer
CSR	Corporate Social Responsibilities
D&I	Diversity and Inclusion
DAP	Development Action Plan
DFS	Digital Foundation Services
DMS	Document Management System
DSIR	Department of Scientific and Industrial Research.
DSO	Days Sales Outstanding
EBITDA	Earnings before interest, taxes, depreciation, and amortization
EHSEn	Environment, Health, Safety and Energy
ERM	Enterprise Risk Management
ERT	Emergency Response Teams
ESG	Environment, Social Governance
EVP	Employee Value Proposition
E-Waste	Electronic Waste
FGD	Focus group discussions
FTE	Full time Employee
FY	Financial Year
GHG	Green House Gas
GJ	Giga Joules
GRI	Global Reporting Initiative
H2R	Hire to Retire
HVAC	Heating, Ventilation and Air
IoT	Internet of things
IP	Intellectual Property
IR	Integrated Reporting
ISMS	Information Security Management Systems
IT	Information Technology
KPI	Key Performance Indicators
L&D	Learning and development
LIP	Lateral Induction Program
M&A	Mergers and Acquisitions
MPL	My Learning Plan
MSS	Managed Security Services
NLP	Natural Language Processing
OIC	Observing, Investing and Collaborating
OMR	Optical Mark Recognition
P2P	Procure to Pay
PAC	Precision Air Conditioning
Q2C	Quote to Cash
R2R	record to report
ROI	Return on Investment
SDG	Sustainable Development Goals
SOP	Standard Operating Procedures
STAR	Special Thanks and Recognition
TIMS	Technical Infrastructure Management Support
UN	United Nations
UPS	Uninterruptible Power Source
VDI	Virtual Desktop Infrastructure
WFA	Work from anywhere
ZAAP	Zensar Employee Assistance Program
ZERF	Zensar Enterprise Resiliency Framework

GRI Content Index

GRI Standard	Disclosure		Reference section/ Page number	Omission
GRI 101: Foundation 2016 (GRI 101 does not include any disclosures)				
GRI 102: General Disclosures 2016				
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		Location of operations	04-05	--
	102-5	Ownership and legal form	About RPG Group	--
	102-6	Markets served	04-05	--
	102-7	Scale of the organization	04-05	--
	102-8	Information on employees and other workers	29, 31-33	--
	102-9	Supply chain	51	--
	102-10	Significant changes to the organization and its supply chain	No significant changes to the organization and its supply chain	--
	102-11	Precautionary Principle or approach	18-19	--
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	102-13	Membership of associations	20-21	--
Strategy	102-14	Statement from senior decision-maker	08-11	--
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Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	02	--
	102-17	Mechanisms for advice and concerns about ethics	Corporate Governance	--
Governance	102-18	Governance structure	12-13	--
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	102-42	Identifying and selecting stakeholders	20-21	--
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	102-44	Key topics and concerns raised	18-19	--
Reporting Practice	102-45	Entities included in the consolidated financial statements	03	--
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	102-47	List of material topics	22-23	--
	102-48	Restatements of information	Not Applicable	--

GRI Standard	Disclosure		Reference section/ Page number	Omission
	102-49	Changes in reporting	Not Applicable	--
	102-50	Reporting period	02	--
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	102-53	Contact point for questions regarding the report	Back Cover Page	--
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	102-56	External Assurance	03	--
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	103-2	The management approach and its components	25	--
	103-3	Evaluation of the management approach	25	--
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GRI 205: Anti-corruption 2016				
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	103-2	The management approach and its components	Corporate Governance	--
	103-3	Evaluation of the management approach	Corporate Governance	--
GRI 205: Anti-Corruption 2016	205-1	Direct economic value generated and distributed	Corporate Governance	--
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	103-2	The management approach and its components	Corporate Governance	--
	103-3	Evaluation of the management approach	Corporate Governance	--
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate Governance	--
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GRI 306: Management Approach	306-1	Waste generation and significant waste-related impacts	47	--
	306-2	Management of significant waste-related impacts	47	--
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	306-4	Waste diverted from disposal	47	--
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NOTICE

NOTICE

NOTICE IS HEREBY GIVEN THAT FIFTY-EIGHTH ANNUAL GENERAL MEETING OF MEMBERS OF ZENSAR TECHNOLOGIES LIMITED WILL BE HELD ON TUESDAY, SEPTEMBER 28, 2021 AT 3:00 P.M. IST THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO-VISUAL MEANS (OAVM), TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Accounts

To receive, consider, approve and adopt:

a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of the Board of Directors and the Auditors thereon; and

b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of the Auditors thereon.

Item No. 2 – Confirm payment of Interim Dividend and declare Final Dividend.

To confirm payment of Interim Dividend for the FY 2020-21 at the rate of INR 1.20 (Rupee One and Twenty Paise only) per equity share of face value of INR 2 each, declared on January 21, 2021 and to declare Final Dividend of INR **2.40 (Rupees Two and Forty Paise only)** per equity share of face value of INR 2 each, of the Company for the Financial Year ended March 31, 2021.

Item No. 3 – Re - appointment of Anant Vardhan Goenka (DIN: 02089850)

To appoint a Director in place of Anant Vardhan Goenka, who retires by rotation in terms of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4 - Approval for payment of Commission to Non-Executive Director(s)

The Members are requested to consider and if thought fit, pass with or without modification(s), the following resolution as a Special Resolution(s):

"RESOLVED THAT, pursuant to the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and subject to other applicable provisions of the Companies Act, 2013 ("the Act"), the Articles of Association of the Company, and such other rules and regulations, as may be applicable, approval of the Members be and is hereby accorded towards payment of commission amounting to INR 2,95,00,000 (Rupees Two Crores Ninety Five Lakhs only) for the FY 2020-21 to Harsh Vardhan Goenka (DIN: 00026726), Non-Executive, Non-Independent Director and Chairman of the Company, being an amount exceeding 50% (Fifty percent) of the aggregate annual remuneration payable to all the Non-Executive Directors, within the overall limit of 3% (Three percent) of net profits of the Company, for the FY 2020-21, as earlier approved by the members of the Company, at their meeting held on August 8, 2018.

FURTHER RESOLVED THAT, the Board of Directors (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and things, as may be necessary to give effect to this resolution(s) without seeking any further consent or approval of the Members, to the end and intent that they shall be deemed to have given their approval thereto, expressly by the authority of this resolution(s) and delegate all or any of its powers herein conferred to any of the Committee of Directors, including the Nomination and Remuneration Committee, or to any of the Director(s), Officers(s), Authorized Representative(s), etc. of the Company"

By Order of the Board of Directors

Gaurav Tongia
Company Secretary

Mumbai, August 18, 2021

Registered Office:
Zensar Knowledge Park,
Plot # 4, MIDC, Kharadi,
Off Nagar Road, Pune - 411014
CIN: L72200PN1963PLC012621

NOTES

1. In view of Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 respectively ("MCA Circulars"), has permitted companies whose AGMs become due in the year 2021, to conduct their AGMs on or before December 31, 2021, in accordance with the requirements provided in said MCA Circulars. The Securities and Exchange Board of India ('SEBI') also issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ("SEBI Circulars"). Accordingly, the AGM of the Company is being held through Video Conferencing / Other Audio Visual Means (VC/ OAVM). The venue of the meeting shall be deemed to be the Registered Office of the Company, situated at Zensar Knowledge Park, Plot # 4, MIDC Kharadi, Off Nagar Road, Pune - 411 014.

2. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail IDs are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.zensar.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com

3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("Act").

4. Pursuant to aforesaid circulars, the facility for appointment of proxies by the Members will not be available. Since the AGM will be held through VC/OAVM, route map, proxy form and attendance slip are not annexed to the Notice.

5. The Explanatory Statement as required under Section 102 of the Act, is annexed hereto. Further, additional information, *inter-alia*, pursuant to Regulation 26(4) and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), in respect of the directors seeking appointment / re-appointment at the AGM, forms part of the Notice and/or Annual Report. The Board of Directors have considered and decided to include item No. 4 given above as Special Business in the forthcoming AGM, as the same is unavoidable in nature.

6. At the Fifty-Fourth AGM held on July 19, 2017, the Members approved appointment of M/s. Deloitte Haskins and Sells LLP, Chartered Accountants (Registration No. 117366W/W-100018) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Annual General Meeting to be held in the year 2022, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM was done away with vide the Companies (Amendment) Act, 2017, with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at this AGM.

Dividend-related Information

7. The Board of Directors has recommended a Final Dividend of INR 2.40 per Equity Share of INR 2.00 each for the Financial Year ended March 31, 2021 that is proposed to be paid within period of 30 days from the date of declaration, subject to the approval of the Members at the 58th AGM. During the Financial Year 2020-21, an Interim Dividend of INR 1.20 per equity share was paid on February 16, 2021.

8. The Company has fixed Thursday, September 16, 2021 as the record date for determination of entitlement for payment of Final Dividend.

9. Pursuant to the amendments in the Income Tax Act, 1961 ("IT Act"), dividend income is taxable in the hands of the shareholders from April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the IT Act. In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with Company's Registrar and Transfer Agents viz., KFin Technologies Private Limited. For details, Members are requested to refer to the "Communication on TDS on Dividend Distribution" sent by the Company, from time to time, which is also available on Company's website https://www.zensar.com/sites/default/files/investor/stock-exchange-filings/Communication_to_Shareholders.pdf

10. Further, in order to receive dividend/s in a timely manner, Members holding share(s) in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), may register for the same, by sending scanned copy of the following details/documents by e-mail to Company's Registrar and Transfer Agents viz., KFin Technologies Private Limited at einward.ris@kfintech.com by Thursday, September 16, 2021:-

a. signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

   i. Name and Branch of Bank and Bank Account type;

   ii. Bank Account Number allotted by your bank after implementation of Core Banking Solutions;

   iii. 11-digit IFSC Code;

b. self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

c. self-attested scanned copy of the PAN Card; and

d. self-attested scanned copy of any document (such as AADHAR Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member, as registered with the Company.

   For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s.

11. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, as soon as possible.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING (AGM) ARE AS UNDER:-

The remote e-voting period begins on Saturday, September 25, 2021 at 9:00 A.M. and ends on Monday, September 27, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Tuesday, September 21, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the aforesaid cut-off date.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective e-Voting service provider i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. **Password details for shareholders other than Individual shareholders are given below:**
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to deulkarcs@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal, Senior Manager, NSDL at AmitV@nsdl.co.in

4. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for voting.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@zensar.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@zensar.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

5. Further instructions, if any, regarding his AGM and related matters, shall be available on the website of the Company, under investors section

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Members can join the AGM in the CV / OAVM mode 30 minutes before the scheduled commencement time of the Meeting and window for joining the Meeting shall be kept open throughout the meeting

4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

6. Members who would like to express their views/ask questions during the AGM may register themselves as speaker by sending request from their registered e-mail ID, if any, mentioning their names, DP ID and Client ID / Folio Number, PAN and mobile number at investor@zensar.com between 9.00 am (IST) on Tuesday, September 21, 2021 to 5.00 pm (IST) Thursday, September 23, 2021. Members who have registered themselves as a speaker as aforesaid, will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending upon the availability of time for the AGM.

7. The Members who do not wish to speak during the AGM but have queries, may send the same latest by Tuesday, September 21, 2021, mentioning their names, DP ID and Client ID / Folio Number, e-mail ID and mobile number at investor@zensar.com. The same will be replied suitably at the AGM or by e-mail.

Other information

12. Sridhar Mudaliar (FCS 6156), Partner, SVD & Associates, Company Secretaries and failing him Sheetal Joshi (FCS 10480), has been appointed as the Scrutinizer to scrutinize the e-voting process to conduct the same in a fair and transparent manner.

13. The Scrutinizer shall within the prescribed period from the conclusion of the AGM, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report for the votes cast during the AGM & votes cast through remote e-voting) and submit his report to the Chairman and/or authorized person of the Company. The results will be announced on or before 5.00 pm IST on Thursday, September 30, 2021.

14. The results declared along with the Scrutinizer's Report, shall be displayed at the registered office of the Company and on its website www.zensar.com and NSDL's website at www.evoting.nsdl.com and simultaneously communicated to the Depositories, BSE Limited and National Stock Exchange of India Limited.

15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the Certificate of Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 will be available for electronic inspection by the Members during the AGM. All documents referred to in the Notice will be available for electronic inspection without any fee, upto the date of AGM. Members seeking to inspect such documents can send an e-mail to investor@zensar.com.

16. As per Regulation 40 of SEBI Regulations, (including any statutory modifications or re-enactments thereof for the time being in force, and other applicable SEBI regulations) as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular dated September 7, 2020 has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that were re-lodged for transfers shall now be issued only in demat mode. In view of the same and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's Registrar and Transfer Agent viz., KFin Technologies Private Limited, for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website https://www.zensar.com/sites/default/files/FAQs%20on%20Demat_0.pdf.

17. Members are requested to address all correspondence, including dividend related matters, to Registrar and Transfer Agents (RTA):

    Balaji Reddy S, Manager

    KFin Technologies Private Limited

    Unit: (Zensar Technologies Limited),

    Selenium Tower B, Plot 31-32, Financial District,

    Nanakramguda Serilingampally

    Mandal, Hyderabad 500 032, India.

    Members are requested to note that, RTA has launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for investors. Members can download the mobile app and see portfolios serviced by KFintech, check dividend status, request for annual reports, change of address, change/update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM". Alternatively, the Members may scan the QR code given below and download the said android application:

    :

18. Members wishing to claim dividends that remain unclaimed, are requested to correspond with the RTA. Pursuant to the provisions of the Act and other relevant Rules, the Company has transferred dividend remaining unpaid for seven (7) years to Investors Education and Protection Fund (IEPF). The Members who have not encashed their dividend warrants for the subsequent years, are requested to send their Dividend Warrants for revalidation to the Company or its RTA.

19. To support the Green Initiatives taken by Ministry of Corporate Affairs, Members are requested to register their e-mail IDs (if not already done), so that all future communication / documents can be sent in electronic mode.

Members holding shares in physical form and who have not registered their e-mail IDs may get their e-mail IDs registered with the RTA, KFin Technologies Private Limited, by sending an mail to einward.ris@kfintech.com. Members are requested to provide details such as name, folio number, certificate number, PAN, mobile number and e-mail ID and attach image of share certificate in PDF or JPEG format.

In respect of demat holdings, for registration of e-mail ID, the Members are requested to register the same with the respective Depository Participant (DP) by following the procedure prescribed by the DP.

STATEMENT EXPLAINING MATERIAL FACTS PURSUANT TO SECTION 102 OF THE ACT

Item No. 4:

Approval for payment of Commission to Non-Executive Director(s)

Pursuant to Section 197, 198, and all other applicable provisions of the Companies Act, 2013 read with rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force (hereinafter referred to as "the Act"), approval of Members was granted at the 55th Annual General Meeting of the Company for payment of remuneration/commission to the Director(s) of the Company, who is/are neither in the whole-time employment nor Managing Director(s) of the Company, in such manner and up to such extent, as the Board of Directors of the Company, may so determine from time to time, upon recommendation of the Nomination and Remuneration Committee, but not exceeding 3% (Three percent) of net profits of the respective financial year, calculated pursuant to Section 198 of the Act and such payments shall be accordingly made.

In terms of SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended vide Amendment notification issued on May 9, 2018, no listed entity shall pay remuneration to a single Non-Executive Director, more than 50% (Fifty percent) of the aggregate remuneration, payable to all Non-Executive Directors, with effect from April 1, 2019, except with the approval of shareholders by way of special resolution.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on April 29, 2021 approved a remuneration/commission of INR 2,95,00,000 payable to H. V. Goenka, Chairman, Non-Executive, Non-Independent Director of the Company for FY 2020-21, which exceeds 50% of aggregate remuneration payable to all Non-Executive Directors.

H. V. Goenka is promoter of the Company and has about four decades of diverse experience. His extensive experience has been instrumental in helping guide the Company, towards both short term growth as well as long term sustainability. As Chairman of the Board, he provides vision and thought leadership which has resulted in Company achieving high standards of corporate governance, innovation, brand visibility and growth-oriented project investments. He invests considerable time reviewing the operations and performance of the Company and his interactions with the senior leaders and his role in building a talent pool in the Company has been significant in maximising stakeholders' value. The Board deems it appropriate to recognize his contribution and compensate such amount as remuneration as it deems fair. Pursuant to the relevant regulations necessitating Members' approval for payment of remuneration in excess of 50% of the aggregate remuneration payable to the Non-executive directors, the Board recommends the Special Resolution as set out in Item No. 4 of the Notice for approval of Members. No Commission was paid to H. V. Goenka for FY 2019-20.

None of the Directors, Key Managerial Personnel of the Company or their relatives except H. V. Goenka himself and Anant Goenka, Director, are in any way, concerned or interested in the resolution set out at item No. 4 of the Notice.

By Order of the Board of Directors

Gaurav Tongia
Company Secretary

Mumbai, August 18, 2021

Registered Office:

Zensar Knowledge Park,
Plot # 4, MIDC, Kharadi,
Off Nagar Road, Pune - 411014
CIN: L72200PN1963PLC012621

DETAILS OF DIRECTOR(S) SEEKING APPOINTMENT / RE-APPOINTMENT

Anant Goenka:

<table>
<tr><td>Brief background</td><td colspan="2">Anant Goenka, is the Managing Director of CEAT and a Member of the Management Board at RPG Enterprises. He is former Chairman of Automotive Tyre Manufacturers' Association (ATMA). He has over 15 years of experience during which he has worked in CEAT, KEC International and Hindustan Unilever.

He started his career with Hindustan Unilever in 2003 after which he joined CEAT as Regional Manager - Sales. He went on to lead the Off Highway Tyres Business in 2005. He then joined KEC International Limited (KEC) as Vice President (Corporate) in 2007 and was in charge of the Telecom business, Business development in North America and Integrated Planning and Monitoring of Transmission and Distribution Business. In recognition of his contribution in the said business vertical, KEC elevated him to the position of Executive Director – Supply Chain responsible for manufacturing, procurement, planning, logistics and quality functions. In 2010 he moved back to CEAT as Deputy Managing Director and then as Managing Director in April 2012.

Anant has been recognized by Forbes as the "Next Generation Business Leader of the Year" in 2017 and as "India's 40 under 40 Business Leaders" by Economic Times-Spencer Stuart. He also led CEAT to win the Deming Prize in 2017, one of the most prestigious global quality awards in the world.</td></tr>
<tr><td>Age</td><td colspan="2">39 years</td></tr>
<tr><td>Date of Appointment</td><td colspan="2">January 21, 2019</td></tr>
<tr><td>Qualification</td><td colspan="2">MBA from the Kellogg School of Management and a BS (Economics) from the Wharton School, University of Pennsylvania.</td></tr>
<tr><td rowspan="5">Directorship held in other companies</td><td colspan="2">1. CEAT Limited</td></tr>
<tr><td colspan="2">2. Spencer International Hotels Limited</td></tr>
<tr><td colspan="2">3. Spencer and Company Limited</td></tr>
<tr><td colspan="2">4. Seniority Private Limited</td></tr>
<tr><td colspan="2">5. Raychem- RPG Private Limited</td></tr>
<tr><td rowspan="4">Membership/Chairmanships of Committees of other companies</td><td colspan="2">Committee positions in:</td></tr>
<tr><td rowspan="2">CEAT Limited</td><td>Finance & Banking Committee- Chairperson</td></tr>
<tr><td>Corporate Social Responsibility Committee – Chairperson</td></tr>
<tr><td>Spencer and Company Limited</td><td>Corporate Social Responsibility Committee - Member</td></tr>
</table>

For other details such as number of meetings of the Board attended during the year, remuneration drawn, shareholding and relationship with other Directors and Key Managerial Personnel in respect of above director(s), Skills and expertise, please refer the Corporate Governance report which is part of this Annual Report.

BOARD'S REPORT
& ANNEXURES

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present 58th Integrated Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2021.

1. FINANCIAL PERFORMANCE AND STATE OF AFFAIRS

Financial Summary

(INR in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from operations	136,178	137,030	378,139	418,168
Other Income (Net)	7,391	9,093	2,545	8,842
Total Income	143,569	146,123	380,684	427,010
Profit Before Tax	37,318	30,410	43,294	37,579
Profit After Tax (after Minority Interest)	28,964	23,104	30,003	26,342

On standalone basis, during FY 2020-21, the Company recorded total income of INR 143,569 Lakhs comprising income from software development and allied services of INR 136,178 Lakhs and other income of INR 7,391 Lakhs. The Company recorded a net profit of INR 28,964 Lakhs reflecting an increase of 25.36% Y-o-Y.

On consolidated basis, the Company has reported total income of INR 380,684 Lakhs comprising revenue from Software Development and Allied Services of INR 378,139 Lakhs and other income of INR 2,545 Lakhs. The Consolidated net profit was INR 30,698 Lakhs reflecting increase of 14% Y-o-Y.

The Financial Statements are prepared as per the Indian Accounting Standards (IND-AS).

Dividend

Based on profits during FY 2020-21 and continuing the tradition of rewarding the Members, the Company declared dividend(s) as under:

Sr. No.	Dividend declared during FY 2020-21	Dividend per share (INR)	Total Payout (INR Lakhs)
1.	Interim Dividend	1.20	2,706

The said dividend was declared in accordance with the Dividend Distribution Policy of the Company, formulated pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations ("SEBI Regulations"), which is available on website of the Company at https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/dividend_destribution_policy_0.pdf

Further, the Board recommends a final dividend of INR 2.40 (120%) per equity share of face value of INR 2 per equity share on the paid-up equity share capital of the Company, for the year under review. The total pay-out will amount to about INR 5,414 Lakhs.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

Unclaimed Dividend(s)

Pursuant to the Companies Act, 2013 ("Act") and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, during the year under review, the Company has transferred the following dividend(s) and corresponding share(s) to Investor Education and Protection Fund (IEPF), upon completion of period of seven years:

Date of Declaration	Type of Dividend	Amount of Dividend transferred (INR)	No. of shares transferred
July 16, 2013	Final	1,412,640	26,737
January 21, 2014	Interim	1,333,428	378

BOARD'S REPORT (Contd.)

The total amount lying in the Unpaid Dividend Account of the Company up to the year under review and the corresponding shares, would be liable to be transferred to the IEPF, as per records of RTA as follows:

Sr. No.	FY to which dividend relates	Type of Dividend	Amount lying in the Unpaid Dividend Account (INR) (as on March 31, 2021)	Due date for transfer to IEPF
1	2020-21	Interim	1,430,802.40	March 21, 2028
2	2019-20	2nd Interim	2,367,113.53	May 5, 2027
		1st Interim	1,158,110.00	March 24, 2027
3	2018-19	Final	1,767,069.00	October 5, 2026
		Interim	1,053,432.00	March 22, 2026
4	2017-18	Final	1,634,724.00	October 7, 2025
		Interim	1,158,230.00	March 20, 2025
5	2016-17	Final	2,540,685.00	September 17, 2024
		Interim	1,937,585.00	March 24, 2024
6	2015-16	2nd Interim	2,420,775.00	May 13, 2023
		1st Interim	1,682,190.00	March 20, 2023
7	2014-15	Final	2,098,850.00	September 12, 2022
		Interim	1,562,152.50	March 20, 2022
8	2013-14	Final	1,899,882.00	September 21, 2021

Particulars of Loans, Guarantees and Investments pursuant to Section 186 of the Act

Particulars	Amount (INR in Lakhs)
Loan(s)	Please refer Note No. 6(d) of Notes to Financial Statements
Guarantee(s)	Please refer Note No. 29 of Notes to Financial Statements
Investment(s)	Please refer Note No. 6(a) of Notes to Financial Statements

Related Party Transactions

All related party transactions that were entered into during FY 2020-21, were on arm's length basis and in ordinary course of business. Requisite approval(s) of the Audit Committee is obtained on periodic basis for the transactions, which are repetitive in nature or otherwise. The actual transactions entered into, pursuant to the approval(s) so granted, are placed periodically, before the Audit Committee.

During FY 2020-21, no materially significant related party transactions that may have potential conflict with the interests of Company at large, were entered into by the Company,

The policy on related party transactions formulated by the Company is available on the website of the Company at https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Policy%20on%20Related%20Party%20Transactions_0.pdf

Further, the Company has not entered into any material transaction with related parties, during the year under review, which requires reporting in Form AOC-2 in terms of the Act read with Companies (Accounts) Rules, 2014. However, the requisite disclosures under IND-AS form part of Notes to Financial Statements.

Business Update

The information on Company's affairs and related aspects, is provided under Management Discussion and Analysis Report, which has been prepared, *inter-alia*, in compliance with Regulation 34 of SEBI Regulations and forms part of this report.

Internal Financial Controls

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis Report, which forms part of this Report.

Deposits

During the year under review, the Company has not accepted Deposits under Chapter V of the Act.

Change in the Nature of the Business

During the year under review, there was no change in the nature of the business of the Company or its subsidiaries, pursuant to, *inter-alia,* Section 134 of the Act and Companies (Accounts) Rules, 2014, as amended from time to time.

Material Changes and Commitments, if any, affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year on March 31, 2021 to which the Financial Statements relate and the date of this report.

Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the Going Concern Status

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

Annual Return

Pursuant to Section 92 of the Act and related rules, as amended from time to time, a copy of draft Annual Return for the Financial Year ended March 31, 2021, is available on website of the Company at the following weblink: https://www.zensar.com/investor/financials.

Further, final Annual Return for the Financial Year ended March 31, 2021, once filed, shall also be made available on the above-mentioned weblink.

BOARD'S REPORT (Contd.)

Subsidiary Companies

Your Company along with subsidiaries provides digital solutions and technology services globally. As on March 31, 2021, the Company had 17 subsidiaries as per details to be set out in Annual Return.

During the year under review, following definitive agreements were entered and requisite stock exchange disclosures were filed:

- In October 2020, Zensar Technologies Inc., USA, wholly owned subsidiary of the Company, entered into Share Purchase Agreement (SPA) for divestment of 100% shareholding of PSI Holding Group Inc. Accordingly, PSI Holding Group Inc. and its subsidiaries namely, Zensar Technologies IM Inc. and Zensar Technologies IM B.V. ceased to be subsidiary(ies)/step-down subsidiary(ies) of the Company, effective December 3, 2020;
- In February 2021, Zensar Technologies Inc., USA, wholly owned subsidiary of the Company, entered into Stock Purchase Agreement (SPA) for the divestment of 100% shareholding of Aquila Technology Corp., and accordingly the said entity ceased to be a part of Zensar Group with effect from February 26, 2021.

Further, during the year under review, the Board approved merger of following US-based 100% step-down subsidiaries into Zensar Technologies Inc., USA, a material wholly owned subsidiary of the Company:

1. Keystone Logic Inc.
2. Professional Access Limited
3. Cynosure Inc.
4. Indigo Slate Inc.

The said merger became effective from April 1, 2021 and the aforesaid subsidiaries have accordingly ceased to exist.

The highlights of performance of subsidiaries and their contribution to the overall performance of the Company/Group, are included in Form AOC – 1 forming part of Consolidated Financial Statements section in this Annual Report, in accordance with the provisions, *inter-alia*, of Section 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014. Further details of developments among subsidiaries during the year under review are set out in the Notes to Consolidated Financial Statements.

Further, the Board of Directors approved/concurred to acquisition of M3bi India Private Limited, India and M3bi LLC, USA by the Company and Zensar Technologies Inc., respectively, on May 15, 2021. The said acquisitions were completed on July 8, 2021 and July 14, 2021 respectively and necessary filings were made with the Stock Exchanges.

Policy for determining material subsidiaries framed by the Company, is available on https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Policy%20on%20Material%20Subsidiaries_0.pdf

2. CORPORATE GOVERNANCE

Formal Annual Evaluation of Board and its Committees

Pursuant to provisions of Section 134 of the Act, and Regulation 17 of SEBI Regulations, the Nomination and Remuneration Committee has laid down criteria for evaluating Board effectiveness by assessing performance of the Board as a whole, performance of individual Directors and permanent Committees of the Board, details of which are available in the Corporate Governance Report.

Further, the Nomination and Remuneration Committee had laid down a structure for evaluating Board effectiveness and engaged a third-party agency to conduct Board Effectiveness Survey during the year under review. The survey findings and feedbacks were then considered while conducting the requisite evaluations *inter-alia* under the provisions of the Act and SEBI Regulations.

No Independent Director was appointed by the Company during the year under review.

Directors' Responsibility Statement

The Directors confirm that:

a) in the preparation of the annual accounts for the Financial Year ended March 31, 2021, the applicable accounting standards had been followed and there were no material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year as at March 31, 2021 and of the profit of the Company for that period;

c) the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis;

e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD'S REPORT (Contd.)

Directors and Key Managerial Personnel (KMP)

Appointment(s) / Re-appointment(s)	Resignation(s) / Expiry of Term
• The Board appointed Ajay S. Bhutoria (DIN: 09013862), as an Additional Director, designated as the Chief Executive Officer and Managing Director, with effect from January 12, 2021. Further, the Members approved the said appointment for a period of 5 (five) years, vide members resolutions dated March 2, 2021 by way of Postal Ballot. • Anant Goenka (DIN: 02089850), Non-Executive, Non-Independent Director, retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking Members' approval for his re-appointment forms part of the Notice. The Board recommends his re-appointment. A brief resume along with nature of expertise in specific functional areas, names of companies in which he holds directorship(s), membership(s) of the Board's Committees, shareholding in the Company and relationships with the Directors *inter-se*, forms part of the Notice.	• The term of office of Sandeep Kishore (DIN: 07393680) as the Managing Director and CEO, expired on close of business hours on January 11, 2021. • He expressed his intention to not seek re-appointment due to personal reasons and family commitments.

During the year under review, there were no other change(s) in the Key Managerial Personnel of the Company, except as stated above.

Number of Meetings of the Board

During the year under review, 9 (Nine) meetings of the Board were held, details of which are set out in the Corporate Governance Report which forms part of this report.

Board Committees

Detailed composition of the following Committees of the Board, number of meetings held during the year under review and other related details, are set out in the Corporate Governance Report which forms part of this report:

**M&A Committee was constituted by the Board vide its meeting dated October 29, 2020.*

BOARD'S REPORT (Contd.)

With the expiry of term of Sandeep Kishore as Managing Director and Chief Executive Officer and consequent appointment of Ajay S. Bhutoria as the Chief Executive Officer and Managing Director, the Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Banking Committee stood reconstituted to that extent, vide Board Meeting held on January 11, 2021.

Details of terms of reference of the Committees, membership(s) and attendance of members are provided in the Corporate Governance Report. There had been no instances during FY 2020-21 where the Board had not accepted any recommendation of any of the Committees of the Board.

Statement on Declaration of Independent Directors

The Company has received Declaration of Independence from Independent Directors *inter-alia*, pursuant to Section 149 of the Act and under SEBI Regulations, confirming and certifying that:

- they have complied with all the requirements of being an Independent Director of the Company, as on date. The said certificate(s) were taken on record by the Board, at its meeting held on April 29, 2021, after due assessment of veracity of the same;
- they have registered themselves with the Independent Directors' Database maintained by IICA.

Pecuniary Relationship or Transactions of Non-Executive Directors and Disclosures about Remuneration of Directors

All pecuniary relationships or transactions of Non-Executive Directors *vis-à-vis* the Company, along with criteria for such payments and disclosures on the remuneration of the Directors along with their shareholding are disclosed in Corporate Governance Report which forms part of this Report and also available on the website of the Company, pursuant to relevant regulations.

Inter-Se Relationships between the Directors

There is no relationship between the Directors *inter-se,* except between Anant Goenka and H. V. Goenka. Anant Goenka, Non-Executive, Non-Independent Director, is son of H. V. Goenka, Chairman.

Risk Management

A detailed report on Risk Management is included in Management Discussion and Analysis Report, which forms part of this report.

Secretarial Standards

The Company complies with the applicable mandatory Secretarial Standards.

3. HUMAN RESOURCE MANAGEMENT

Disclosure under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Internal Complaints Committee and a Prevention of Sexual Harassment Policy, *inter-alia*, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder to redress all the sexual harassment complaints reported by women employee(s).

The following is the summary of complaint(s) received and disposed- off during the year under review:

Number of complaints received	1
Number of complaints disposed off	1
Number of complaints pending	0

Employees Stock Option Plan

The Company currently has three Employees Stock Option Schemes in force, namely, "2002 Employees Stock Option Scheme" (2002 ESOS), "2006 Employees Stock Option Scheme" (2006 ESOS) and Employee Performance Award Unit Plan, 2016 (2016 EPAP) and these schemes are being implemented, as per SEBI Regulations, in this regard.

In FY 2020-21, 6,125 equity shares and 1,97,190 equity shares were allotted under 2002 ESOS and 2006 ESOS, respectively. No equity shares were allotted under 2016 EPAP.

As required under SEBI (Share Based Employee Benefits) Regulations, 2014, Auditor's certificate on the implementation of share-based schemes in accordance with these regulations will be made available at the AGM.

The disclosure pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the website of the Company at https://www.zensar.com/investor/financials.

BOARD'S REPORT (Contd.)

Information pursuant to Section 197 of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company excluding Managing Director for the Financial Year.	Please refer Annexure to this Report for details.
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.	
3.	The percentage increase in the median remuneration of employees.	The percentage increase in the median remuneration in FY 2020-21 of permanent employees on India Payroll was 10%.
4.	The number of permanent employees on the rolls of Company (in India).	6,878 (as on March 31, 2021)
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentage* increase made in the salaries of the employees other than the managerial personnel in the last Financial Year, is 4.5% for India based associates.

* Since percentile refers to a score below which a given percentage of scores in its frequency distribution falls, for an accurate representation of above calculation sought, we refer to percentage increase at an average level of salaries for the employees concerned.

The remuneration to employees is as per the remuneration policy of the Company. The percentage increase in the median remuneration of employees has been calculated after excluding Managing Director's remuneration.

Sandeep Kishore, former Managing Director and Chief Executive Officer till close of business hours on January 11, 2021 and Ajay S. Bhutoria, Chief Executive Officer and Managing Director with effect from January 12, 2021, have not received any directors' commission during the financial year from the Company nor from any of its subsidiary(ies). The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company.

4. REPORTS AND POLICIES

Integrated Annual Report

For the Financial Year 2020-21, the Company has voluntarily developed its first Integrated Annual Report based on International Integrated Reporting Council's ('IIRC') Framework, which encourages organizations to communicate their value creation over time. The Company is embarking on this journey to communicate its integrated thinking and how its business creates sustained value for stakeholders. The Report also encompasses aspects like strategy, performance, governance frameworks, value creation based on various forms of capital viz. financial capital, manufactured capital, intellectual capital, natural capital, social & relationship capital and human capital.

Corporate Governance

A detailed report on the same for FY 2020-21 along with practicing Company Secretary's certification thereon, is provided in the Corporate Governance section of this report.

Management Discussion and Analysis

A detailed Management Discussion and Analysis Report is annexed to this report.

Business Responsibility Report

As stipulated under the SEBI Regulations, the Business Responsibility Report under Regulation 34(2)(f) is annexed to this report.

Nomination and Remuneration Policy

The Company has a Nomination and Remuneration Policy (Policy) for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees, pursuant to the Act and SEBI Regulations, as amended from time to time.

BOARD'S REPORT (Contd.)

Salient features of the Policy, are:

1. Appointment and remuneration of Directors, KMP and SMP.
2. Determination of qualifications, positive attributes and independence for appointment of a Director (Executive/ Non- Executive/Independent) and recommendation to the Board matters relating to the remuneration for the Directors, KMP and SMP.
3. Formulating the criteria for performance evaluation of all Directors.
4. Board Diversity

The said Policy is available on the website of Company at https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/NRC%20policy%20%281%29.pdf

Vigil Mechanism/Whistle Blower Policy

Pursuant to the Section 177(9) of the Act and Regulation 22 of SEBI Regulations, the Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and employees to report their genuine concerns. The Policy provides for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Governance and Ethics. The policy is available on the website of the Company at https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Whistle_Blower_Policy.pdf

The Company has in place robust measures to safeguard whistle blowers against potential victimization. Directors and employees are sensitized about mechanisms and guidelines for direct access to the Chairman of the Audit Committee, in appropriate cases.

Further, during FY 2020-21, no personnel has been denied access to the Audit Committee.

5. AUDITORS AND AUDIT REPORTS

Statutory Auditors

M/s. Deloitte Haskins and Sells LLP, the Statutory Auditors of the Company, have been appointed to conduct the audit of the Financial Statements of the Company from FY 2017-18 till FY 2021-22.

Further, there was no instance of fraud reported by the Statutory Auditors during FY 2020-21, as required under Section 134 of the Act and rules thereunder.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. SVD & Associates, Company Secretaries in Practice, to undertake the Secretarial Audit of the Company, for FY 2020-21. The Report of the Secretarial Audit in Form MR – 3 is annexed herewith.

Further, pursuant to SEBI circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Annual Secretarial Compliance Report submitted by M/s SVD & Associates, also forms part of the Board's Report. The said report(s) does not contain any qualification, reservation or adverse remarks.

The appointment of M/s SVD & Associates as Secretarial Auditors continues for FY 2021-22.

Further, during FY 2020-21 and two previous Financial Years, no penalties or strictures were imposed on the Company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets.

Internal Auditors

The Board had appointed Ernst & Young LLP, Pune as Internal Auditors for FY 2020-21 under Section 138 of the Act. Their appointment as Internal Auditors continues for FY 2021-22.

Explanations on Qualification, Reservation or Adverse Remark or Disclaimer made by Auditors

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors/Secretarial Auditors in their respective Reports.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR activities by the Company were undertaken through RPG Foundation, which is committed towards undertaking CSR activities across all group companies of RPG. The composition of the CSR Committee of the Company, in accordance with Section 135 of the Act, is covered under the Corporate Governance Report which forms part of this report.

A detailed report on CSR activities, in line with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, is attached to this report.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions relating to disclosure of details regarding energy consumption, both total and per unit of production, are not applicable as the Company is engaged in the services sector and provides IT and IT related services.

Particulars prescribed under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014 in respect of Technology Absorption, Foreign Exchange earnings and outgo as on March 31, 2021 and R&D expenditure during the Financial Year are set out as Annexure to this report.

Further details are provided under 'Natural Capital' and 'Intellectual Capital' sections respectively which form part of this Integrated Annual Report.

BOARD'S REPORT (Contd.)

8. OTHER DISCLOSURES

i. The Company is not required to maintain cost records, as specified by the Central Government under section 148 of the Act.

ii. Key initiatives with respect to stakeholder relationship, customer relationship, environment, sustainability, health and safety have been disclosed under respective heads of Corporate Governance Report and Business Responsibility Report.

iii. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the Financial Year along with their status as at the end of the Financial Year is not applicable.

iv. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

9. ACKNOWLEDGEMENTS AND APPRECIATIONS

The Board places on record its appreciation for the contribution of associates at all levels, customers, business and technology partners, vendors, investors, Government Authorities and all other stakeholders towards the performance of the Company during the year under review.

The Directors express their deepest condolences towards loss of life due to COVID-19 pandemic, within and outside the Zensar family, and are deeply grateful to every employee who risked their life and safety to work for the Company while fighting this pandemic.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: August 18, 2021

H. V. Goenka
Chairman

Note: *All the Annexures referred in the Board's Report form an integral part of the same, unless otherwise stated. The entire Annual Report along with the Notice convening the AGM is to be read together.*

ANNEXURE(S) TO BOARD'S REPORT

A	Information pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
B	Report on Corporate Governance
C	Management Discussion and Analysis Report
D	Business Responsibility Report
E	Secretarial Audit Report (Form MR-3)
F	Annual Secretarial Compliance Report
G	Annual Report on CSR Activities
H	Report on Conservation of Energy, Technological Absorption and Foreign Exchange Earnings and Outgo

Annexure A to the Board's Report

Information pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

<table>
<tr><th>Sr. No.</th><th>Name of the Director/ Key Managerial Personnel</th><th>Designation</th><th>Ratio of remuneration of each Director to the median remuneration of the employees of the Company[1]</th><th>% Increase in the remuneration</th></tr>
<tr><td>1</td><td>H. V. Goenka[2]</td><td>Chairman</td><td>22.28</td><td>(100)</td></tr>
<tr><td>2</td><td>Sandeep Kishore[3]</td><td>Managing Director and Chief Executive Officer</td><td>-</td><td>-</td></tr>
<tr><td>3</td><td>Ajay S. Bhutoria[4]</td><td>Chief Executive Officer and Managing Director</td><td>-</td><td>-</td></tr>
<tr><td>4</td><td>A. T. Vaswani</td><td rowspan="9">Directors</td><td>0.79</td><td rowspan="6">-</td></tr>
<tr><td>5</td><td>Arvind Agrawal</td><td>0.79</td></tr>
<tr><td>6</td><td>Venkatesh Kasturirangan</td><td>0.79</td></tr>
<tr><td>7</td><td>Shashank Singh (Marina Holdco (FPI) Ltd.)</td><td>0.79</td></tr>
<tr><td>8</td><td>Ketan Dalal</td><td>0.79</td></tr>
<tr><td>9</td><td>Harsh Mariwala</td><td>0.79</td></tr>
<tr><td>10</td><td>Ben Druskin[5]</td><td>-</td><td>-</td></tr>
<tr><td>11</td><td>Anant Goenka</td><td>0.20</td><td>300</td></tr>
<tr><td>12</td><td>Radha Rajappa[6]</td><td>-</td><td>-</td></tr>
<tr><td>13</td><td>Navneet Khandelwal</td><td>Chief Financial Officer</td><td>15.54</td><td>15.48</td></tr>
<tr><td>14</td><td>Gaurav Tongia</td><td>Company Secretary</td><td>5.87</td><td>3.15</td></tr>
</table>

Notes:

1. Median remuneration of the employees is calculated on the basis of remuneration details of permanent employees on India payroll excluding Managing Director.
2. No commission was paid to H.V. Goenka for FY 2019-20.
3. Sandeep Kishore ceased to be the Managing Director and Chief Executive Officer and demitted office of directorship w.e.f. close of business hours on January 11, 2021, upon expiry of his term. Since there was no increment provided in FY 2020-21, there is no percentage increase/decrease in the remuneration. In addition to the above, he also received remuneration from subsidiary company, Zensar Technologies Inc., details of which are as provided in Note No. 35 of Notes to Consolidated Financial Statements.
4. Ajay S. Bhutoria has been appointed as Chief Executive Officer and Managing Director of the Company, in the capacity of Executive Director, effective from January 12, 2021, and therefore comparable amount of remuneration was not available for determination of percentage increase/ decrease in the remuneration He also received remuneration from subsidiary company, Zensar Technologies Inc., details of which are as provided in Note No. 35 of Notes to Consolidated Financial Statements.
5. Remuneration, if any, received in FY 2020-21 is not comparable with remuneration received, if any, in FY 2019-20 and hence, not stated.
6. Radha Rajappa was appointed as an Additional, Non-Executive Director with effect from August 6, 2019 and therefore comparable amount of remuneration was not available for determination of percentage increase/decrease in the remuneration.
7. The remuneration to Directors is within the overall limits approved by the shareholders of the Company, as applicable.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 18, 2021

H.V. Goenka
Chairman

Annexure B to the Board's Report

Report On Corporate Governance

Company's Corporate Governance Philosophy

Corporate Governance is a set of systems, policies and practices deep-rooted in organizational philosophy to ensure that affairs are being managed in a way which affords accountability, transparency and fairness in all its transactions with stakeholders. The Company believes that good governance practices stem from the culture and mind-set of the organization. Effective corporate governance is the strong foundation on which commercial enterprises, when built, succeed.

Company's philosophy of Corporate Governance includes:

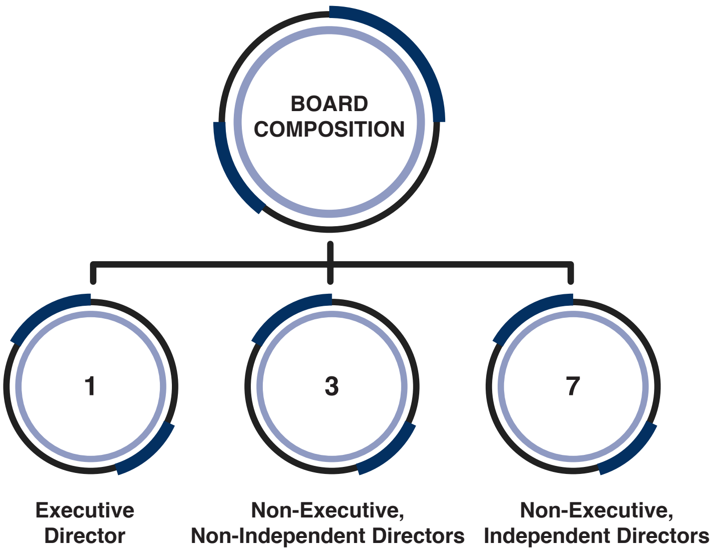
A report, *inter-alia,* in line with the requirements of Listing Regulations for the Financial Year ended March 31, 2021 is given below:

1. Board of Directors

A. Size and composition of the Board:

The Company's Board is characterized by independence, professionalism, transparency in decision making and accountability. It comprises optimum combination of Executive and Non-Executive Directors, each of whom adds value and brings independent, holistic and multifaceted view in the decision-making process. The Chairman of the Board is a Non- Executive Director.

As on March 31, 2021, the Board comprises of 11 Directors:



Annexure B to the Board's Report (Contd.)

Based on the requisite certifications/ affirmations received from respective directors, their directorships and committee memberships/chairmanships are within permissible limits.

During the year under review:

- The term of office of Sandeep Kishore (DIN: 07393680) as the Managing Director and CEO, expired on close of business hours on January 11, 2021;
- Ajay S. Bhutoria (DIN: 09013862) has been appointed as Chief Executive Officer and Managing Director of the Company, in the capacity of Executive Director, effective from January 12, 2021.

Except H. V. Goenka and Anant Goenka, none of the Directors are related to each other.

B. Board Meetings:

The Board of Directors of the Company met 9 times during FY 2020-21 as stated below, along with the attendance at the Board Meeting(s) and AGM.

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2020-21 were held through Video Conferencing.

Meeting Attendance

Name of Director	AGM September 23, 2020	Board Meeting (BM) Dates									% of Attendance
		May 14, 2020	July 23, 2020	October 19, 2020	October 29, 2020	December 11, 2020	January 11, 2021	January 21, 2021	February 25, 2021	March 18, 2021	
H. V. Goenka	Chairman	Chairman	Chairman	Chairman	Chairman	Chairman	Chairman	Chairman	Chairman	Chairman	100%
Sandeep Kishore^	Present	Present	Present	Present	Present	×	×	NA	NA	NA	67%
Ajay S. Bhutoria*	NA	NA	NA	NA	NA	NA	NA	Present	Present	Present	100%
A.T. Vaswani	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Arvind Agrawal	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Venkatesh Kasturirangan	×	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Shashank Singh	Present	Present	Present	Present	Present	Present	Present	Present	×	Present	89%
Ketan Dalal	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Ben Druskin	×	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Harsh Mariwala	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Anant Goenka	Present	Present	Present	×	Present	Present	Present	Present	Present	Present	89%
Radha Rajappa	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%

Chairman   Present in person or through Audio Visual means   × Absent

^Ceased to be Director effective from close of business hours on January 11, 2021
*Appointed as Director effective from January 12, 2021

The composition of the Board and other Directorship(s) / Membership(s) of Committees held by respective Directors, as on March 31, 2021, is set out below (excluding memberships held in Zensar Technologies Limited, private limited companies, foreign companies and companies registered under Section 8 of the Act). Memberships/ Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies (excluding Zensar Technologies Limited) are considered (Membership includes Chairmanship):

Annexure B to the Board's Report (Contd.)

Board of Directors

H. V. Goenka
Chairman,
Non- Executive,
Non-Independent Director

Appointment Date	September 4, 2001
No. of shares held	149,990 (Apart from this, also holds shares of the Company, in the capacity of Trustee, as detailed in the Board's Report)
Board Memberships – Indian Listed companies	CEAT Limited Chairman, Non-Executive, Non-Independent Director
	KEC International Limited Chairman, Non-Executive, Non-Independent Director
	RPG Life Sciences Limited Chairman, Non-Executive, Non-Independent Director
	Bajaj Electricals Limited Independent Director
Board Memberships – Indian Unlisted companies	RPG Enterprises Limited Non-Executive Director
	Spencer International Hotels Limited Non-Executive Director
Committee Details	Chairman: Nil Membership: Nil

Ajay S. Bhutoria
Chief Executive Officer and
Managing Director

Appointment Date	January 12, 2021
No. of shares held	Nil
Board Memberships – Indian Listed companies	
Board Memberships – Indian Unlisted companies	
Committee Details	Chairman: Nil Membership: Nil

Annexure B to the Board's Report (Contd.)

Board of Directors

A. T. Vaswani

Non-Executive, Independent Director

Appointment Date*	April 1, 2020
No. of shares held	50,000
Board Memberships – Indian Listed companies	KEC International Limited Independent Director
Board Memberships – Indian Unlisted companies	Embio Limited Independent Director
Committee Details	Chairman: 2 Membership: 2

** Second term*

- General Management & Business Operation
- Thought Leadership
- CEO/ Senior Management Experience
- IT Industry/ Cyber Security Experience
- Accounting/ Finance/ Legal
- Risk Management
- Strategy/ M&A/ Restructuring
- Corporate Governance

Arvind Agrawal

Non-Executive, Independent Director

Appointment Date	May 1, 2019
No. of shares held	
Board Memberships – Indian Listed companies	Nil
Board Memberships – Indian Unlisted companies	
Committee Details	Chairman: Nil Membership: Nil

- General Management & Business Operation
- Thought Leadership
- CEO/ Senior Management Experience
- Human Resources Management
- Strategy/ M&A/ Restructuring
- Corporate Governance

Annexure B to the Board's Report (Contd.)

Board of Directors

Venkatesh Kasturirangan
Non-Executive, Independent Director

Appointment Date*	April 1, 2020
No. of shares held	Nil
Board Memberships – Indian Listed companies	Nil
Board Memberships – Indian Unlisted companies	Nil
Committee Details	Chairman: Nil Membership: Nil

** Second term*

General Management & Business Operation · Thought Leadership · CEO/ Senior Management Experience · Risk Management · Human Resources Management · Strategy/ M&A/ Restructuring · Business Development/ Marketing · International Business

Shashank Singh
Non-Executive, Nominee Director
[Marina Holdco (FPI) Limited]

Appointment Date	October 20, 2015
No. of shares held	Nil
Board Memberships – Indian Listed companies	Shriram City Union Finance Limited Non-Executive, Non-Independent Director
Board Memberships – Indian Unlisted companies	Nil
Committee Details	Chairman: Nil Membership: Nil

General Management & Business Operation · Thought Leadership · CEO/ Senior Management Experience · IT Industry/ Cyber Security Experience · Accounting/ Finance/ Legal · Risk Management · Strategy/ M&A/ Restructuring · Corporate Governance · Business Development/ Marketing · International Business

Annexure B to the Board's Report (Contd.)

Board of Directors

Ketan Dalal
Non-Executive, Independent Director

Appointment Date	November 3, 2017
No. of shares held	Nil
Board Memberships – Indian Listed companies	HDFC Life Insurance Company Limited Independent Director
Board Memberships – Indian Unlisted companies	Jio Payment Bank Limited Independent Director
Committee Details	Chairman: 1 Membership: 3

General Management & Business Operation · Thought Leadership · CEO/ Senior Management Experience · Accounting/ Finance/ Legal · Risk Management · Strategy/ M&A/ Restructuring

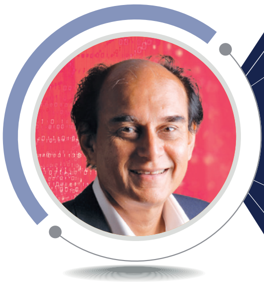
Ben Druskin
Non-Executive, Independent Director

Appointment Date	November 3, 2017
No. of shares held	Nil
Board Memberships – Indian Listed companies	Nil
Board Memberships – Indian Unlisted companies	Nil
Committee Details	Chairman: Nil Membership: Nil

General Management & Business Operation · Thought Leadership · CEO/ Senior Management Experience · IT Industry/ Cyber Security Experience · Accounting/ Finance/ Legal · Risk Management · Human Resources Management · Strategy/ M&A/ Restructuring · Business Development/ Marketing · International Business

Annexure B to the Board's Report (Contd.)

Board of Directors



Harsh Mariwala
Non-Executive, Independent Director

Appointment Date	January 18, 2018
No. of shares held	17,520
Board Memberships – Indian Listed companies	Marico Limited Chairman and Non-Executive, Non-Independent Director
	Kaya Limited Chairman and Managing Director
	JSW Steel Limited Independent Director
	Thermax Limited Independent Director
Board Memberships – Indian Unlisted companies	Eternis Fine Chemicals Limited Non-Executive Director
	Marico Innovation Foundation (Deemed Public Company) Non-Executive, Nominee Director
Committee Details	Chairman: Nil Membership: 1

General Management & Business Operation | Thought Leadership | CEO/ Senior Management Experience | Public Policy/ Governmental Regulations | Risk Management | Human Resources Management | Strategy/ M&A/ Restructuring | Corporate Governance | Business Development/ Marketing

Anant Goenka
Non-Executive, Non-Independent Director

Appointment Date	January 21, 2019
No. of shares held	Nil (However, holds shares of the Company, in the capacity of Trustee, as detailed in the Board's Report)
Board Memberships – Indian Listed companies	CEAT Limited Managing Director
Board Memberships – Indian Unlisted companies	Spencer & Company Limited Non-Executive Director
Committee Details	Chairman: Nil Membership: Nil

General Management & Business Operation | Thought Leadership | CEO/ Senior Management Experience | Public Policy/ Governmental Regulations | Risk Management | Strategy/ M&A/ Restructuring | Corporate Governance | Business Development/ Marketing | International Business

Annexure B to the Board's Report (Contd.)

Board of Directors

Radha Rajappa

Non-Executive,
Independent Director

Appointment Date	August 6, 2019
No. of shares held	Nil
Board Memberships – Indian Listed companies	
Board Memberships – Indian Unlisted companies	
Committee Details	Chairman: Nil Membership: Nil

The Company believes that the Board of Directors should possess skills, knowledge and experience needed to effectively steer the Company forward. Directors of the Company are appointed on the basis of their specific skill(s), knowledge and experience, which would help in plugging gap(s) on the Board, if, as and when the same occurs. The Company believes that it is important to acknowledge that not all Directors will possess each of the skills, but the Board as a whole must possess them. In the table(s) above, the core areas of skills/ expertise/competence of individual Board members are indicated and it does not necessary reflect a binary representation.

C. Independent Directors

Independent Directors play a significant role in the governance processes of the Board and bring diversity in Board's decision making.

The appointment of Independent Director(s) is carried out in a structured manner in accordance with the provisions of the Act and SEBI Regulations. The Nomination and Remuneration Committee identifies candidates and takes into consideration various factors including the need to diversify and accordingly makes recommendations to the Board.

The Independent Directors are appointed for a term not exceeding five years, at a time, as per the requirements of the Act and SEBI Regulations. In the opinion of the Board, all the Independent Directors fulfil the prescribed conditions and are independent of the Management.

D. Information placed before the Board:

Agenda papers along with detailed notes are circulated prior to the meeting(s). Information as required under SEBI Regulations are made available to the Directors from time to time. Further, periodic Compliance Reports / Certificates with respect to applicable laws, are placed before the Board of Directors for its review.

The Company did not have any material pecuniary relationship or transactions with its Non-Executive and/ or Independent Directors *per-se* during the year under review, except payment of sitting fees and commission as disclosed in this report.

Annexure B to the Board's Report (Contd.)

2. Audit Committee

Composition & Meeting Attendance

Name of Director	Meeting Dates							
	April 15, 2020	May 13, 2020	July 22, 2020	October 19, 2020	October 28, 2020	November 25, 2020	January 20, 2021	March 16, 2021
A.T. Vaswani								
Arvind Agrawal								
Shashank Singh				×				
Ketan Dalal								

The Meeting(s) are also attended by the Chief Financial Officer, Global Financial Controller, Statutory Auditors and Internal Auditors (including executives from Internal Audit Department of the Company). Chief Executive Officer and other executives of the Company also attend the meeting, as and when required. The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee attended the 57th Annual General Meeting held on September 23, 2020, through video conferencing (VC)/ other audio-visual means (OAVM).

A. Terms of Reference

i. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

ii. Recommend to the Board, the appointment, re-appointment, remuneration and terms of appointment of auditors of the Company and, if required, their replacement or removal.

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

iv. Review, with the management, the annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:

  a. matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of sub section 5 of Section 134 of the Act;

  b. changes, if any, in accounting policies and practices, and reasons for the same;

  c. major accounting entries involving estimates based on the exercise of judgment by management;

  d. significant adjustments made in the financial statements arising out of audit findings;

  e. compliance with listing and other legal requirements relating to financial statements;

  f. disclosure of any related party transactions; and

  g. modified opinions in the draft audit report.

v. Review with the management, the quarterly financial statements before submission to the Board for approval.

vi. Review of management discussion and analysis of financial condition and results of operations.

vii. Review with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, qualified institutional placement etc.) and making appropriate recommendations to the Board to take up steps in this matter.

viii. Review the quarterly statement of deviation(s) including report of monitoring agency, if applicable, in terms of Regulation 32(1) of the Listing Regulations, being submitted to the Stock Exchange(s).

ix. Review the annual statement of funds utilized for purpose other than those stated in the offer document/ prospectus in terms of Regulation 32(7) of the Listing Regulations.

Annexure B to the Board's Report (Contd.)

x. Review and monitoring the auditor's independence and performance and effectiveness of audit process.

xi Approval or any subsequent modification, ratification of transactions of the Company with related parties including granting of omnibus approvals subject to such conditions as may be prescribed and reviewing details of statement of significant related party transactions (as may be defined by the Audit Committee), submitted by the management.

xii. Scrutiny of inter-corporate loans and investments.

xiii. Review financial statements, in particular the investments made by the Company's unlisted subsidiaries.

xiv. Review the utilization of loans and /or advances from/ investment made by the Company in its subsidiary exceeding INR 100 crore or 10% of the total gross assets of the subsidiary, whichever is lower including existing loans/ advances/ investment or such other limit as may be prescribed from time to time.

xv. Valuation of undertakings or assets of the Company, wherever it is necessary.

xvi. Evaluation of internal financial controls.

xvii. Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

xviii. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

xix. Review internal audit reports relating to internal control weaknesses and discussion with internal auditors regarding any significant findings and follow up thereon.

xx. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

xxi. Review management letters/ letters of internal control weaknesses issued by the statutory auditors.

xxii. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

xxiii. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

xxiv. Review the functioning of vigil mechanism/whistle blower mechanism for the Directors and employees to report their genuine concerns or grievances and provide mechanism for adequate safeguards against victimization.

xxv. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.

xxvi. Review the appointment, removal and terms of remuneration of the chief internal auditor.

xxvii. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

xxviii. Investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if necessary.

xxix. Carry out all the functions as may be entrusted (a) by the Board of Directors, from time to time; and (b) by the virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

Annexure B to the Board's Report (Contd.)

3. Nomination and Remuneration Committee

Composition & Meeting Attendance								
Name of Director	Meeting Dates							
	April 7, 2020	May 13, 2020	June 22, 2020	November 20, 2020	December 11, 2020	January 11, 2020	March 15, 2021	March 30, 2021
A.T. Vaswani								
Arvind Agrawal								
Venkatesh Kasturirangan								

Shashank Singh is an observer to the Committee.

Chief Executive Officer and other executives of the Company also attend the Meeting(s), as and when required. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

A. Terms of Reference

i. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs) and other employees.

ii. Recommend to the Board, remuneration payable to Directors, KMPs and SMPs in accordance with the Nomination and Remuneration Policy.

iii. Formulate the criteria for effective evaluation of performance of Board of Directors, its Committees, Chairperson and individual Directors (including Independent Directors), to be carried out either by the Board or by NRC or through an independent external agency and review its implementation and compliance.

iv. Devise a policy on diversity of Board of Directors.

v. Identify persons who are qualified to become Directors and recommend their appointment to the Board.

vi. Opine whether the Director possesses the requisite qualification, as required under Section 197(4)(b).

vii. Review appointment and removal of KMPs and SMPs in accordance with the Policy applicable.

viii. Determine whether to extend or continue the term of appointment of an Independent Director, based on the report of performance evaluation of Independent Directors.

ix. Annual Appraisal of Key Managerial Personnel and Senior Management Personnel and approval / recommendation of increments, performance bonus etc.

x. Succession Planning in respect of the CEO and his Direct Reports.

xi. Ensuring gender diversity in respect of the appointment of KMPs and SMPs.

xii. Carry out functions as may be entrusted:

a. by the Board of Directors from time to time;

b. by virtue of applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as applicable, from time to time.

B. Nomination and Remuneration Policy:

The policy, *inter-alia*, on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under the Act is available on the website of Company at https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/NRC%20policy%20%281%29.pdf

Annexure B to the Board's Report (Contd.)

C. Details of remuneration of Directors:

i. Remuneration of Managing Director:

(a) Sandeep Kishore

Sandeep Kishore, ceased to be Managing Director and Chief Executive Officer w.e.f. close of business hours on January 11, 2021 upon expiry of his term. He was paid remuneration during the year under review as per the terms recommended by the Nomination and Remuneration Committee, approved by the Board of Directors and/or Members of the Company.

The details of remuneration paid to Sandeep Kishore during/for FY 2020-21 are set out in note no. 28 of notes to Standalone Financial Statement appended herein.

As on January 11, 2021 and March 31, 2021, Sandeep Kishore held NIL Equity Shares of the Company.

The key details of service contract(s) and notice period were as under:

Name	Service contract(s)	Notice period
Sandeep Kishore Managing Director and Chief Executive Officer	5 year(s), from January 12, 2016 to January 11, 2021	Six months' notice

(b) Ajay S. Bhutoria

Ajay S. Bhutoria, Chief Executive Officer and Managing Director with effect from January 12, 2021, is paid remuneration as per the terms recommended by the Nomination and Remuneration Committee, approved by the Board of Directors and Members of the Company.

The details of remuneration paid to Ajay S. Bhutoria, during/for FY 2020-21 are set out in the note No. 28 of notes to Standalone Financial Statement, appended herein.

As on March 31, 2021, Ajay S. Bhutoria held NIL Equity Shares of the Company. He holds 4,00,000 Performance Award Units (PAUs)/ESOPs granted under 'Zensar Technologies Limited – Employee Performance Award Unit Plan 2016' (EPAP 2016). The actual vesting would vary based upon achievement of performance and other parameters.

The key details of service contracts and notice period are as under:

Name	Service contract(s)	Notice period
Ajay S. Bhutoria, Chief Executive Officer and Managing Director	5 year(s), from January 12, 2021	Three months' notice

ii. Details of Remuneration to Non-Executive Directors:

Non-Executive Directors are paid sitting fees for attending meetings of the Board/ Committee within the limits as prescribed under the Act.

The Nomination and Remuneration Committee (NRC) decides the basis for determining the compensation, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC takes into consideration various factors such as director's participation in Board and Committee meetings during the year under review, other responsibilities undertaken, such as membership(s) or chairmanship(s) of Committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV of the Act and SEBI Regulations. The Board determines the compensation to Non-Executive Directors within the overall limits permitted by Members.

The Non-Executive Directors are paid sitting fees as below:

Sr. No.	Type of Meeting	Sitting fees per meeting per director (INR)
1	Board Meeting	100,000
2	Audit Committee Meeting	50,000
3	Nomination & Remuneration Committee, CSR Committee, Stakeholder Relationship Committee and Risk Management Committee	25,000
4	Banking Committee and M&A Committee	5,000

The Members of the Company at 55th Annual General Meeting of the Company held on August 8, 2018, approved payment of a sum not exceeding 3% per annum of the net profits of the Company for the respective financial year, calculated, *inter-alia*, in accordance with the provisions of Section 198 of the Act as commission to the Non-Executive Directors.

Annexure B to the Board's Report (Contd.)

Remuneration of Non-Executive Directors: **(Amount in INR)**

Sr. No.	Name of the Director/Institution	Sitting fees paid during / for FY 2020-21	Commission paid during FY 2020-21 for FY 2019-20
1	H. V. Goenka	900,000	-
2	A.T. Vaswani	1,775,000	800,000
3	Arvind Agrawal	1,775,000	800,000
4	Venkatesh Kasturirangan	1,200,000	800,000
5	Sudip Nandy*	-	340,000
6	Shashank Singh / Marina Holdco (FPI) Ltd.	1,260,000	800,000
7	Ketan Dalal	1,400,000	800,000
8	Ben Druskin	910,000	-
9	Tanuja Randery**	-	140,000
10	Harsh Mariwala	900,000	800,000
11	Anant Goenka	800,000	800,000
12	Radha Rajappa#	910,000	600,000
	Total	**11,830,000**	**6,680,000**

** Ceased to be Director, effective from August 7, 2019* *** Ceased to be Director, effective from May 31, 2019*

 # Appointed as Director, effective from August 6, 2019

H.V. Goenka, Anant Goenka and Shashank Singh are liable to retire by rotation. Pursuant to Schedule V of the SEBI Regulations, details of engagements with Non-Executive, Non-Independent Directors are available on the website of the Company.

D. Performance evaluation of the Board and individual Directors:

Pursuant to the provisions of the Act and SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of working of its Committees respectively. A structured questionnaire considering inputs received from the Directors including Independent Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligation and governance etc. is used for the purpose. The evaluation of the performance of individual Directors, including, Independent Directors, was carried out, *inter alia*, as per the performance criteria laid down by the Nomination and Remuneration Committee and the relevant regulations.

Annexure B to the Board's Report (Contd.)

4. Stakeholders Relationship Committee

The Stakeholders Relationship Committee oversees redressal of investor grievances, transfer/transmission of shares, issue of duplicate shares, recording dematerialization/rematerialization of shares and related matters. The roles and responsibilities of the Committee are as prescribed under applicable statutes and as stipulated by the Board of Directors from time to time.

Composition & Meeting Attendance	
Name of Director	**Meeting Dates**
	April 14, 2020
A.T. Vaswani	
Arvind Agrawal	
Sandeep Kishore^	
Ajay S. Bhutoria*	**NA**

^ Ceased to be Member of Committee effective from close of business hours on January 11, 2021

* Appointed as Member of Committee effective from January 12, 2021

A. Terms of Reference:

i. Consider and resolve the grievances of the security holders', *inter-alia* consisting of shareholders, debenture- holders, deposit holders, etc. of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, nonreceipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii. Review measures taken for effective exercise of voting rights by shareholders.

iii. Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv. Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

v. Consider and approve issue of duplicate share certificates in lieu of those lost or destroyed.

vi. Approval and rejection of transfer or transmission of shares.

vii. Issue of duplicate certificates, rematerialization of Share Certificates, and certificates to be issued in accordance with Sub-rule 3 of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time.

viii. Oversee compliances in respect of transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund.

ix. Carry out all the functions as may be entrusted (i) by Board of Directors from time to time; and (ii) by virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

B. Status of shareholders complaints/enquiries for FY 2020-21 is set out below:

Description	Received during the Quarter	Resolved during the Quarter
Non-receipt of refund order	0	0
Non-receipt of securities	14	14
Non-receipt of dividend warrants (including enquiries)	296	296
SEBI complaints	2	2
Stock Exchange complaints	0	0
Consumer Forum/Court Cases	0	0
Advocate notices	0	0
Total	**312**	**312**

There were no pending complaints as on March 31, 2021.

C. Compliance Officer/Address for Communication

Gaurav Tongia
Company Secretary and Compliance Officer,
Zensar Technologies Ltd.
Zensar Knowledge Park, Kharadi, Plot # 4, MIDC,
Off Nagar Road, Pune 411 014, India.
Phone No. (020) 66074000,
Fax No: (020) 66074433,
E-mail: investor@zensar.com

Annexure B to the Board's Report (Contd.)

5. Corporate Social Responsibility Committee

Composition & Meeting Attendance					
Name of Director	Meeting Dates				
	April 14, 2020	May 12, 2020	October 23, 2020	December 3, 2020	March 15, 2021
Arvind Agrawal					
A.T. Vaswani					
Sandeep Kishore^					NA
Ajay S. Bhutoria*	NA	NA	NA	NA	

^ Ceased to be Member of Committee effective from close of business hours on January 11, 2021

* Appointed as Member of Committee effective from January 12, 2021

A. Terms of Reference:

i. To formulate and recommend to the Board of Directors, CSR Policy, *inter alia* including a statement containing the approach and direction given by the Board, and guiding principles for selection, implementation and monitoring of CSR activities, as well as, formulation of the Annual Action Plan.

ii. To recommend to the Board of Directors, the Annual Action Plan in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, *inter-alia* including the amount of expenditure to be incurred on CSR activities, list of projects to be undertaken within the purview of Schedule VII to the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization, project implementation schedules, monitoring and reporting mechanism etc.

iii. to review the CSR policy of the Company, from time to time.

iv. Carry out all the functions as may be entrusted (i) by the Board of Directors, from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013 and any other applicable provisions of Laws, as amended from time to time.

6. Risk Management Committee

Composition & Meeting Attendance				
Name of Director	Meeting Dates			
	April 3, 2020	July 10, 2020	October 27, 2020	February 9, 2021
A.T. Vaswani				
Shashank Singh				
Ketan Dalal				
Venkatesh Kasturirangan				
Arvind Agrawal				

Annexure B to the Board's Report (Contd.)

A. Terms of Reference:

i. Framing, implementing, monitoring and reviewing Risk Management plan, policies, systems and framework of the Company.

ii. Validating, evaluating and monitoring key risks including strategic, operational, financial, cyber security and compliance risks.

iii. Reviewing the measures taken for risk management and mitigation plan and monitor effectiveness thereof.

iv. Carrying out all the functions as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

Further, the Board, from time to time, constitutes administrative committee(s), comprising of such number of directors as it deems fit, for administration / monitoring certain business matters. Such committees are for specific purpose only and may get dissolved, once the designated tasks are completed.

7. Banking Committee

The Board has constituted the Banking Committee and delegated matters, *inter-alia,* regarding opening and closing of bank accounts in India and abroad, change in signatories to existing bank accounts, review of treasury operations, etc.

Composition & Meeting Attendance

Name of Director	Meeting Dates				
	May 12, 2020	July 30, 2020	November 20, 2020	November 26, 2020	February 4, 2021
A.T. Vaswani					
Arvind Agrawal					
Sandeep Kishore^	×	×	×	×	NA
Ajay S. Bhutoria*	NA	NA	NA	NA	

^ Ceased to be Member of Committee effective from close of business hours on January 11, 2021

** Appointed as Member of Committee effective from January 12, 2021*

A. Terms of Reference:

i. Authorizing opening and closure of all types of Bank Accounts (including EEFC Accounts) in India and Overseas.

ii. Authorizing new signatories and / or change, removal of existing authorized signatories in relation to Bank accounts, loans (granted and availed), working capital facilities and all other types of borrowings.

iii. Defining / amending signing powers of new / existing authorized signatories in relation to Bank accounts, loans (granted and availed), working capital facilities and all other types of borrowings.

iv. Authorizing new signatories and / or change, removal of existing authorized dealers and / or signatories to undertake, book, execute foreign exchange transactions, foreign exchange forward contracts and option derivatives and execute agreements / documents in this regard.

v. Authorizing new signatories and / or change, removal of existing authorized signatories for making investment of surplus funds within the overall limit specified by the Board and/or its redemption / transfer/sale from time to time.

vi. Review of Treasury Operations.

Annexure B to the Board's Report (Contd.)

8. M&A Committee

During the year under review the Board constituted M&A Committee in order to *inter-alia*, explore and screen acquisition targets/ disposal decisions, hold discussions with domain knowledge experts, review the targets on suitable parameters, etc.

Composition & Meeting Attendance		
Name of Director	Meeting Dates	
	November 19, 2020	February 19, 2021
Ben Druskin		
Shashank Singh		
Radha Rajappa		

A. Terms of Reference:

i. To screen, filter and recommend acquisition strategies and potential targets to the Board by providing such additional information and materials as may be appropriate to assist the Board in its evaluation, understanding, approval and/ or oversight of the target acquisitions/ mergers/ investments/ disposals, post due diligence based on suitable parameters.

ii. To invite such members of management to its meetings and have full access to the Company's management and employees, as it deems appropriate, to assist it in carrying out its duties and responsibilities.

iii. To report all of its actions, by way of Minutes of its meeting(s)/Circular Resolution(s), to the Board and keep the Board apprised of proposed acquisitions/ mergers/ investments/ disposals.

iv. To negotiate and/or finalize and/or take note of the definitive or any other agreement(s) and consideration amount for the transaction(s) involved, to give effect for business transfer and/or share transfer and to agree to any modifications or changes therein.

v. To intimate the Stock Exchanges and Media about this event(s) post signing of definitive agreement(s) or at any other appropriate time, subject to approval by the Board.

vi. To negotiate and/or decide and/or take note on any other matter as may be required to give effect to such transaction(s).

vii. To oversee post-consummation developments on the acquisitions/ mergers/ investments/ disposals etc., including but not limited to evaluation of execution, financial impact and alignment of such project with the strategic objective(s) of the Company; and

viii. To delegate any of its authority(ies) hereunder, to the Director(s), officer(s), consultant(s), advisor(s), etc. so appointed for the purpose of giving effect to the foregoing resolution(s).

9. Meeting of Independent Directors:

During the year under review, the Independent Directors met on March 15, 2021, *inter alia,* to discuss matters as prescribed under the Act and Listing Regulations. All the Independent Directors were present at the meeting.

10. Code of Conduct:

The Board of Directors of the Company has laid down a Code of Conduct for Directors and senior management personnel of the Company. This Code of Conduct is available on Company's website www.zensar.com. The Directors and senior management have affirmed their compliance with the Code of Conduct for FY 2020-21. A declaration from the Chief Executive Officer and Managing Director confirming the above, is annexed to this report, as Annexure I.

11. Familiarization Programs for Independent Directors:

Periodic familiarization sessions are held which provide an opportunity to the Independent Directors to interact with the Senior Officials of the Company and help them understand Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources etc. Further external experts are also invited to make presentations about business landscape and emerging trends.

The details of the Familiarization Program are available on Company's website: https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/FamiliarisationDetails_till-FY21.pdf

Annexure B to the Board's Report (Contd.)

12. Details of previous Annual General Meetings and special resolutions passed at such Annual General Meetings:

Particulars	Financial Year 2017-18	Financial Year 2018-19	Financial Year 2019-20
Date and Time	August 8, 2018 at 12.00 noon	August 5, 2019 at 12:00 noon	September 23, 2020 at 11.00 a.m.
	(a) Alteration of the capital clause of the Memorandum of Association (b) Approval for amendments in Employee Performance Award Unit Plan, 2016 for options granted / to be granted to the employees of the Company. (c) Approval for amendments in Employee Performance Award Unit Plan, 2016 for options granted/to be granted to the employees of the subsidiary(ies) of the Company. (d) Approval for payment of Commission to Non-Executive Directors.	(a) Re-appointment of A.T. Vaswani (DIN: 00057953) as Non-Executive Independent Director of the Company, not liable to retire by rotation. (b) Re-appointment of Venkatesh Kasturirangan (DIN: 00804896) as Non-Executive Independent Director of the Company, not liable to retire by rotation. (c) Approval for payment of Commission to Non-Executive Director(s).	No special resolution was passed in this Meeting.
Venue	Zensar Knowledge Park, Plot # 4, Kharadi MIDC, Off Nagar Road, Pune 411 014*		

* Pursuant to relevant MCA exemptions, the 57th AGM held on September 23, 2020, was conducted by way of video-conferencing/ other audio-visual means.

Postal Ballot

Pursuant to Section 110 and other applicable provisions, if any, of the Companies Act 2013 read together with the Companies (Management and Administration) Rules, 2014 (the Rules), the Company conducted two postal ballots to obtain approval of its Members via special resolutions, as stated in table below. In compliance with Regulation 44 of the Listing Regulations and provisions of Section 108, Section 110 of the Companies Act 2013 read with Rule 20 and 22 of the Rules, the Company had offered e-voting facility to all its Members to exercise their right to vote.

For this purpose, the Company had availed the services of KFin Technologies Private Limited, Company's Registrar and Share Transfer Agent.

The Company had appointed Sridhar Mudaliar, Partner of SVD & Associates, Company Secretaries, as Scrutinizer for conducting the postal ballot process (which includes e-voting) in fair and transparent manner. The results of the postal ballots were declared on November 26, 2020 and March 4, 2021 wherein Special Resolutions were passed with requisite majority by the Shareholders. Details of Voting patterns are as under:

Particulars / Description of item No.	No. of Shares held	No. of Votes Polled	% of Votes Polled	Votes in favor		Votes against	
				No.	%	No.	%
Divestment/disposal of equity shares of PSI Holding Group Inc. (step down subsidiary of the Company) held by Zensar Technologies Inc. (wholly owned subsidiary of the Company)*	225,457,685	175,956,205	78.04	172,828,877	98.22	3,127,328	1.78
Appointment of Ajay S. Bhutoria (DIN: 09013862) as Chief Executive Officer and Managing Director of the Company, effective January 12, 2021 and underlying remuneration#	225,475,505	177,636,012	78.78	168,824,711	95.04	8,811,301	4.96
Payment of remuneration to Sandeep Kishore, former Managing Director and Chief Executive Officer#	225,475,505	177,635,961	78.78	164,294,159	92.49	13,341,802	7.51

* Postal Ballot passed on November 24, 2020 # Postal Ballot passed on March 4, 2021

Annexure B to the Board's Report (Contd.)

The results of the Postal Ballots were placed on the website of the Company at www.zensar.com and were also filed with BSE Limited and National Stock Exchange of India Limited. None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

13. Disclosures

A. Related Party Transactions:

All related party transactions that were entered into during the Financial Year were on arm's length basis and in the ordinary course of business.

The transactions with the related parties are disclosed inter alia, in the note No. 28 of notes to Standalone Financial Statements in compliance with Accounting Standard 18 relating to "Related Party Disclosures" and the Act read with Rules thereunder and SEBI Regulations. The Board has approved a 'Policy on Related Party Transactions', web link of which forms part of the Board's Report.

There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

B. Statutory Compliance, Penalties and Structures:

There were no instances of material non-compliance and imposition of strictures or penalties on the Company, either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

C. Disclosure relating to Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Board of Directors has adopted Whistle Blower Policy. All employees of the Company are free to approach the Audit Committee of the Company and none of them has been denied access to the Audit Committee during the year under review. Weblink of said Whistle Blower Policy forms part of Board's Report.

D. The details of the fees paid to the Statutory Auditors of the Company:

The details of the total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part are set out in note No. 22(b) of Notes to Standalone Financial Statements.

E. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all mandatory requirements laid down by SEBI Regulations. Specifically, the Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of Regulation 46 of the SEBI Regulations.

F. Confirmation by the Board of Directors' acceptance of recommendation of mandatory committees:

The Board of Directors confirms that during the year under review, it has accepted all recommendations received from its mandatory committees.

14. Means of Communication

Key disseminations	Means
Quarterly, half-yearly and annual consolidated financial results	Widely circulated newspapers such as Financial Express and Loksatta and/or Company's website www.zensar.com
Press meets / Analyst meets to apprise and disseminate information relating to Company's working and performance. The transcripts of the same are uploaded on the Company's website	
Official Press releases	
Financial Results and presentations made to institutional investors or analysts	
Quarterly investor updates	

- Requests are sent to shareholders, *inter alia,* for registering their e-mail IDs, in order to smoothen the communication flow.
- The investors can contact the Company on the e-mail ID: investor@zensar.com.
- Management discussion and analysis forms part of this Annual Report.
- The Company has as per Green Initiatives taken by Ministry of Corporate Affairs, invites the Members to register their e-mail addresses with the Company by following the procedure mentioned in the Notice of AGM, so that all communications including the Notice calling the Annual General Meeting and other General Meeting of the Members along with explanatory statement(s) thereto, Financial Statements, Board's Reports, Auditor's Reports etc., can be sent to them in electronic mode.

Annexure B to the Board's Report (Contd.)

15. General Shareholder information:

i. **Annual General Meeting:** The Company is conducting the 58th Annual General Meeting (AGM) through VC/OAVM, pursuant to, *inter-alia,* the general circular number 02/2021 dated January 13, 2021, issued by the Ministry of Corporate Affairs and circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by SEBI. The detailed instruction(s) for participation and voting at the meeting are available in the notice convening the AGM and on the website of the Company, www.zensar.com.

ii. **Financial Year:** April 1 to March 31.

iii. **Record Date:** The Company has fixed September 16, 2021 as the record date for determination of entitlement for payment of Final Dividend.

iv. **Dividend payment during FY 2020-21:**

Sr. No.	Dividend Payment Details	Interim Dividend
1	Rate of Dividend Declared	INR 1.20 per equity share of INR 2.00 each
2	Date of Declaration	January 21, 2021

v. **Financial calendar (tentative and subject to change):**

Event	Latest by
Financial reporting for the quarter ending June 30, 2021	August 14, 2021
Financial reporting for the quarter ending September 30, 2021	November 14, 2021
Financial reporting for the quarter ending December 31, 2021	February 14, 2022
Financial reporting for the quarter ending March 31, 2022 along with Audited Annual Accounts for FY2021-22	May 30, 2022
59th Annual General Meeting for the year ending March 31, 2022	September 30, 2022

vi. **Listing on Stock Exchanges:** The Company's Equity Shares are listed on the following Stock Exchanges:

a. BSE Limited, Phiroze JeeJeebhoy Towers Dalal Street, Mumbai 400 001 (BSE);

b. National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex Bandra (E), Mumbai 400 051 (NSE).

BSE scrip code	504067
NSE symbol	ZENSARTECH
ISIN on NSDL and CDSL	INE520A01027

Listing fees have been duly paid for FY 2021-22.

vii. **Market Price Data**

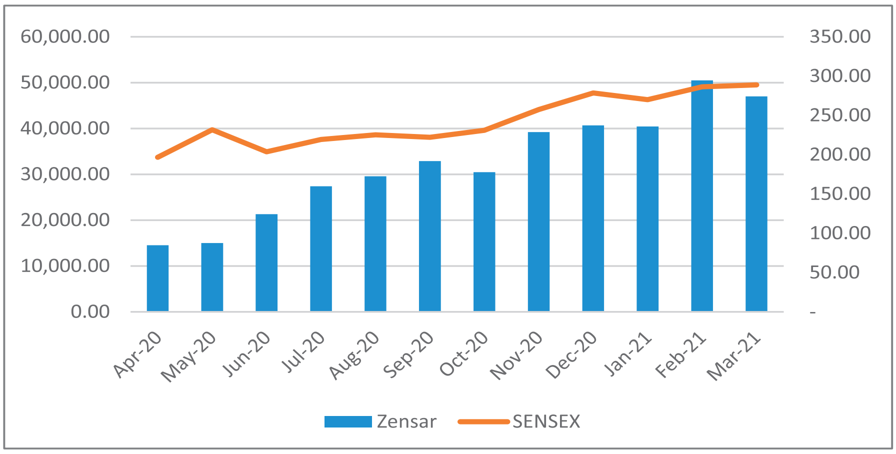
(Amount in INR)

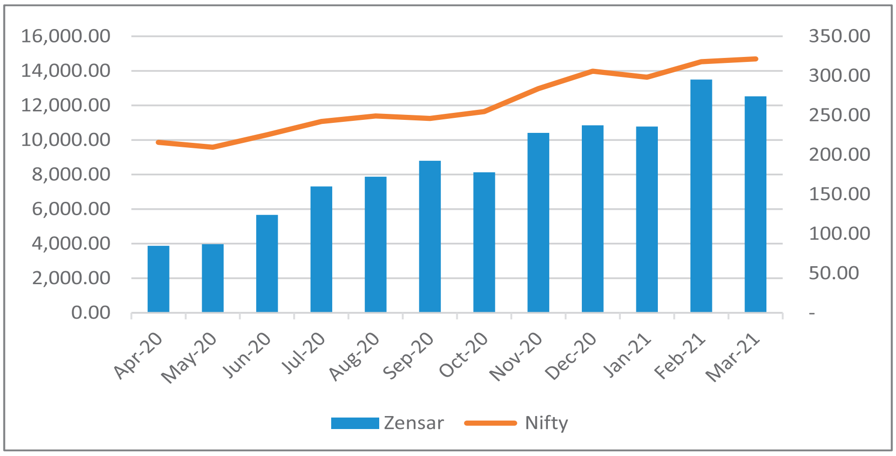
Period	BSE Limited					National Stock Exchange of India Limited				
	High	Low	Close	Total Traded Quantity	Sensex	High	Low	Close	Total Traded Quantity	Nifty
Apr-20	100.00	82.55	84.75	73,133	33,717.62	99.90	82.35	84.80	3,010,581	9,859.90
May-20	93.00	77.50	87.55	1,260,499	32,424.10	93.00	77.80	86.85	5,877,488	9,580.30
Jun-20	162.00	88.00	124.35	709,671	34,915.80	161.00	87.00	123.85	9,340,957	10,302.10
Jul-20	170.40	120.50	159.85	1,736,205	37,606.89	170.25	121.50	159.95	9,397,240	11,073.45
Aug-20	185.70	160.40	172.55	689,695	38,628.29	186.00	160.00	172.30	7,543,439	11,387.50
Sep-20	211.90	160.60	191.90	1,462,624	38,067.93	211.70	160.50	192.40	7,805,610	11,247.55
Oct-20	200.10	176.00	177.80	330,406	39,614.07	200.30	176.20	177.85	4,523,611	11,642.40
Nov-20	237.00	172.50	228.75	353,879	44,149.72	237.45	172.30	227.70	4,935,888	12,968.95
Dec-20	266.90	204.95	237.25	531,078	47,751.33	267.00	200.00	237.40	6,641,554	13,981.75
Jan-21	249.25	230.85	235.85	305,831	46,285.77	248.50	230.50	235.75	4,339,175	13,634.60
Feb-21	308.55	222.10	294.55	1,050,538	49,099.99	309.00	223.40	295.25	13,404,315	14,529.15
Mar-21	346.95	270.95	274.25	1,015,841	49,509.15	348.00	271.00	273.95	16,797,029	14,690.70

Source(s) – BSE Ltd. (www.bseindia.com) and the National Stock Exchange of India Ltd. (www.nseindia.com)

Annexure B to the Board's Report (Contd.)

The performance chart(s) showing share prices of the Company in comparison with SENSEX as well as Nifty during FY 2020-21 is as below:





viii. **Registrar and Share Transfer Agent (RTA):** All shareholders' correspondence may directly be addressed to the RTA, at the address given below: -

KFin Technologies Private Limited
(Formerly Karvy Fintech Private Limited)
Address: Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad 500 032, India.

The details of the concerned person in KFin Technologies Private Limited are as under:-

Name	Telephone No.	E-mail ID	Toll Free No.
Balaji Reddy S	+91 40 67161571	balaji.reddy@kfintech.com	1800 309 4001

ix. **Share Transfer System:** To expedite the transfer in physical mode, authority has been delegated to Stakeholders Relationship Committee of the Board. However, as per SEBI directive, physical transfer of shares is prohibited with effect from April 1, 2019. During the Financial Year, only those transfer applications have been considered by the Stakeholder Relationship Committee (SRC) that are relodged pursuant to the operating guidelines issued by SEBI vide circular dated September 7, 2020. Further, the Company has taken note of SEBI circular dated September 7, 2020, fixing March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that were re-lodged for transfers shall now be issued only in demat mode.

Annexure B to the Board's Report (Contd.)

The Committee considers requests for transfers, transmission of shares, issue of duplicate certificates, issue of certificates on split/ consolidation/ renewal etc. and the same are processed and delivered, if the documents are complete in all respects. In compliance with the SEBI Regulations, every six months, these processes are certified by a practicing Company Secretary.

x. **Distribution Schedule:**

No. of Equity Shares held	As on March 31, 2021			
	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 5,000	38,367	98.73	11,492,195	5.09
5,001 - 10,000	231	0.59	1,703,235	0.75
10,001 - 20,000	110	0.28	1,547,262	0.69
20,001 - 30,000	35	0.09	850,662	0.38
30,001 - 40,000	27	0.07	977,058	0.43
40,001 - 50,000	14	0.04	633,465	0.28
50,001 - 100,000	29	0.07	2,057,797	0.91
100,001 and above	48	0.12	206,358,611	91.46
TOTAL	**38,861**	**100.00**	**225,620,285**	**100.00**

xi. **Dematerialization of shares and liquidity:** The shares of the Company are in compulsory dematerialized mode. The status of dematerialization of shares as on March 31, 2021 is as under:

Particulars	No. of shares	% of issued capital
Held in dematerialized form in NSDL	218,147,606	96.69
Held in dematerialized form in CDSL	5,955,994	2.64
Physical	1,516,685	0.67
Total	**225,620,285**	**100.00**

xii. **Shareholding pattern:**

Category	As on March 31, 2021			
	No. of Shareholders	% Shareholders	No. of Shares held	% Shares
Promoters	16	0.04	110,978,832	49.19
Mutual Funds, Financial Institutions/ Banks, Alternate Investment Funds, Insurance Companies, FIIs, Foreign Portfolio Investors, NBFCs registered with RBI	125	0.31	40,142,640	17.79
Individual Shareholders	37,889	95.39	19,061,062	8.45
Bodies Corporate	217	0.55	1,428,161	0.63
NRI's & Overseas Corporate Bodies	799	2.01	52,390,623	23.22
IEPF	1	-	1,003,597	0.44
Public Others	672	1.69	615,370	0.27
Total	**39,719**	**100.00**	**225,620,285**	**100.00**

Annexure B to the Board's Report (Contd.)

xiii. Outstanding GDRs/ADRs/ Warrants/ESOPs or any Convertible instruments:

As of March 31, 2021, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company, except Stock Options granted under the 2002 Employees Stock Option Scheme, the 2006 Employees Stock Option Scheme and Employee Performance Award Unit Plan, 2016, details of which have been disclosed in the Board's Report.

xiv. Commodity Price Risk, Foreign exchange risks and hedging activities:

The Company does not have any exposure to commodity price risk. Further, the Company manages the foreign exchange risk as per the Board approved policy. The foreign exchange and hedging details form part of the Notes to Financial Statements.

xv. Credit Rating:

ICRA has reaffirmed the credit rating of A1+ for short term and AA+ for long term. As on March 31, 2021 there are no outstanding borrowing(s), by the Company.

xvi. Secretarial Standards issued by the Institute of Company Secretaries of India:

The Company complies with the mandatory Secretarial Standards, as applicable.

xvii. Nomination:

Members may avail the nomination facility. Blank nomination forms are available on the website of the Company at https://zensar.com/sites/default/files/investor/forms/Form%20No.%20SH-13%20nomination%20form_0.pdf

xviii. All policies and codes as required to be disclosed are available on the website of the Company, *inter alia*, on the following link: https://www.zensar.com/about/investors/investors-relation#corporate-governance

xix. Other Shareholders related information:

Provision of the SEBI Regulations with respect to Unclaimed Shares

Regulation 39(4) of SEBI Regulations read with Schedule VI "Manner of dealing with Unclaimed Shares", requires Companies to dematerialize such shares which have been returned as "Undelivered" by the postal authorities and hold these shares in an "Unclaimed Suspense Account" to be opened with either one of the Depositories viz. NSDL or CDSL. All corporate benefits on such shares viz. bonus, dividends etc. shall be credited to the unclaimed suspense account, for a period of seven years and thereafter be transferred in accordance with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules) read with Section 124(6) of the Act.

Disclosure with respect to shares lying in suspense account:

Particulars	Shareholders	Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2020	185	67,800
Number of shareholders who approached the Company for transfer of shares from suspense account during the FY 2020-21	0	0
Number of shareholders to whom the shares were transferred from the suspense account during the FY 2020-21	10	5,155 (Transferred to IEPF)
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	175	62,645

The voting rights on these shares shall remain frozen till the time rightful owner of such shares claims the shares.

Annexure B to the Board's Report (Contd.)

16. Disclosures as per Clause C of Schedule V of Listing Regulations:

A. Web link for policy for determining 'material' subsidiaries:

https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Policy%20on%20Material%20Subsidiaries_0.pdf

B. The details of the operational business locations in India are as below:

Sr. No.	Location
1	2nd Floor, Wing 2, Cluster C, Eon Free Zone, S. No. 77, Plot No.1, Kharadi Pune 411014 Maharashtra, India.
2	4th Floor in Tower B of EON SEZ Phase II, S. No.72/2/1, Kharadi, Pune 411014 Maharashtra India.
3	SEZ Unit, 1st Floor, Wing 2 Cluster E, on Free Zone, S. No. 77, Plot No.1, Kharadi Pune- 411014 Maharashtra India.
4	1st floor in Wing 2 of Cluster C, on Free Zone, S. No. 77, Plot No.1, Kharadi Pune- 411014 Maharashtra, India.
5	Plot # 4, MIDC, Off Nagar Road, Zensar Knowledge Park, Kharadi, Pune 411014, Maharashtra, India.
6	4th & 5th Floor E PARK, South Tower, Plot No 3 /1, Zensar Knowledge Park, MIDC Kharadi, Pune, Maharashtra, India.
7	101 & 102, 1st Floor, RMZ Ecoworld Campus, RMZ Ecoworld Varthur, Hobli, Bengaluru Rural 560103 Karnataka, India
8	RMZ Ecoworld, Campus 4C, Unit No.102, 1st Floor, Sarjapur, Devarabeesanahalli Village Varthur Hobli Bengaluru, Rural 560103, Karnataka.
9	2nd Floor of Building 11, SEZ Cessna Business Park, Kadubeesanhalli Village, Varthur Hobli Outer Ring Road, Bengaluru, Urban 560087, Karnataka, India.
10	DLF Cyber City Part of 1st Floor, Block-3, Plot No.129-132, APHB Colony, Gachibowli Village, Hyderabad 500019, Telangana, India.
11	DLF Cyber City Part of 09th Floor, Block-3, Plot No.129-132, APHB Colony, Gachibowli Village, Hyderabad, 500019, Telangana, India.
12	Part of 8th Floor, Bloc 3, DLF Assets Pvt Ltd, DLF Cyber City, Gachibowli Village, Serilingampalli Mandal, Hyderabad, 500019, Telangana, India.
13	Part of 1st Floor, Block 3, DLF Assets Pvt Ltd, DLF Cyber City, Gachibowli Village, Serilingampalli Mandal, Hyderabad, 500019, Telangana, India.
14	Part of 1st Floor, Block 3, DLF Assets Pvt Ltd, DLF Cyber City, Gachibowli Village, Serilingampalli Mandal, Hyderabad, 500019, Telangana, India.
15	2nd Floor, Magnet House, Narottam Morarjee Marg, Ballard Estate, Mumbai – 400 001

C. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 form part of the Board's Report;

D. A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed with this report as Annexure II;

E. Compliance certificate from Practicing Company secretaries regarding compliance of conditions of corporate governance, is annexed with this report as Annexure III.

Annexure B to the Board's Report (Contd.)

CEO & CFO CERTIFICATION

We, Ajay S. Bhutoria, Chief Executive Officer & Managing Director and Navneet Khandelwal, Chief Financial Officer of Zensar Technologies Ltd., in terms of Regulation 17(8) of SEBI Listing Regulations read with Part B of Schedule II, hereby certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2021 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year under review which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee:

(i) significant changes in internal control over financial reporting during the year under review;

(ii) significant changes in accounting policies during the year under review and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: April 29, 2021

Ajay S. Bhutoria
CEO and Managing Director

Navneet Khandelwal
Chief Financial Officer

ANNEXURE I

CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management of the Company in terms of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Code of Conduct is uploaded at Company's website.

I hereby confirm that the Company has obtained from all members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the FY 2020-21.

Place: Mumbai
Date: April 28, 2021

Ajay S. Bhutoria
Chief Executive Officer and Managing Director

Annexure B to the Board's Report (Contd.)

ANNEXURE II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
Zensar Technologies Limited
Zensar Knowledge Park, Kharadi
Plot No. 4 MIDC, Off Nagar Road
Pune- 411014

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Zensar Technologies Limited (hereinafter referred to as 'the Company'), having CIN - L72200PN1963PLC012621 and having registered office at Zensar Knowledge Park, Kharadi, Plot No.4 MIDC, Off Nagar Road, Pune- 411014 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs.

Sr. No.	Name of Director	DIN	Date of appointment as Director/ Independent Director in Company
1	H. V. Goenka	00026726	04/09/2001
2	Ajay Singh Bhutoria	09013862	12/01/2021
3	A. T. Vaswani	00057953	01/04/2015
4	Arvind Agrawal	00193566	01/05/2019
5	Venkatesh Kasturirangan	00804869	01/04/2015
6	Shashank Singh	02826978	20/10/2015
7	Ketan Dalal	00003236	03/11/2017
8	Ben Druskin	07935711	03/11/2017
9	Harsh Mariwala	00210342	18/01/2018
10	Anant Goenka	02089850	21/01/2019
11	Radha Rajappa	08530439	06/08/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & Associates**
Company Secretaries

Place: Pune
Date: April 29, 2021

Sridhar Mudaliar
Partner
FCS No: 6156
CP No: 2664
UDIN: F006156C000196544

Note:
We have relied on the documents and evidences provided by electronic mode, in view of prevailing pandemic situation of Covid-19, for the purpose of issuing this certificate

Annexure B to the Board's Report (Contd.)

ANNEXURE III

CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To,

The Members of Zensar Technologies Limited

We have examined the compliance of conditions of Corporate Governance by Zensar Technologies Limited (hereinafter referred "the Company"), for the year ended on March 31, 2021 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

We further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & Associates**
Company Secretaries

Date: April 29, 2021
Place: Pune

Sridhar Mudaliar
Partner
F.C.S.: 6156
C.P. No.: 2664
UDIN: F006156C000196720

Note:
We have relied on the documents and evidences provided by electronic mode, in view of prevailing pandemic situation of Covid-19, for the purpose of issuing this certificate

Annexure C to the Board's Report

Management Discussion & Analysis Report

Global Economy

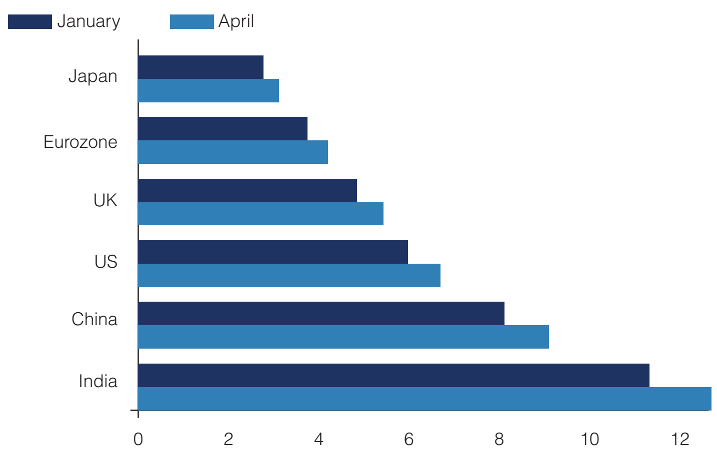
Following the outbreak of Covid-19 pandemic in early 2020, countries across the globe enforced lockdowns and adopted social distancing to curb the spread of the virus. While the extent of economic impact was country specific, no nation was left unaffected.

The pandemic-induced crisis is estimated to have contracted the global economy by 3.3%[1] in CY2020. Effective policy measures such as stimulus packages, lower interest rates and asset buying by Governments and central banks led to some recovery in global economies.

The early rollout of the vaccines provided a big relief and raised optimism for an accelerated recovery. Amid exceptional uncertainty, the global economy is projected to grow 6% in 2021, subsiding to 4.2% in 2022[1]. Trade volumes are expected to grow at 8.4% in 2021 and 6.5% in 2022, in sync with global activity.

The global outlook is dependent on how policy support, vaccination and restrictive measures to curb transmission affect global activity, the financial markets and commodity prices.

GDP growth in 2021 (by date of forecast, %)



Source: IMF

Review of Key Market Economies

US

The US economy shrank by -3.5%[1] in 2020 as households, government and business resorted to strict measures restrict and contain the coronavirus outbreak. Labour intensive sectors like travel and hospitality were severely affected amongst others and unemployment rose substantially.

Policy measures such as stimulus packages and low fed rates helped support the economic revival. The retail sales spike, as a proxy for growth, observed since the end of the year, is indicative of the assertion . The Government recently passed a new stimulus package of US$1.9 trillion to boost consumer spending. US economy is projected to register a growth of 6.4 % in 2021 and 3.5% in 2022.[1] But the optimism around the recovery remains shadowed by a looming uncertainty on the efficacy of the vaccination drive, new strains of the virus and a stagnant services sector.

[1] IMF World Economic Outlook April 2021

Annexure C to the Board's Report (Contd.)

Euro Zone

Restrictive measures continue to be enforced in most of the 19 countries in the 27 nation Euro zone block. The growth rate shrank by -6.6%[1] in 2020 while hopes around the recovery remain bleak until the second quarter of 2021[3]. Besides, issues such as bankruptcies, unemployment and rising inequality will be a challenge, going forward. A positive, update has been that the uncertainty around the Brexit is settled with the new trade deal. The economy of the regional block is expected to grow by 4.4% in 2021 and 3.8% in 2022.[1]

South Africa

The South African economy is estimated to have shrunk by -7% in 2020 amid a stringent lockdown, followed by decline in economic activity and increase in Government debt to 80% of the GDP. The South African economy is expected to grow by 3.1% in 2021 and 2% in 2022 as unemployment soars past 30% mark by 2022.[1]

Indian Economy

The Covid-19 outbreak impacted lives and livelihoods and the GDP contracted by over 8% in FY21 including a 23.9% YoY decline in Q1FY21.[2] The nation-wide lockdown norms led to a prolonged pause in economic activities, barring those declared as essential.

With the rollout of large-scale vaccination programme and normalization in economic activities, the IMF expects a 12.5% growth rate for the Indian economy in FY22[3], due to a low base effect. The economy is further expected to moderate to 6.9% in FY23.[1] The success of the rebound will depend on strategy adopted against the next wave of infections, availability of fiscal space for spending, containing inflationary trends and distribution of vaccines.

Industry Overview

Global Technology Industry

The pandemic emerged as a double-edged sword for the technology industry as it tried to balance the financial crunch and apparent growth opportunities. The global technology industry (software, services and hardware) decelerated by 0.5% in FY2021. The contraction resulted from a sudden drop in demand in the aftermath of the pandemic-led lockdown, which disrupted global supply chains, internal trade and workplace models. The software and the services were the worst hit but they are expected to pick up as a corollary to the evolving remote workplace and shift towards creating technology-enabled organizations. The global sourcing market remained flat between US$209 billion to US$213 billion in 2020, following cost rationalization, including offshoring, reducing risk exposure from outsourcing and focusing on business process continuity.

Indian Technology Industry

The Indian technology industry was affected too, however, it was quick to rebound during the lockdown itself, as organizations adopted a hybrid work model and deployed systems which leant heavily on technology. The rebound was aided by hardware sales initially followed by networking and cloud technologies.

[2] https://www.bloomberg.com/news/articles/2021-02-17/u-s-economy-surges-into-2021-as-sales-output-top- forecasts

[3] IMF WEO April 2021

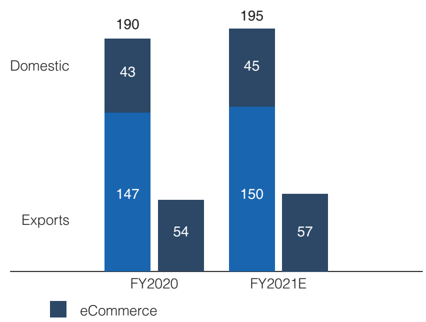
Annexure C to the Board's Report (Contd.)

Digital and technology were the important growth drivers, contributing to more than one-third of the industry's revenues. The growth in IT and BPM services was in tandem with the sectoral growth, registering a combined growth of US$147 billion.

The IT services segment is expected to grow at 2.7% to reach US$99 billion while exports are likely to cross US$80 billion on the back of increased demand for digital transformation and infrastructure modernization in global and domestic markets. Acquisitions and partnerships continue to be key strategies for building digital and domain capabilities and expansion across markets and customers.

Cloud adoption in companies rose by 80% in the beginning of 2021 compared to the second half of the previous year. The sector's relative share in the national GDP was about 8% and more than 50% in services exports and FDI in 2020. The industry think-tank, NASSCOM, estimates IT exports to touch US$150 billion, registering a growth of 1.9%

India's Technology industry (FY21, expected revenue, USD Billion)



Source: NASSCOM

Key trends in the Indian Technology Industry

- A shift in the pricing model has been observed to outcome-based projects coupled with shift towards offshore projects, to reduce cost pressures on the buyer and gain volume.
- Digitalization, automation and cybersecurity[2] priorities are influencing enterprise's technology spends. With a hybrid work model in place, cloud computing has become indispensable and consequently there has been an increase in demand for cloud-based solutions in content management, collaboration and digital streaming platforms.
- Capitalising on new growth segments in the digital space, particularly Cloud, collaboration and cybersecurity. Key geographic growth segments this year were Continental Europe, APAC and rest of the world markets while key vertical growth markets for the year were - hi-tech, retail, telecom, life sciences, healthcare, media and insurance.

Industry Spends – Global

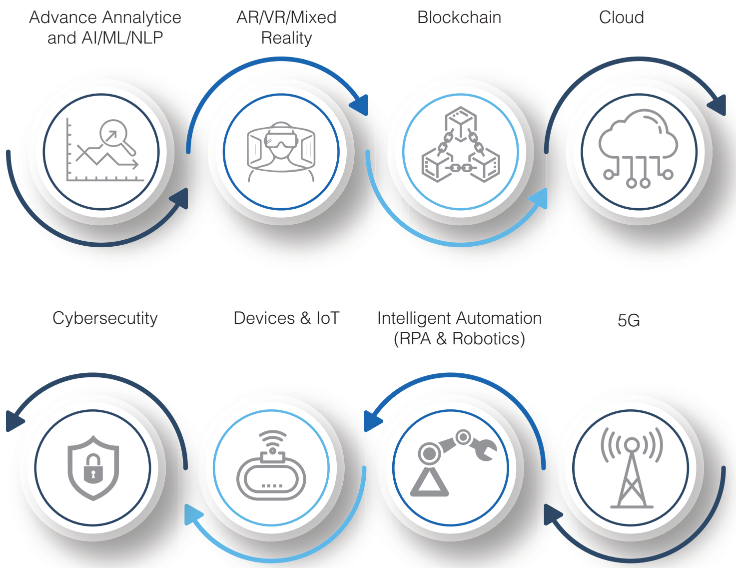
Global IT spending reduced by 3.2% and is estimated to settle at US$1.4 trillion in 2020. IT spending is predicted to rebound in 2021, primarily in the US and Europe. It is also estimated that 65% of the global GDP will be digitalized by 2022, driving $6.8 trillion of IT spending from 2020 to 2023.[4]

Annexure C to the Board's Report (Contd.)

Comparison of Global Technology spend, 2021 vs 2020

Source: NASSCOM

Investment priorities for the industry



Note: This is arranged in alphabetical order

Source: NASSCOM

4 https://blogs.idc.com/2020/12/03/top-10-worldwide-it-industry-2021-predictions/

Annexure C to the Board's Report (Contd.)

Company Overview

The Company has a market presence across 24 global locations with offices located in the US, UK, South Africa, Mexico and Europe. The Company offers digital solutions as follows:

Analytics	Application Transformation	Digital Foundation	Digital Experience	Enterprise Applications	Testing	Unified Digital Commerce
Advanced Analytics	Agile	Digital Foundation Services	CRM	Oracle	Game Testing	Digital Commerce Consulting
Analytics Strategy and Consulting	Application Management	Digital Experience Management	Digital Channels	SAP	One Touch Testing	Digital Commerce Development
Data Insights	DevOps	Digital Workplaces Services	Digital Marketing Services	SFDC	Outcome Based Testing	Digital Fulfilment
Data Management	Enterprise Architecture	Digital Infrastructure	Experience Services	Pega Alliance	Performance Engineering	Managed Commerce Services
	Cloud Applications	Digital Operations	Front End Development		Product testing	Sierra – Automated Functional Testing
	Connected Intelligence	Digital Security			Rush Hour Testing	Sierra – Volume and Performance Testing

Further details are set out in the integrated report section forming part of this Annual Report.

Operational Overview

Zensar launched its COVID-19 business support package for enterprises using the Zensar Enterprise Resiliency Framework (ZERF) powered by ZenTrust. ZERF enables flexible business solutions to help enterprises mitigate business impact through immediate cost take out, prepare for expedited recovery post-normalization, and build a more robust enterprise in the long term. During this period, Zensar also launched ZenCare, enabling customers to ramp up their remote workforce instantly and securely at any scale, anywhere.

We continue to create solutions that help our clients achieve new thresholds of business performance. Our own Zenlabs® has developed solution accelerators across multiple domains and technologies, including quality assurance, digital platform development, business function mobility accelerators, blockchain, AI, big data, analytics, reporting, and others.

Enterprise Risk Management

Introduction

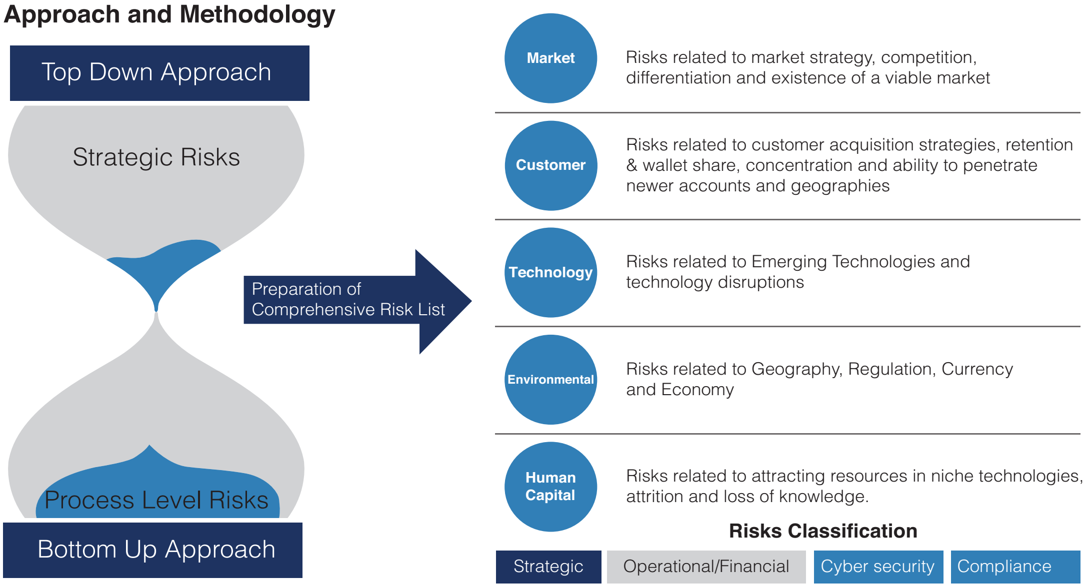
Zensar has established a robust Enterprise Risk Management (ERM) program, through which risks are assessed and managed at various levels with a Top-down and Bottom-up approach covering the Enterprise, Business units, Geographies and Functions. The ERM program covers compliance with applicable government and regulatory requirements, and potential risk areas in various economic, social, and industrial environments Zensar operates in. The ERM framework encompasses risks that the organization is facing under different categories, such as Strategic, Operational, Financial, Compliance and Cybersecurity, with each of these categories having internal or external dimensions. Systematic and proactive identification of risks and mitigations thereof enable effective and timely decision-making.

Annexure C to the Board's Report (Contd.)

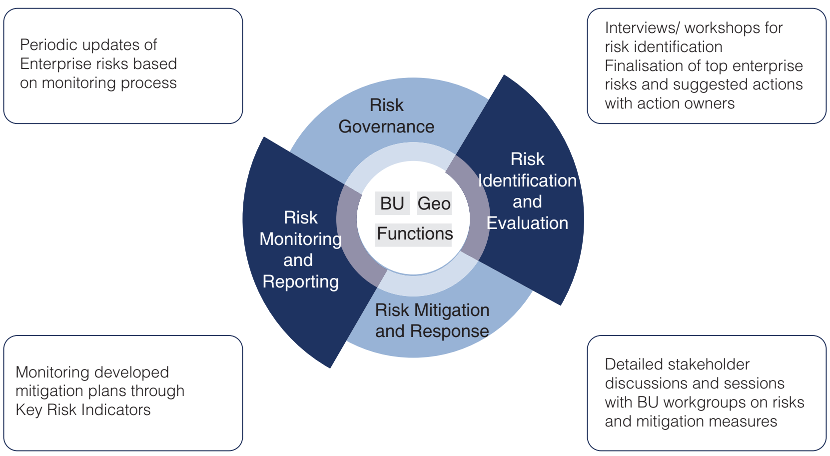
Key Components of ERM Framework

The Company has adopted an integrated ERM Framework that is being implemented across the organization by the Chief Risk Officer and ERM team.

Approach and Methodology



The ERM program covers end-to-end Risk governance processes, including identification, prioritization, monitoring and reporting of risks affecting various business units and geographies. The Risk Governance model has been designed seeking professional advice from experts in risk advisory domain to ensure the model is updated and aligns with the achievement of strategic objectives of the organization.



Risk governance

The ERM program has established a multi-level governance structure to monitor, report and mitigate risks in Zensar. The Chief Risk Officer heads the Enterprise Risk Management (ERM) function, which is responsible for formulation and deployment of risk management policies and procedures. This function provides periodic updates to the Executive Committee and quarterly updates to the Risk Management Committee on risks to key business objectives and their mitigations.

Annexure C to the Board's Report (Contd.)

Enterprise Level Risk Register

The ERM function has defined and implemented a multi-layered Risk Register. This includes risks at Organizational, Business Unit, Functional and Regional levels. The common Risk Register at the Company level is available on the digital platform which provides role-based access, to enable risk-based decision making and reviews.

Risk Categories

Strategic: Risks arising out of strategy definition and successful execution of these strategies are covered in this category. For example, risks associated with the choice of the target markets, the Company's market offerings and business models. Details of the Company's strategy are described in other sections of this document.

Operational and/or Financial: Risks arising out of internal and external factors affecting policies, procedures, people and systems, thereby impacting service delivery or financial functions. This category also includes regulatory risks in the finance domain. For example, risk related to challenges in achievement of target revenue and margins in acquired entities and existing accounts.

Compliance: Risks arising from potential litigations, violations to laws, regulations, and major regulatory/geopolitical changes.

Cybersecurity: Risks arising out of potential breach of Company's network and possible impact on its operations. This includes risks of cyberattacks and data privacy breaches.

COVID-19

In order to effectively respond to the COVID-19 pandemic, Zensar set up a cross-functional core governance team chaired by the Managing Director and Chief Executive Officer, with representation from relevant functions within the organization, and from global regions through the formation of Emergency Response Teams. The tracks under this program were around: Employee Health & Safety, Business Continuity, Cybersecurity, Liquidity Management, Cost Efficiencies, and Investor, Employee and Client Communication. Our in-house digital platform was enhanced to provide features for Employees to mark themselves safe on the platform and seek help from Emergency Response Teams if needed.

Risk Management

During the year, the focus was on strengthening ERM framework across the organization and institutionalising the risk management practices. Listed below are some of the key risks, anticipated impact and mitigations:

Key Risk	Impact on Organization	Mitigations
Loss of revenue and market share due to gaps in strategy Identification and implementation	Dynamically changing business environment and business consumption patterns, and change in client requirement portfolio-necessitates agile strategy formulation and deployment. Failure to identify the right levers and inability to align with changes in business environment may result in market share loss and adverse impact on business growth.	• Defined strategy components and measurable KPIs on real-time basis which help drive course correction. • Multiple stakeholder inputs for appropriate triangulation of targets and accurate account level planning • Established mechanism for immediate and real time internal and external feedback. • Review of feedback with key stakeholders and anchors to ensure alignment with target potential of identified growth levers. • Strategy for new growth sectors, categories and offerings is reviewed, modified and updated on regular basis.

Annexure C to the Board's Report (Contd.)

Key Risk	Impact on Organization	Mitigations
Risk of loss of revenue and market share due to damage to Company's reputation	Reputational risk due to ethical & behavioural issues, fraudulent activities, sexual misbehaviour/ harassment - especially by senior management, and misinterpretation of facts with malicious intent by external entities. Such reputational impact may result in business loss, losing customer trust, and negative impact on talent attraction index.	• Crisis Management framework in place for addressing reputational risks, with well-defined roles and responsibilities. • Practice of regular and periodic Internal communication on Code of Conduct. • Regular trainings on Code of Conduct and POSH, and global compliance signoffs. • Succession plans for all key roles in place and regular reviews thereof. • Strategy for appropriate communication plan for Media, Analysts, Investors and Compliance regulators.
Risk of business disruption due to natural and people-made disasters	Impact on operations of the Company business as well as Customer business. Customer technology spend may get affected due to adverse impact on business growth, and uncontrolled peaks in operational costs.	• Business Continuity Plan(s) in place for all major natural and people-made disasters, with well-defined roles and responsibilities, and periodic training protocols for identified associates, • Crisis Management framework in place for addressing natural/man made risks, with well-defined roles and responsibilities including Regional Emergency Response teams. • Mechanism for post disaster support to affected associate(s), immediate plan for restoring any losses to physical and/or intellectual property(ies). • Broad-based business mix and diversification across industry verticals. Company's offerings and propositions target different stakeholders in the customer organization, covering discretionary as well as non-discretionary spends.
Impact to growth objectives due to unsuccessful Acquisitions	Acquisition of companies with high valuations and subsequent inability to avail necessary business synergies to add value, as well as SPA limiting involvement in operations, leading to loss in revenue and low margins.	• Established framework for evaluation of target companies. • Process of joint creation of integration strategy/roadmap for integrating solutions for Go-to-Market during due diligence phase. • Well-defined framework for tracking of business metrics vs the objectives of acquisition. • Course correction as needed based on defined triggers in the business plan.

Annexure C to the Board's Report (Contd.)

Key Risk	Impact on Organization	Mitigations
Loss of business and reputation due to violation of data security and privacy (Cybersecurity)	In addition to impact on business operations, violation or security breach could result in reputational damage, penalties, legal and financial liabilities.	• Ongoing implementation and maintenance of industry best practices, data security and data privacy management system. • Detailed programs for employee awareness across the organization for Information Security and Data Privacy requirements. • Vulnerability Assessment and Penetration Testing in place for IT infrastructure and applications to strengthen overall cybersecurity posturing. • Regular implementation of new security solutions to continuously enhance security posture based on security architecture using industry best practices.
Risk of impact on productivity and engagement of Associates	Unprecedented circumstances due to the pandemic forced associates to adapt to radically new work styles, while dealing with challenging environmental conditions. The expectation was to shift to complete remote working without impacting business continuity.	• Monitor associate well-being through various channels. • Launch programs which guide associates through difficult times. • Establish cadence for regular communication between managers and their team members to gauge parameters which promote well-being in the Company. • Launch of initiatives to mitigate associates' concerns & improve associate experience
Risk associated with geo-political changes including labour and visa regulations	Fast changing regulatory environments in global market bring operational and resource provisioning challenges. Failure to comply will not only bring penalties and reputational damages but also directly impact business due to inability to timely fulfilment.	• Appropriate measures to reduce exposure in place with help of experts from professional agencies. • Strategies to source local talent as required have also been put in place by the Company.
High dependency on certain key customers and sectors	With high client concentration, revenue growth may not be sustainable and a change in customer's strategy would have a far-reaching impact on revenue, margin and market share.	• Processes in place to monitor customer strategies and align with customer priorities including technological change in customer environment. • Constant de-risking by soliciting customers from different verticals and geographies.
Risk of regulatory non-compliance in absence of defined framework across geographies	The fast pace of change in the regulatory environment creates operation challenges, and failure to comply, may lead to penalties or revocation of permission to do business in a territory or geography.	• Deployment of global compliance program to monitor compliance and take necessary actions to mitigate risk with assistance from professional experts.

Annexure C to the Board's Report (Contd.)

Key Risk	Impact on Organization	Mitigations
Risk of business obsolescence due to frequent changes in technology and business models	Rapidly evolving technologies and consumption patterns are giving rise to new business models, hence increasing the demand on the Company's agility to keep pace with the changing customer expectations. Failure to cope may result in loss of market share and impact business growth.	• Investment in building differentiated capabilities on emerging/digital technologies through reskilling, external hiring and regular involvement in events which would help understand market trend. • Mechanisms to stay aligned to customers' needs by constantly launching new service lines and technology solutions. • Customer connect with trust factor – regular customer touchpoints to understand spends and relevance of Company's digital portfolio for long term and short-term horizon. • Suitable acquisitions and alliance partner ecosystems to fill the technology skill gaps.

Financial Section

Zensar's consistent performance in an otherwise competitive IT sector is a reflection of its ability to continuously create solutions that exceed customer aspirations. A visible and consistent growth in the Company's digital business has resulted in stable performance in the past fiscal coupled with its legacy business performance despite the disruption caused by the pandemic.

INR in Lakhs

Particulars	FY 2020-21	FY 2019-20
Revenue	378,139	418,168
EBITDA	68,483	50,706
Return on Net Worth*	14.6%	12.6%
EPS (Basic)	15.5	11.7
EPS (Diluted)	15.3	11.5
Debtor Turnover	6.0	5.4
Interest coverage Ratio	9.1	7.2
Current ratio	2.7	2.0
Debt Equity Ratio	0.0	0.2
Operating Profit Margin	18.1%	12.1%
Net Profit Margin	8.1%	6.5%

* Adjusted for exceptional item on account of divestment of TPM business during the financial year 2020-21. Refer note 34 (i) of the Consolidated Financial Statement

Annexure C to the Board's Report (Contd.)

REVENUE

Revenue for the year ended March 31, 2021 is as under:

BY SEGMENTS

INR in Lakhs

SEGMENT	FY 2020-21	FY 2019-20
Digital and Application Services	311,669	351,518
Digital Foundation Services	66,470	66,650
Total	378,139	418,168

BY GEOGRAPHY

INR in Lakhs

Geography	FY 2020-21	FY 2019-20
United States of America	272,732	307,023
Europe	62,942	66,301
Rest of the World	42,465	44,844
Total	378,139	418,168

OTHER INCOME

Other Income comprises dividends from mutual fund investments, interest on bank deposits, profit on sale of investments, net gain on financial assets mandatorily measured at fair value, interest on security deposit, net foreign exchange gain & loss on share buyback liability. Other income during the current year was INR 2,545 Lakhs as against INR 8,842 Lakhs in the previous year.

SHARE CAPITAL

During the year, Company has allotted total 2,03,315 equity shares fully paid up of INR 2 each. Out of these, 6,125 equity shares were allotted under "2002 Employees Stock Option Scheme" and 1,97,190 numbers of equity shares were allotted under "2006 Employees Stock Option Scheme".

RESERVES AND SURPLUS

The Company's Reserves and Surplus as on March 31, 2021 were INR 2,27,859 Lakhs as against INR 201,118 Lakhs in 2019-20.

The Company's Other Reserves as on March 31, 2021 were INR 1,861 Lakhs as against INR 3,373 Lakhs in 2019-20.

NON-CURRENT BORROWINGS

As of March 31, 2021, Non-current (long-term) borrowings were Nil (Previous year INR 6,537 Lakhs).

The portion of current maturities of long-term loan amounting to Nil (Previous year: INR 4,298 Lakhs) which is payable within twelve months, is shown under Other financial Liabilities.

CURRENT BORROWINGS

As of March 31, 2021, Current borrowings (Short term) borrowings is Nil. Previous year ended March 31, 2020, it was INR 22,321 Lakhs.

FIXED ASSETS

During the year there is an addition of INR 2,316 Lakhs in Gross Block of Tangible Fixed Assets and addition of INR 2,257 Lakhs in Gross Block of Intangible Assets.

Annexure C to the Board's Report (Contd.)

RETURN ON CAPITAL EMPLOYED

The return on capital employed (ROCE) for the year 2020-21 is 33.8%.*

DEBTORS

The position of outstanding debtors was:

INR in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Considered Good	58,875	66,564
Credit Impaired	3,256	8,894
Allowances for Credit loss	(3,256)	(8,894)
Total Receivables	58,875	66,564

CASH AND BANK BALANCES

The Cash and Bank Balances represent the Company's balances in banks in India and overseas. The Company also retains funds in the Exchange Earners Foreign Currency (EEFC) account in India, which is mainly used to meet the remittance requirements of the Company's branches and also for travel purposes. The Company possessed cash and bank balances (India and overseas excluding unpaid dividend) of INR 34,921 Lakhs as on March 31, 2021.

OTHER CURRENT ASSETS

Other Current Assets of INR 15,260 Lakhs (Previous year: INR 21,663 Lakhs) consist mainly of unbilled revenue, prepaid expenses, advances to suppliers and statutory receivables as on March 31, 2021.

OTHER CURRENT FINANCIAL ASSETS

The Other Current Financial Assets comprise unbilled revenue, foreign exchange forward contracts and security deposits amounting to INR 18,951 Lakhs (Previous Year: INR 29,762 Lakhs) as on March 31, 2021.

OTHER CURRENT LIABILITIES

Other Current liabilities amounting to INR 11,426 Lakhs (Previous year INR 8,485 Lakhs) represent mainly payments due to unearned revenue, employee contributions towards provident & pension fund, statutory taxes.

TAX EXPENSE

The Company's income-tax expenses is INR 12,596 Lakhs

(Previous year INR 10,419 Lakhs).

CONTINGENT LIABILITIES

Contingent Liabilities have been disclosed in Note 31 in the "Consolidated Financial Statement".

Accounting principles consistently used in the preparation of financial statements are also consistently applied to record income and expenditure in individual segments.

* Adjusted for exceptional item on account of divestment of TPM business during the financial year 2020-21. Refer note 34 (i) of the Consolidated Financial Statement

Annexure C to the Board's Report (Contd.)

Human Resources

HR Digitalization

With touchpoints across the entire associate lifecycle from pre-onboarding, onboarding, rewards and recognition to learning, we have listened to our associates, innovated our digital HR offerings, and built trust through our action planning.

Associate Wellness

In these difficult times of COVID-19, we have explored multiple avenues to ensure that our associates are well connected and engaged with us, and that they receive the maximum advantage from various health benefit programs. Our wide gamut of initiatives included multiple engagement-based programs like Teleconsultation, Telemedicine, Employee Assistance Program, Virtual rewards and recognition nights, Wellness summit etc.

Virtual Workplace

As a step towards building a virtual workplace, a hybrid working model was adopted called Work from Anywhere, involving recruitment of associates pan-India, who were then onboarded and connected virtually to management and extended teams.

Capability Building

Building new generation technology capabilities has become a paramount business imperative involving reskilling, cross-skilling, upskilling, and multiskilling initiatives in the emerging technology areas to cater to the changes in the fabric of incremental and sustainable business wins. In addition to the traditional training methods to enable capability building in new generation technologies, we are actively encouraging associates to attend relevant webinars and other online programs to help them stay ahead of the curve through appropriate learning.

Further details are set out in the integrated report section forming part of this Annual Report.

Internal Control Systems and their Adequacy

The CEO and CFO certification provided in the CEO and CFO Certification section of the Annual Report discusses the adequacy of our internal control systems and procedures.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Zensar Technologies Limited, which are forward looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward looking statements as a number of factors could cause assumptions, actual, future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to *inter-alia* in the management's discussion and analysis report hereunder.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 18, 2021

H.V. Goenka
Chairman

Annexure D to the Board's Report

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identity Number (CIN) of the Company	L72200PN1963PLC012621
Name of the Company	Zensar Technologies Limited
Registered address	Zensar Knowledge Park, Plot # 4, MIDC, Kharadi, Off Nagar Road, Pune - 411 014
Website	www.zensar.com
E-mail id	investor@zensar.com
Financial Year reported	2020-21
Sector(s) that the Company is engaged in (industrial activity code- wise)	Software development and allied services (620)
List three key products/services that the Company manufactures/ provides (as in balance sheet)	• Application Management Services
	• Digital Application Services
	• Cloud Infrastructure Services
Total number of locations where business activity is undertaken by the Company • Number of International Locations (provide details of major 5) • Number of National Locations	The key geographical regions for the Company include the United States of America, United Kingdom, South Africa and India. For further details please refer: https://www.zensar.com/contact-us
Markets served by the Company – Local/State/National/International	Please refer Segment Reporting, as detailed in Notes to Financial Statements.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

All amounts in INR Lakhs

Paid up Capital	4,512
Total Turnover (excluding other income)	1,36,178
Total profit after taxes	28,964
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer Annexure G to Board's Report.
List of activities in which expenditure in above has been incurred	

Annexure D to the Board's Report (Contd.)

SECTION C: OTHER DETAILS

Does the Company have any Subsidiary Company/ Companies?	Yes. Requisite details are set out in AOC - 1 which forms part of this Annual Report.
Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	Not applicable.
Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company?	Not applicable.
If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	The Company implements its Corporate Social Responsibility initiatives primarily through RPG Foundation, a public charitable trust set up to undertake CSR for RPG Group.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

S. No.	Particulars	Details
1	DIN	9013862
2	Name	Ajay S Bhutoria
3	Designation	Chief Executive Officer and Managing Director
4	Telephone Number	020-66074000
5	Email Id	investor@zensar.com

2. Principle-wise Business Responsibility Policy(ies)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) brought out by the Ministry of Corporate Affairs have adopted nine areas of Business Responsibility, briefly described as under:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the wellbeing of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Business should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Annexure D to the Board's Report (Contd.)

(a) Details of compliance

Principle No.	Key Applicable Policy	Weblink	Approved by Board of Directors of the Company (and signed by MD/owner/ CEO/ appropriate Board Director)	Policy been formulated in consultation with the relevant stakeholders	Specified committee of the Board/ Director/Official to oversee the implementation of the policy	Policy conforms to any national/ international standards	Policy formally communicated to all relevant internal and external stakeholders	In-house structure to implement the policy	Grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances	Independent audit/ evaluation of the working of this policy by an internal or external agency
1	Code of Conduct	https://www.zensar.com/sites/default/files/investor/analyst-meet/Code%20of%20Conduct_0.pdf	Yes							
	Whistle Blower Policy	https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Whistle_Blower_Policy.pdf	Yes							
	RPG Code of Corporate Governance and Ethics	Available on intranet, for all the employees	Yes							
2	EHS Policy	https://zensar.com/sites/default/files/QMS%20 and%20 EHSEn%20Polic y%20and%20 Objectives%20 -%20FY%2019-20_0.pdf	No	Yes						
	Quality Policy	https://zensar.com/information-security-management https://zensar.com/environment-energy-health-and-safety-management	No							

Annexure D to the Board's Report (Contd.)

Principle No.	Key Applicable Policy	Weblink	Approved by Board of Directors of the Company (and signed by MD/owner/ CEO/ appropriate Board Director)	Policy been formulated in consultation with the relevant stakeholders	Specified committee of the Board/ Director/Official to oversee the implementation of the policy	Policy conforms to any national/ international standards	Policy formally communicated to all relevant internal and external stakeholders	In-house structure to implement the policy	Grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances	Independent audit/ evaluation of the working of this policy by an internal or external agency
3	Flexi Timing Policy	Available on intranet, for all the employees	No							
	Maternity Policy									
	Employee Assistance Program Policy									
	Health & Safety Policy									
	Physical Safety Policy									
	Employee Insurance policy									
	Parents Medicare Policy									
	Annual Health Check Up									
	Pregnancy Care									
4	CSR Policy	https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/CSR_policy_19_03_2021.pdf	Yes	Yes						
	BBBEE initiatives	https://www.zensar.com/about/pr-news/zensar-kapela-holdings-and-tomorrow-trust-join-hands-south-africa-pune-india	No							
	Diversity policy	Available on intranet, for all employees	No							

Annexure D to the Board's Report (Contd.)

Principle No.	Key Applicable Policy	Weblink	Approved by Board of Directors of the Company (and signed by MD/owner/ CEO/ appropriate Board Director)	Policy been formulated in consultation with the relevant stakeholders	Specified committee of the Board/ Director/Official to oversee the implementation of the policy	Policy conforms to any national/ international standards	Policy formally communicated to all relevant internal and external stakeholders	In-house structure to implement the policy	Grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances	Independent audit/ evaluation of the working of this policy by an internal or external agency
5	Code of Conduct	https://www.zensar.com/sites/default/files/investor/analyst-meet/Code%20of%20Conduct_0.pdf	Yes							
	Whistle Blower Policy	https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Whistle_Blower_Policy.pdf	Yes							
	Policy and practices to combat Modern Slavery and Human Trafficking for India and UK regions	https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Slavery%20Statement%202019.pdf	No	Yes						
6	Environment, Energy, Health and Safety Policy	https://zensar.com/sites/default/files/QMS%20 and%20 EHSEn%20Polic y%20and%20 Objectives%20 -%20FY%2019-20_0.pdf	No							
7	Code of Conduct	https://www.zensar.com/sites/default/files/investor/analyst-meet/Code%20of%20Conduct_0.pdf	Yes							
8	CSR Policy	https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/CSR_policy_19_03_2021.pdf	Yes							
	BBBEE initiatives	https://www.zensar.com/about/pr-news/zensar-kapela-holdings-and-tomorrow-trust-join-hands-south-africa-pune-india	No	Yes						
	Diversity policy	Available on intranet, for all the employees	No							
9	Code of Conduct	https://www.zensar.com/sites/default/files/investor/analyst-meet/Code%20of%20Conduct_0.pdf	Yes							
	Quality Policy	https://zensar.com/information-security-management https://zensar.com/environment-energy-health-and-safety-management	No	Yes						

Annexure D to the Board's Report (Contd.)

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

Sr. No.	Particulars	Details
1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company.	An annual review of BR performance is conducted, *inter-alia,* through adoption of BRR for inclusion in Annual Report.
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The annual BR Report is published, as a part of Annual Report, and made available on the website: https://www.zensar.com/investor/financials

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

Sr. No.	Particulars	Description
1	Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	• The Company follows RPG Code of Corporate Governance and Ethics at Group level, to ensure uniformity and integrity in running the business. The said Code extends to the subsidiaries as well. • In its endeavor to be accountable, the Company has in place an Ethics Committee that is empowered to investigate all matters of suspected violation of ethical standards of the Company. • Further, a dedicated mobile application called ZenPolicies has been put in place, which combines all policies under ethics, transparency and accountability and acts as ready reference for employees. This ready availability of documented policies enforces transparency. • The policies are revisited periodically to keep them in sync with emerging business environment.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	• Zensar's stakeholders include its investors, clients, employees, vendors, government, etc. • Please refer Report on Corporate Governance for data on Investor Complaints received and resolved during the year. • The Board's Report sets out relevant details.

Annexure D to the Board's Report (Contd.)

Principle 2: Products Lifecycle Sustainability

Sr. No.	Particulars	Description
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Details are set out in the Corporate Overview and Board Report.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional): (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not applicable.
3	Does the company have procedures in place for sustainable sourcing (including transportation)?	
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).	• Yes, since the business operations of Company include software and software related services, the Company takes cognizance of the social and environmental impact that may be caused due to its operational activities, like: Waste management including e-waste, Energy Management, CSR activities and is certified for ISO 14001:2015 (Environmental Management System), ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 50001:2011 (Energy Management System). • The above certifications are implemented consistently thus monitoring methodologies are defined and consumption of resources like energy and water are tracked. Reduction in consumption targets in energy at the Company level, is also undertaken and monitored. Further details are set out in the Integrated Report hereunder.

Annexure D to the Board's Report (Contd.)

Principle 3: Employee's Well-being:

Sr. No.	Particulars	Description
1	Total number of employees	9,111
2	Total number of employees hired on temporary/ contractual/casual basis	2,946
3	Number of permanent women employees	2,606
4	Number of permanent employees with disabilities	15
5	Do you have an employee association that is recognized by management	No. However, there are following avenues for Associates to raise their concerns/ grievances, if any, and provide inputs: • Communicate and Collaborate - Ensuring everyone's voice is heard is, simply put, important at Zensar. • ZenVerse, an allowed patent application in the US, titled 'System and a Method of Direct Communication and Engagement within an Organization', facilitates associates to express concerns, give suggestions, share feedback and ask questions directly to the Chief Executive Officer. • Talent@Zensar" is Zensar's first integrated application which enables Associates to manage all Talent Related processes/interactions. All of these communication channels give much needed impetus to foster a culture of connecting and networking in the ever-dynamic environment.
6	What percentage of your permanent employees is members of this recognized employee association?	Not applicable.
7	Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	• The Company has adopted an Anti-sexual Harassment Policy and has an Internal Complaints Committee to address and resolve any and all sexual harassment complaints raised by employees of the Company. For the total number of complaints received, disposed off and pending for the Financial Year, please refer the Board's Report. • No complaints were received in other areas.

Annexure D to the Board's Report (Contd.)

Sr. No.	Particulars	Description
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	• The Company regularly undertakes health awareness initiatives. The health and safety aspect is integrated into business planning, decision-making and management practices. A special eLearning module on Health and Safety is accessed by all employees. Each employee is given 12000+ eLearning courses from SkillSoft which can be accessed anytime, from anywhere and on any device. • Skill Upgradation Programmes under multiple platforms and categories sum up to about 492,276 hours with 355,388 hours on Technical & business domain, 132,204 hours on Behavioral and 4,236 hours on Functional trainings, in addition to 6 RPG Corporate University Programs. This includes 11,340 hours of POSH, Health & Safety, Security and related Trainings. (a) Permanent Employees: Coverage - 93.7% Total No. of programs – 8,814 Hours per person – 58.31 (b) Permanent Women Employees: Coverage – 96.2% Total No. of programs – 2,684 Hours per person – 67.18 (c) Casual/ Temporary/ Contractual Employees: Coverage - 72.8% No. of programs - 674 Hours per person – 34.6 (d) Employees with Disabilities: 1,356 hours completed by 18 associates

Annexure D to the Board's Report (Contd.)

Principle 4: Stakeholder Engagement

Sr. No.	Particulars	Description
1.	Has the company mapped its internal and external stakeholders	The Company follows a transparent and proactive culture of ensuring that all its stakeholders including investors, employees, customers, analysts, and media are reasonably kept informed on key initiatives and business plans. Company's social outreach initiatives are aimed at identified disadvantaged, vulnerable and marginalized stakeholders, details of which are set out in the CSR report and Corporate Overview of this Annual Report.
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders	
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders	

Principle 5: Human Rights

Sr. No.	Particulars	Description
1	Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others	• Yes, the policy is applicable at RPG Group Level to ensure transparency and uniformity. • The Company respects, practices and upholds Human Rights, which involve codification of what it means to treat others, with dignity and respect. Transparency, safe working environment and integrity are the foundation on which, the Company conducts its business operations.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management	No material complaint related to violation of fundamental human rights of individuals was received during the Financial Year.

Principle 6: Environment

Sr. No.	Particulars	Description
1	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others	Company's environment policy is pivoted and derived on the basis of ISO 14001 framework. The policy suitably covers the Company, suppliers and contractors.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? If yes, please give hyperlink for webpage etc.	Yes, please refer the following link: https://www.zensar.com/environment-energy-health-and-safety-management Company's Environment, Health, Safety & Energy (EHSEn) ISO 14001:2004, ISO 45000:2018 and ISO 50001:2011 standards certification is one of the strategic initiatives, taken by the Company. Impact study(ies) is conducted, and potential environmental risks are identified at department / function and project delivery levels and associated mitigations are documented.
3	Does the company identify and assess potential environmental risks?	Yes. Please refer the Integrated Reporting section for details.
4	Does the company have any project related to Clean Development Mechanism? Also, if Yes, whether any environmental compliance report is filed?	Not applicable.

Annexure D to the Board's Report (Contd.)

Sr. No.	Particulars	Description
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.	Yes. • There are various energy conservations initiative taken in past few years and it has helped to save average 9% energy y-o-y for Pune campus. • The energy and water consumption and conservation data are prominently displayed at conspicuous place(s) within our offices, to further enhance the awareness. • Work from Anywhere during pandemic helped the Company to achieve power saving of 50% across all location for FY 2020-21. • Installation of around 20% solar roof top at Pune campus, underway. For details, please refer Annexure H to the Board's report.
6	Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?	The Emission & waste generated by the company are well within permissible limits given by CPCB/SPCB and periodic returns are submitted for the Financial Year 2020-21.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	None.

Principle 7: Policy Advocacy

Sr. No.	Particulars	Description
1	Is your company a member of any trade and chamber or association? Name only those major ones that your business deals with.	The Company is well represented in key industry associations like the NASSCOM, MCCIA, etc.
2	Have you advocated / lobbied through above associations for the advancement or improvement of public good?	The Company undertakes suitable engagements which help contribute towards the development of Industry and to make a transformational difference to the issues that matter, most to its business, industry and consequently to the country, as a policy and a value norm.

Annexure D to the Board's Report (Contd.)

Principle 8: Inclusive Growth

Sr. No.	Particulars	Description
1	Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8?	Yes, the Company has a robust CSR initiative framework, implemented thru RPG Foundation (RPGF), that is aimed at transforming the community, primarily in its areas of operations.
2	Are the programmes / projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?	• The CSR activities are primarily managed by RPGF. • RPGF undertakes activities in the field of social welfare and reform, across wide range of areas including education, employability, health, community development etc.
3	Have you done any impact assessment of your initiative?	The Company, through CSR Committee and RPGF, thoroughly reviews and evaluates the initiatives and results on a periodic basis.
4	What is your company's direct contribution to community development projects - amount in INR and the details of the projects undertaken	The relevant details are set out in the CSR report forming part of this Annual Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	• All programs are initiated by carrying out a need-assessment by using 'human-capacities' framework – which gauges community needs. • The programs that are introduced are monitored closely, and community feedback is taken into consideration before continuing with them. • Interventions are also designed in such a way that their relevance to the community's social and economic growth are inter-connecting, bringing in elements of ownership. • There have been many incidences where the programs have built the community's inter-personal capacities, and programs are also being replicated at relevant scales – individually or at community level. • The success stories are captured by looking at individual and community transformation in comparison to the principles of the CSR work.

Principle 9: Customer Value

Sr. No.	Particulars	Description
1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year?	None.
2	Does the company display product information on the product label, over and above what is mandated as per local laws?	Not applicable.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?	No.

Annexure D to the Board's Report (Contd.)

Sr. No.	Particulars	Description
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	• Yes, there are following two types of Customer Satisfaction Surveys which are periodically conducted: 1) Continuous Listening (Internal Customer Feedback): This is the project level feedback that is sought by the Quality Excellence Team to ensure that the Company has regular feedback on projects/services delivered, and corrective actions are planned where there are opportunities for improvement. 2) CES (Customer Engagement Survey): This is the Annual survey to capture customer expectations, measure experience, and assess strength of the relationship. This is conducted through a prominent third-party agency. This is an in-depth survey providing insights at various levels like Geography/BU/Account categories/ Client seniority levels and provides a rich source of insights leading to actionable outcomes. • It also serves as a credible, third party feedback on customer delivery framework. The feedback so received are accordingly acted upon so as to work towards consistent and continued improvements. • All efforts are made towards delivering on customers' expectations, by adhering to all agreed deliverables. Since Company's operations span across multiple customer locations in multiple geographies, it is imperative that the Company complies with legal and contractual requirements under relevant local laws. • To ensure this, the inhouse Legal Team is regularly updated on various regulations, to ensure that there is requisite awareness.

Note: *Unless otherwise stated, this report contains data as on March 31, 2021, at global level, wherever required. Please refer the integrated Report herein, for further details on business responsibility and related matters.*

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 18, 2021

H.V. Goenka
Chairman

Annexure E to the Board's Report

Form No. MR-3
Secretarial Audit Report
for the Financial Year ended March 31, 2021

Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

and

Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To,

The Members,
Zensar Technologies Limited
Zensar Knowledge Park Plot No.4
Kharadi MIDC off Nagar Road,
Pune - 411014

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zensar Technologies Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment, wherever applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company during the Audit Period);**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment)Regulations, 2016 **(Not applicable to the Company during the Audit Period);** and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**

(vi) We further report that, having regard to the compliance system prevailing in the company and based on the certification received from management, the company has complied with the following laws applicable specifically to the Company:

a) The Special Economic Zone Act, 2005

b) The Trade Mark Act, 1999

c) The Information Technology Act, 2000

d) Regulations of Software Technology Parks of India

e) Customs and Excise Act 1996

f) Foreign Trade Act, 1992

g) The Export and Import Policy of India

Annexure E to the Board's Report (Contd.)

We have also examined compliance with the applicable clauses and regulations of the following:

(i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and

(ii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereto.

During the year under review, the company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. Approval for amalgamation/merger of Company's wholly owned subsidiary, Cynosure Interface Services Private Limited, India, with the Company, pursuant to provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act was granted by the Board on October 29, 2020.The requisite application has been filed with National Company Law Tribunal (NCLT) on February 2,2021 and the matter is under process.

2. Pursuant to the approval of shareholders of the Company received vide postal ballot dated November 24, 2020, Zensar Technologies Inc., wholly owned subsidiary of the Company fully divested on December 2,2020 the equity shares of PSI Holding Group Inc., step down subsidiary of the Company subsequent to which PSI Holding Group Inc. along with its subsidiaries namely, Zensar Technologies IM Inc. and Zensar Technologies IM B.V. have ceased to be the subsidiary(ies)/step-down subsidiary(ies) of the Company.

3. Mr. Sandeep Kishore ceased to be the Managing Director (MD) and Chief Executive Officer (CEO) of the Company from the close of business hours of January 11, 2021 upon completion of his term and Mr. Ajay S. Bhutoria has been appointed as Chief Executive Officer (CEO) and Managing Director (MD) of the company with effect from January 12, 2021 for a period of five years till January 11,2026.

4. Zensar Technologies Inc., USA, a material wholly owned subsidiary of the Company divested 100% of its equity shareholding in Aquila Technology Corp. ('Aquila') which was completed on February 26, 2021. Accordingly, Aquila has ceased to be a part of Zensar Group.

5. The board has approved merger of the Keystone Logic Inc., Professional Access Limited, Cynosure Inc. and Indigo Slate Inc., its US-based 100% step-down subsidiaries into Zensar Technologies Inc., USA, a material wholly owned subsidiary of the Company on March 18, 2021.All the requisite approval have since been received and the merger is effective from April 1,2021.

6. Following subsidiaries/stepdown subsidiaries/branches were either voluntarily liquidated or wound up during the year under review-

   a. Zensar Technologies (Shanghai) Co. Ltd, China,

   b. Dubai Branch of Zensar Technologies Ltd,

   c. Malaysia Branch of Zensar Technologies Ltd,

   d. Zensar Info Technologies (Singapore) Pte. Ltd, Singapore

   e. Zensar IT services Limited, India

   f. Knit Ltd, UK

For **SVD & Associates**
Company Secretaries

Place: Pune
Date: April 29, 2021

Sridhar Mudaliar
Partner
FCS No. 6156
C P No. 2664
UDIN: F006156C000196654

Note:
This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

Annexure E to the Board's Report (Contd.)

To,
The Members,
Zensar Technologies Limited
Zensar Knowledge Park Plot No.4
Kharadi MIDC off Nagar Road,
Pune - 411014

(Annexure A)

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. We have relied on the documents and evidences provided by electronic mode, in view of prevailing pandemic situation of Covid-19.

5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For **SVD & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
C P No.2664
UDIN: F006156C000196654

Place: Pune
Date: April 29, 2021

Annexure F to the Board's Report

Secretarial Compliance Report of Zensar Technologies Limited for the year ended March 31, 2021

To,

The Members,

Zensar Technologies Limited

Zensar Knowledge Park Plot No.4

Kharadi MIDC, Off Nagar Road,

Pune - 411014

We SVD & Associates have examined:

a) all the documents and records made available to us, by way of email in view of the prevailing pandemic situation of COVID -19 and explanation provided by Zensar Technologies Limited ("the listed entity"),

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) the website of the listed entity,

d) other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **March 31, 2021** ("Review Period") in respect of compliance with the provisions of:

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018; **(Not applicable to the listed entity during the Review Period);**

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 **(Not applicable to the listed entity during the Review Period);**

e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the listed entity during the Review Period);**

g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013 **(Not applicable to the listed entity during the Review Period);**

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) Securities and Exchange Board of India (Depositories and Participant Regulation), 2018;

j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 **regarding the Companies Act and dealing with client;**

and circulars/ guidelines issued thereunder;

And based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Annexure F to the Board's Report (Contd.)

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	NIL	NIL	NIL

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The listed entity has suitably included the conditions as mentioned in Para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019, dated October 18, 2019 in the terms of appointment of statutory auditor of the listed entity.

(d) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
1.	NIL	NIL	NIL	NIL

(e) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	NIL	NIL	NIL	NIL

For **SVD & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
C P No.2664
UDIN: F006156C000196654

Place: Pune
Date: April 29, 2021

Note:

We have relied on the documents and evidences provided by electronic mode, in view of prevailing pandemic situation of Covid-19, for the purpose of issuing this report.

Annexure G to the Board's Report

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company: CSR Policy and guiding principles thereunder operate, *inter-alia*, pursuant to Section 135 of the Companies Act, 2013 and rules thereunder. The same can be accessed at https://www.zensar.com/sites/default/files/2021-05/CSR_Policy_19_03_2021_0_3.pdf

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Arvind Agrawal	Chairman/ Non-Executive, Independent Director	5	5
2	A.T. Vaswani	Member/ Non-Executive, Independent Director		5
3	Sandeep Kishore (ceased to be a member w.e.f. January 11, 2021)	Member/ Executive, Managing Director and Chief Executive Officer		4
4	Ajay S. Bhutoria (appointed w.e.f. January 12, 2021)	Member/ Executive, Chief Executive Officer and Managing Director		1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. https://www.zensar.com/about/investors/investors-relation#corporate-governance

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any. NA

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Year (in Rs)	Amount required to be set off for the financial year, if any (in Rs)
			0
	Total		**0**

Annexure G to the Board's Report (Contd.)

6.	Average net profit of the company as per section 135(5).	INR 28,835 Lakhs
7. (a)	Two percent of average net profit of the company as per section 135(5)	INR 577 Lakhs
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years.	NIL
(c)	Amount required to be set off for the Financial Year, if any	NA
(d)	Total CSR obligation for the Financial Year (7a+7b-7c).	INR 577 Lakhs

8. (a) CSR amount spent or unspent for the Financial Year:

(Amount INR in Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
536.90	40.10	April 21, 2021	NA	NIL	NA

Annexure G to the Board's Report (Contd.)

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(Amount INR in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (INR in Lakhs.)	Amount spent in the current financial Year (INR in Lakhs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (INR in Lakhs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1	• A Story a Day Campaign 20-21 • DD project 20-21 • Digital education 20-21	Point ii	Yes	Maharashtra, Telangana, Karnataka	Pune, Hyderabad, Bengaluru	2 years	48.88	48.88	-	No	RPG Foundation (RPGF)	CSR00000030
2	Vocational skill training: • *Swayam Health 20-21* • *Swayam Drive 20-21* • *Swayam Digital 20-21 (includes E Employability Skills Development SD)* • *Swayam Construction 20-21* • *Swayam Skills 20-21* • *Swayam Connect 20-21*	Point ii	Yes	Maharashtra, Telangana, Karnataka	Pune, Hyderabad, Bengaluru	2 years	437.82	397.72	40.10	No	RPGF	
	Total						**486.70**	**446.60**	**40.10**			

Annexure G to the Board's Report (Contd.)

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(Amount INR in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (INR in Lakhs.)	Mode of Implementation – Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration number.
1	*COVID Response initiatives*	Point i Point iv Point x	Yes	Maharashtra, Telangana, Karnataka	Pune, Hyderabad, Bengaluru	90.30	No	RPGF	CSR00000030
	Total					**90.30**			

(d) Amount spent in Administrative Overheads — Nil

(e) Amount spent on Impact Assessment, if applicable — Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) — INR .536.90 Lakhs

(g) Excess amount for set off, if any : Nil

Sl. No.	Particulars	Amount (INR in Lakhs.)
(i)	Two percent of average net profit of the company as per section 135(5)	577.00
(ii)	Total amount spent for the Financial Year	536.90
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not applicable**

Annexure G to the Board's Report (Contd.)

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.
				Name of the Fund	Amount (in Rs).	Date of transfer.	
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed /Ongoing.
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). — Not applicable
    - (a) Date of creation or acquisition of the capital asset(s).
    - (b) Amount of CSR spent for creation or acquisition of capital asset.
    - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
    - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). — **Due to COVID outbreak, there were restrictions on field level activities, which prevented the full spend of obligation despite best efforts.**

Ajay S. Bhutoria
(Chief Executive Officer and Managing Director)

Arvind Agrawal
(Chairman-CSR Committee)

Place : Mumbai
Date: August 18, 2021

Annexure H to the Board's Report

Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

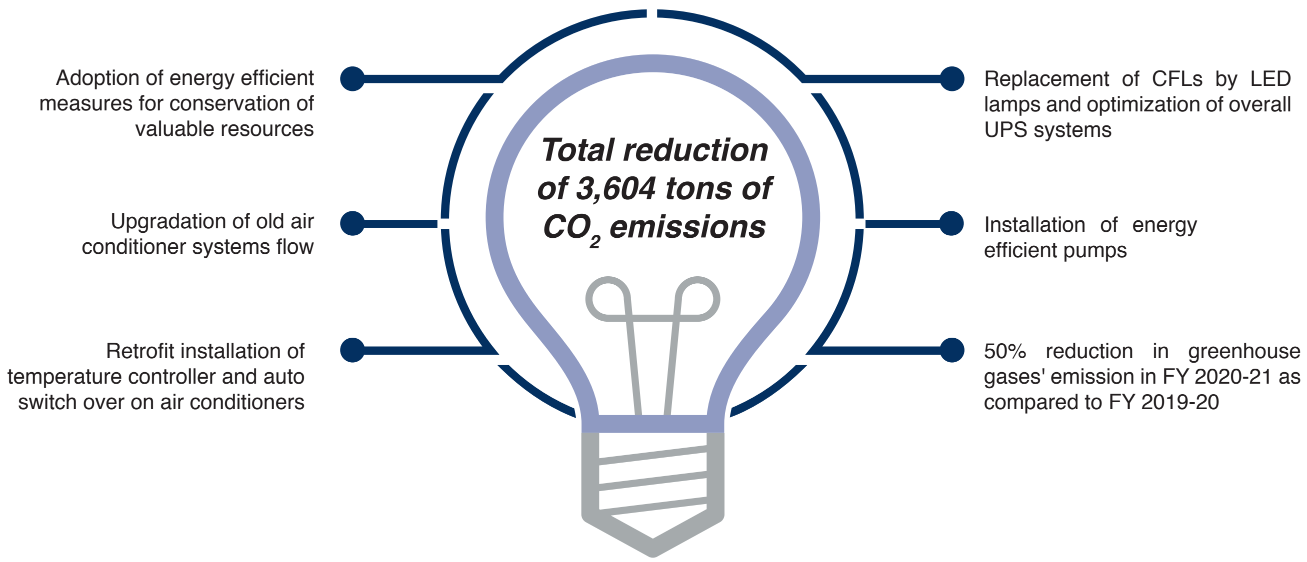
[Particulars pursuant to Section 134(m) of the Companies Act, 2013 read with the Companies (Accounts), Rules, 2014 and other sustainability initiatives]

Part A

Conservation of Energy

At Zensar, we conduct business in such a way that promotes environmental sustainability and efficient usage of natural resources. We have set certain predefined long-term goals for our growth in line with environmental conservation. As a part of our eco-efficiency journey, we have focused on the reducing our carbon footprint through novel ways, briefly elaborated hereunder.

For details, please refer the Integrated Report section of this Annual Report.



Annexure H to the Board's Report (Contd.)

Water Management

01 Prevention of the waterflow by using auto level control system and Special Aerators

02 Installation of sensor-based water dispensers

03 Adoption of "Zero leak" coupled with dedicated resource to detect overuse/ excessive leakage

04 Recycling of Sewage Treatment Plant output water and Drip Irrigation System for gardening and landscape

05 Rainwater harvesting, wastewater recycling and water conservation

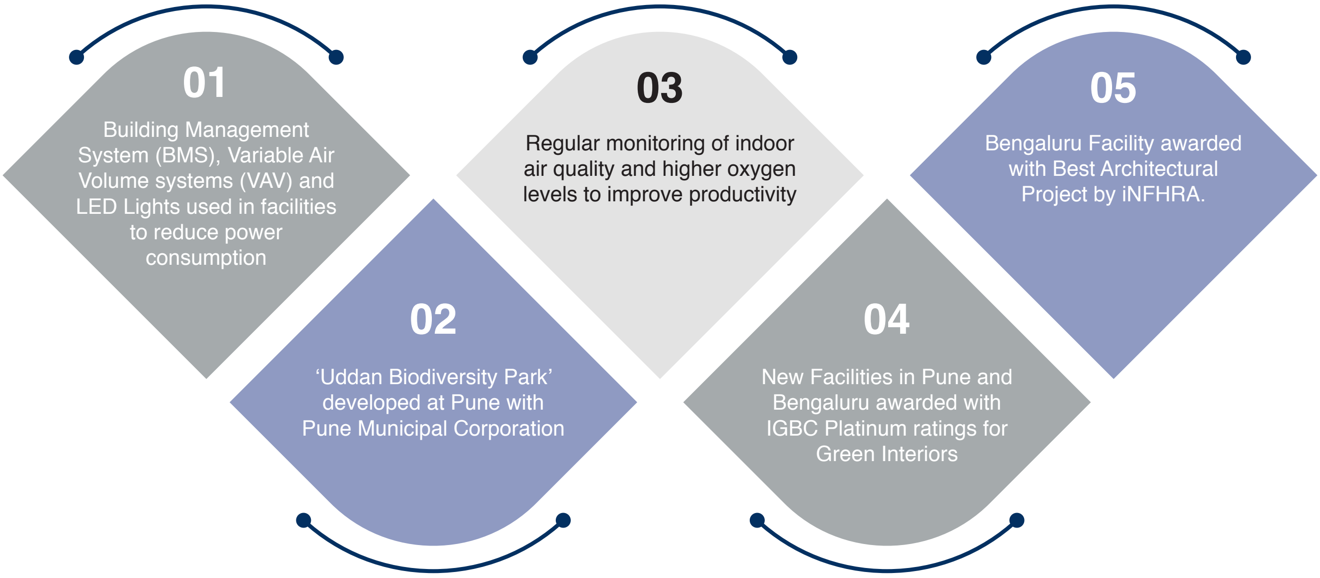
06 Savings in water consumption of about 8.5 % in FY 2020-21

Waste Management

- "Zero Plastic" Policy
- Dry garbage disposed through "Swachh", an NGO appointed by Local Municipal Corporation(s)
- "Zero Food Wastage" Policy
- E-waste and hazardous waste handed over only to approved authorized agencies
- Minimum usage of paper – use of soft copies encouraged

Annexure H to the Board's Report (Contd.)

Other Green Initiatives/Achievements



Environment, Health, Safety and Energy

Zensar has considered sustainability as one of the strategic priorities. Over the last 5 plus years, Energy conservation initiatives have proven beneficial thus reducing the energy consumption by average 9% from the base year 2015. It has contributed to mitigate 7,578 Tons of CO_2. The optimum energy use helped us to reduce energy demand by 940 kVA.

Zensar has taken multiple initiatives with regards to Environment, Health, Safety and Energy. Select few are listed below:

- Communication of Environment, Health, Safety and Energy Policy across all the locations for Sustainable Development
- Energy Management process has been established.
- eLearning module is developed which covers Environment, Health, Safety and Energy conservation topics.
- New infrastructure facilities are developed factoring therein, energy and environmental aspects
- Periodic sensitization events and activities are conducted Environment, Energy Conservation Week, National Safety Week, Training by inhouse Doctors at Pune Campus on health and safety.
- Proactively controlled lighting and occupancy/motion-based sensors.

Safety measures during Covid-19 pandemic

Associate safety is of utmost priority, it has been ensured that the new normal experience is in line with the state advisories, safety measures and social distancing guidelines.

Following steps were taken :

1. Hygiene standards have been laid down and integrated in the daily facilities management protocol.
2. The arrangement of touchless infrastructure with social distancing markings was ensured.
3. Cold Fumigation / Sanitization across all Locations.
4. The non-critical vendors visit, and visitors were completely restricted, routine activities such as vehicle sanitization, temperature checks at the main entry points are strictly maintained.
5. Sensitized the associates with relevant information and awareness on precautionary measured related to Covid-19.
6. Timely support provided to associates who tested Covid-19 positive across locations.
7. Ensured seamless Work from Anywhere for the associates.

Annexure H to the Board's Report (Contd.)

Part B

Technology Absorption

Innovation leveraging Exponential Technologies

Technology has started to evolve at a much faster pace than ever before. The rate at which new-age technology companies and start-ups obtain unicorn status and get acquired by larger companies has also increased. Commoditization of AI via cloud service providers is another mega-industry trend. However, there are sufficient white spaces between COTS products/platforms and the requirements for process transformation. Intending to identify such white spaces for innovation, and to build best-in-class innovative solutions to fill those, Company has set up applied research centers in Zenlabs in Pune and Hyderabad. These Labs are home to some of the best minds recruited from top universities and provide them an environment to hone their skills in view of real-world problems that can make an impact on our customers' business.

At Zenlabs, new projects are incubated in the areas of Artificial Intelligence (AI), Deep Learning (DL), Internet of Things (IoT), Distributed Ledgers, and Blockchain. The Zenlabs have cutting-edge infrastructural facilities to bring in the culture of new-age thinking and continuous innovation.

Zenlabs' focus on unique industry-leading innovations has built a culture of innovation and futuristic thinking that has resulted in multiple patents and significant recognition by Govt of India's Department of Scientific and Industrial Research (DSIR) in FY19. In addition, Zensar has also won the **SDC award 2020** in the Augmented/Virtual Reality Innovation of the Year category and the **2021 BIG Innovation Awards** for Technology. The solutions and IP created by Zenlabs have enabled Zensar to win large differentiated deals. Some important Zenlabs novel IPs are described below grouped by the technology area.

Highlights:

Artificial Intelligence: Deep learning (DL) has brought together various aspects of AI such as Computer Vision (CV), Data Analytics (DA), Natural Language Processing (NLP) under a single AI paradigm. Zenlabs has developed cutting-edge DL-based AI solutions in the areas of Manufacturing, BFSI, and Retail. Some of these solution are:

DL based Multimodal AI for Analytics: To address the underperformance of the state-of-the-art forecasting/ prediction systems' due to their inability to utilize the real world contextual information, Zenlabs has built two DL-based Multimodal AI solutions. It uses various types of real world data along with the historical sales data to enhance the contextual product demand forecasting accuracies. Similarly, No Risk predicts the contextual risk of an active loan based on the financial activity of individuals and various external contextual data sources.

Extended Reality (XR) Walkthroughs and Tryons: COVID-19 pandemic has necessitated a large number of enterprises to use new modes of interactions and transactions. Various XR technologies like AR, VR, MR have played a major role in enabling this. They cater to various enterprise requirements like virtual/ augmented/ mixed events, exhibitions, product demos, meetings, retail shopping, try-on, and team-building activities. In these challenging times, we have been actively working with our customers to enable them to smoothly run and expand their businesses using our high-value XR solutions like virtual/ augmented walkthroughs, shopping experiences, and tryons. We are also working on novel ways of enhancing the XR capabilities with the help of computer vision to address the futuristic requirements of our customers.

NLP and CV Point Solutions: Using CV and NLP, Zenlabs has been creating various point solutions. Some of the new IPs built are listed below.

a. Noisy Image Detection for Digital Meter Reading

b. Computer Vision Based Social Distance Measurement

c. Computer Vision Defect Detection in Assembly line

d. Aspect based sentiment analysis

e. Closed Domain Question Answering

Zenlabs has won many Analyst's recognitions in Analtyics and AI, as given below.

1. Mention in Data and Analytics (D&A) Services PEAK Matrix® Assessment 2020
2. Mention in Avasant APPLIED AI AND ADVANCED ANALYTICS SERVICES 2020 RADARVIEW™
3. Mention in Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2021
4. Mention in Advanced Analytics & Insights (AA&I) Services PEAK Matrix® Assessment 2021

Blockchain: Blockchain has established itself as a foundational technology to create a base for future value chains. Zenlabs have been at the forefront of exploring the transformative impact of blockchain on enterprises. Leveraging proprietary ZenSmartBlox blockchain enablement platform Zenlabs has already delivered blockchain solutions in the productionized environment. ZenSmartBlox is an industry-agnostic platform and has the capability of serving various use-cases spanning across industries such as BFSI, Retail and Hi-Tech manufacturing. Some of the Key Blockchain Solutions/IPs are described below.

Annexure H to the Board's Report (Contd.)

DICES: DICES is a contract enforcement system which facilitates the conversion and deployment of plain text legal agreements into blockchain-based smart contracts. DICES uses a combination of NLP (Natural Language Processing) and a transpiler (pending patent) to extract the clauses that can be coded to create smart contracts. This helps in tracking and enforce the milestones efficiently, swiftly and quickly and without manual intervention.

Zensar has won significant mentions in multiple analyst reports in the area of blockchain :

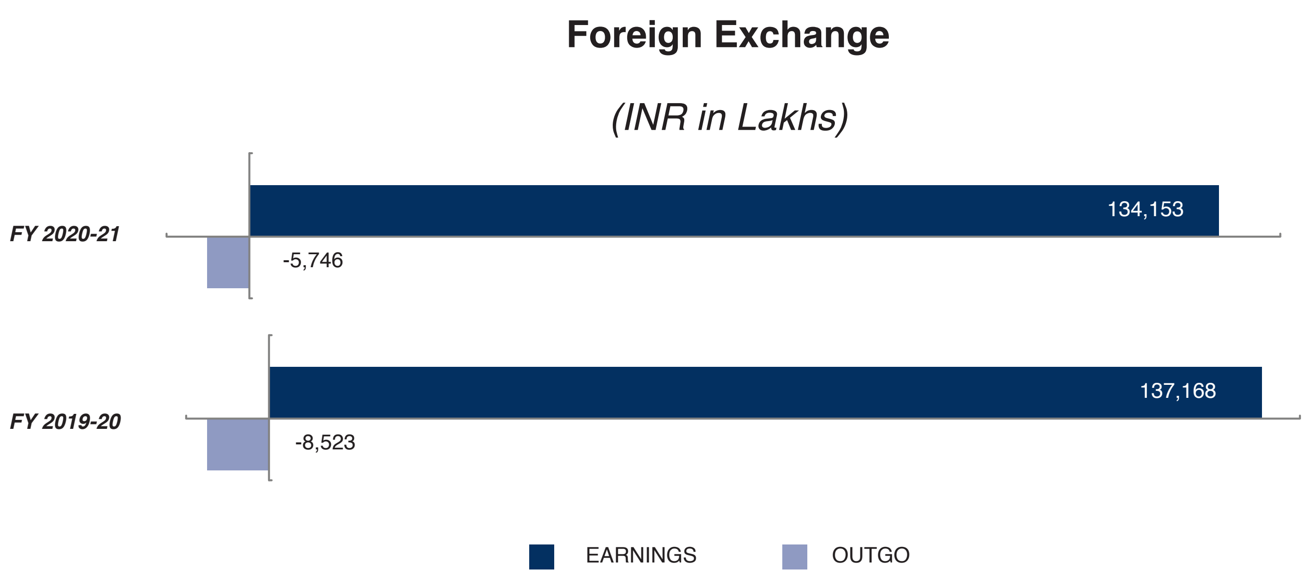
- Gartner market guide for Blockchain Consulting and Proof of Concept Development Services
- As Challenger in Avasant's Blockchain Services RadarView™ Report
- Mention in Everest Peak Matrix
- Mention in ISG Digital Business Soutions

Intelligent Business Automation : With exploding growth and the rise in digital transformation initiatives, keeping customer experience at the forefront, business is faced with challenges to handle and perform operations on a large variety and volume of data. Such operations are very manually intensive, be it for Finance & Accounting, Pricing, Service Sales, etc.

Traditional approaches of delivering quality, accuracy, and timeliness, fall short beyond a certain level, and businesses require innovative means, that leverage new technologies to enable such operations. Zenlabs has been working on building solution accelerators for powering intelligent business automation to serve a range of needs by business operations teams, incorporating techniques for document processing, data extraction from scanned images, custom validations as per business needs, etc. Combined with the growing demand for automation, beyond RPA-like task automation, Intelligent Business Automation is expected to be a key lever to drive business agility across multiple industry verticals.

Part C

Foreign Exchange Earnings and Outgo



FINANCIAL STATEMENTS
STANDALONE

Independent Auditors' Report

TO THE MEMBERS OF ZENSAR TECHNOLOGIES LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Zensar Technologies Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including its annexures, but does not include the standalone financial statements and our auditor's report thereon. The Board's report including its annexures is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Board's Report including its annexures, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income , cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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

Independent Auditors' Report (Contd.)

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 these standalone financial statements.

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 standalone financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's 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 Company's ability 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

      - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Independent Auditors' Report (Contd.)

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Saira Nainar
Partner
(Membership No. 040081)
UDIN:21040081AAAABX5829

Place: Mumbai
Date: April 29, 2021

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Zensar Technologies Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Saira Nainar
Partner
(Membership No. 040081)
UDIN:21040081AAAABX5829

Place: Mumbai
Date: April 29, 2021

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 2 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the completion certificate / occupancy certificate / property tax documents provided to us, we report that, the title deeds of buildings are held in the name of the Company as at the balance sheet date.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Therefore, the provisions of the clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) Having regard to the nature of the Company's business / activities, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act. Accordingly reporting under clause (vi) of paragraph 3 of the Order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2021, for a period of more than six months from the date they became payable.

Annexure "B" to the Independent Auditors' Report (Contd.)

(c) Details of dues of Income-tax, Value Added Tax and Goods and Services Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute / Nature of Dues	Forum where dispute is pending	Period to which amount relates (Financial Year)	Amount Unpaid* (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)
The Income Tax Act, 1961	Assessing Officer	2006-07	0#	-
	Income Tax Appellate Tribunal	2007-08	1	-
	Income Tax Appellate Tribunal	2008-09	4	-
	Income Tax Appellate Tribunal	2010-11	74	-
	Commissioner of Income Tax (Appeals)	2015-16	289	-
Maharashtra Value Added Tax Act, 2002	Sales Tax Tribunal	2009-10	50	8
	Sales Tax Tribunal	2011-12	70	7
	Sales Tax Tribunal	2013-14	75	12
	Deputy Commissioner of Sales Tax	2014-15	173	9
	Deputy Commissioner of Sales Tax	2015-16	75	4

* Net off amount paid under protest

# denotes amount less than Rs. 1 lakh.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Saira Nainar
Partner
(Membership No. 040081)
UDIN:21040081AAAABX5829

Place: Mumbai
Date: April 29, 2021

Standalone Balance Sheet

(All amounts in INR Lakhs, unless otherwise stated)

Standalone Balance Sheet as at	Notes	March 31, 2021	March 31, 2020
Assets			
Non-current assets			
(a) Property, plant and equipment	4	9,408	10,487
(b) Right of use assets	2 (c) & 30	19,682	23,122
(c) Capital work-in-progress		6	5
(d) Goodwill	33	8,402	8,402
(e) Other intangible assets	5	3,912	3,662
(f) Intangible assets under development		-	762
(g) Financial assets			
i. Investments	6 (a)	28,149	1,660
ii. Loans	6 (d)	-	-
iii. Other financial assets	6 (g)	1,217	2,759
(h) Income tax assets (net)	16 (a)	2,329	2,434
(i) Deferred tax assets (net)	7	2,507	2,773
(j) Other non-current assets	8	608	882
Total Non-current assets		**76,220**	**56,948**
Current assets			
(a) Financial assets			
i. Investments	6 (b)	36,328	26,704
ii. Trade receivables	6 (c)	65,664	1,05,569
iii. Cash and cash equivalents	6 (e)	8,442	3,299
iv. Other balances with banks	6 (f)	34,236	2,703
v. Other financial assets	6 (h)	3,983	6,330
(b) Other current assets	9	4,846	6,273
Total current assets		**1,53,499**	**1,50,878**
Total assets		**2,29,719**	**2,07,826**
Equity and liabilities			
Equity			
(a) Equity share capital	10 (a)	4,512	4,508
(b) Other equity			
i. Reserves and surplus	10 (b)	1,79,046	1,53,358
ii. Other components of equity	10 (d)	12	(499)
Total equity		**1,83,570**	**1,57,367**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
i. Borrowings		-	-
ii. Lease liabilities	11 (b)	17,172	19,369
(b) Provisions	13	317	263
(c) Employee benefit obligations	14	1,656	1,544
Total non-current liabilities		**19,145**	**21,176**
Current liabilities			
(a) Financial liabilities			
i. Borrowings		-	-
ii. Trade payables	12		
- Total outstanding dues of micro and small enterprises		502	212
- Total outstanding dues of creditors other than micro and small enterprises		8,668	7,841
iii. Lease liabilities	11 (b)	4,775	5,066
iv. Other financial liabilities	11 (a)	7,689	9,643
(b) Employee benefit obligations	14	1,807	3,122
(c) Other current liabilities	15	1,593	1,877
(d) Income tax liabilities (net)	16 (a)	1,970	1,522
Total current liabilities		**27,004**	**29,283**
Total liabilities		**46,149**	**50,459**
Total equity and liabilities		**2,29,719**	**2,07,826**

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Statement of Standalone Profit and Loss

(All amounts in INR Lakhs, except earnings per share)

Standalone Statement of Profit and Loss for the	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
(a) Revenue from operations	17	1,36,178	1,37,030
(b) Other income (net)	18	7,391	9,093
Total income		**1,43,569**	**1,46,123**
Expenses			
(a) Purchase of traded goods		705	877
(b) Employee benefits expense	19	77,681	80,913
(c) Subcontracting costs		2,474	4,361
(d) Finance costs	20	2,180	2,330
(e) Depreciation, amortisation and impairment expense	21	8,945	8,138
(f) Other expenses	22	14,266	19,094
Total expenses		**1,06,251**	**1,15,713**
Profit before tax		**37,318**	**30,410**
Tax expense	24		
(a) Current tax		8,251	6,262
(b) Deferred tax		103	1,044
Total tax expense		8,354	7,306
Profit for the year		**28,964**	**23,104**
Other comprehensive income / (loss)			
I) (a) Items that will not be reclassified to profit or loss			
- Remeasurements of defined employee benefit plans	14	1,743	(1,374)
(b) Income tax relating to items that will not be reclassified to profit or loss	24	(609)	480
		1,134	**(894)**
II) (a) Items that will be reclassified to profit or loss			
- Effective portion of gain / (loss) on designated portion of hedging instruments in a Cash Flow Hedge (net)	10 (d)	469	(1,065)
(b) Income tax relating to items that will be reclassified to profit or loss	10 (d)	(164)	372
		305	(693)
Other comprehensive income / (loss) for the year, net of tax		**1,439**	**(1,587)**
Total comprehensive income / (loss) for the year		**30,403**	**21,517**
Earnings per share - [Face value INR. 2 each]	32		
- Basic		12.85	10.26
- Diluted		12.73	10.12

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Standalone Statement of Changes in Equity

(All amounts in INR Lakhs, unless otherwise stated)

Equity share capital

Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
4,504	4	4,508
Balance as at April 1, 2020	**Changes in equity share capital during the year**	**Balance as at March 31, 2021**
4,508	4	4,512

Particulars	Reserves and Surplus						Other components of equity		Total
	Capital redemption reserve	Share based payment reserve	Securities premium	Retained earnings	General reserve	Special economic zone re-investment reserve	Cash flow hedging reserve	Foreign currency translation reserve	
Balance as at April 1, 2019	**442**	**2,849**	**2,571**	**28,082**	**1,06,940**	**1,500**	**400**	**(207)**	**1,42,578**
Profit for the year	-	-	-	23,104	-	-	-	-	23,104
Effective portion of gain / (loss) on Cash Flow Hedge (net).	-	-	-	-	-	-	(693)	-	(693)
Remeasurements of defined employee benefit plans (net of tax)	-	-	-	(894)	-	-	-	-	(894)
Total comprehensive income for the year	**-**	**-**	**-**	**22,210**	**-**	**-**	**(693)**	**-**	**21,517**
Transaction with owners in their capacity as owners:									
Transition impact of Ind AS 116 (refer note 2(c))	-	-	-	(97)	-	-	-	-	(97)
Dividends paid (including Dividend Distribution Tax)	-	-	-	(11,932)	-	-	-	-	(11,932)
Recognition of Employee Share based payment expense	-	645	-	-	-	-	-	-	645
Transferred from / to Securities premium on exercise of stock options	-	(94)	94	-	-	-	-	-	-
Received on exercise of stock options	-	-	148	-	-	-	-	-	148
Transferred to General reserve on cancellation of stock options	-	-	-	-	-	-	-	-	-
Transferred from/to general reserve/retained earnings	-	-	-	1,500	-	(1,500)	-	-	-
Transferred to Special economic zone re-investment reserve	-	-	-	(1,250)	-	1,250	-	-	-
Balance as at March 31, 2020	**442**	**3,400**	**2,812**	**38,513**	**1,06,940**	**1,250**	**(292)**	**(207)**	**1,52,859**

Particulars	Reserves and Surplus						Other components of equity		Total
	Capital redemption reserve	Share based payment reserve	Securities premium	Retained earnings	General reserve	Special economic zone re-investment reserve	Cash flow hedging reserve	Foreign currency translation reserve	
Profit for the year	-	-	-	28,964	-	-	-	-	28,964
Currency translation adjustments (net)	-	-	-	-	-	-	-	207	207
Effective portion of gain / (loss) on Cash Flow Hedge (net).	-	-	-	-	-	-	305	-	305
Remeasurements of defined employee benefit plans (net of tax)	-	-	-	1,134	-	-	-	-	1,134
Total comprehensive income for the year	**-**	**-**	**-**	**30,098**	**-**	**-**	**305**	**207**	**30,403**
Transaction with owners in their capacity as owners:									
Dividends paid (including Dividend Distribution Tax)	-	-	-	(2,706)	-	-	-	-	(2,706)
Recognition of Employee Share based payment expense	-	(1,848)	-	-	-	-	-	-	(1,848)
Transferred from / to Securities premium on exercise of stock options	-	(65)	65	-	-	-	-	-	-
Received on exercise of stock options	-	-	141	-	-	-	-	-	141
Transferred to General reserve on cancellation of stock options	-	-	-	-	-	-	-	-	-
Transferred from/to general reserve/retained earnings	-	-	-	1,250	-	(1,250)	-	-	-
Transferred to Special economic zone re-investment reserve	-	-	-	(2,550)	-	2,550	-	-	-
Balance as at March 31, 2021	**442**	**1,488**	**3,018**	**64,606**	**1,06,940**	**2,550**	**12**	**-**	**1,79,058**

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Standalone Statement of Cash Flows for year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
Cash flow from operating activities				
Profit before tax		37,318		30,410
Adjustments for:				
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	7,910	(588)	6,713
Operating profit before working capital changes		**45,227**		**37,123**
Change in assets and liabilities				
(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	42,493	430	2,220
Cash generated from operations		**87,720**		**39,343**
Income taxes paid (net of refunds)		(8,306)		(5,726)
Net cash inflow from operating activities		**79,414**		**33,617**
Cash flow from investing activities				
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)	(1,73,731)		(1,21,530)	
Sale of investments (Mutual Funds)	1,53,011		1,05,147	
Investments in Non Convertible Debentures	(2,451)		-	
Interest income received	447		272	
Dividend income received	2,626		2,757	
Net cash used in investing activities		**(66,491)**		**(26,279)**

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
Cash flow from financing activities				
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)	
Net cash used in financing activities		**(7,780)**		**(16,192)**
Effect of exchange differences on translation of cash and cash equivalents		-		1
Net increase/(decrease) in cash and cash equivalents		**5,143**		**(8,853)**
Cash and cash equivalents at the beginning of the year		3,299		12,152
Cash and cash equivalents at the end of the year		8,442		3,299

Notes:

1. The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2. Cash and cash equivalents comprise of: refer note 6(e)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash on hand	0	0
Funds in transit	355	26
Cheques on hand	-	13
Balances with Banks:		
- In current accounts	2,766	2,383
- Deposits having original maturity of less than three months	5,321	877
Total	8,442	3,299
Less: Book Overdrafts	-	-
Total	**8,442**	**3,299**

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

1. Corporate Information

Zensar Technologies Limited ("Company") is a public limited company incorporated and domiciled in India and has registered office at Zensar Knowledge Park, Plot # 4, MIDC, Kharadi, Off Nagar road, Pune, Maharashtra, India. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Company is engaged in providing a complete range of IT Services and Solutions and company's industry expertise spans across Manufacturing, Retail, Media, Banking, Insurance, Healthcare and Utilities.

The Financial Statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on April 29, 2021.

Basis of preparation:

Compliance with Ind AS:

The standalone financial statements (financial statements) comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

i. Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) which are measured at fair value;
- defined benefit plans - plan assets measured at fair value;
- share- based payments and
- assets and liabilities arising in a business combination

ii. Current versus Non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their settlement in cash and cash equivalents, the Company has ascertained its operating cycles as 12 months for the purpose of current and non-current classification of assets and liabilities.

iii. Presentation and Functional currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are prepared in Indian rupee (INR), which is company's presentation and functional currency.

2. Summary of significant accounting policies

a) Revenue Recognition:

The Company earns revenue primarily from software development, maintenance of software/hardware and related services, and sale of software licenses.

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. At the inception of every contract, transaction price and performance obligations are determined. Transaction price reflect amount of consideration expected to be received in exchange for transferring goods and services plus estimate of variable consideration i.e. discounts, price concession, rebates etc. Transaction price is allocated to identifiable performance obligations in a manner that depicts exchange for transferring of promised goods and services. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the transaction price to separately identifiable performance obligations based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price.

Notes accompanying the Standalone Financial Statements
as at and for the year ended March 31, 2021.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

i. **Time and material contracts:**

Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.

ii. **Fixed- price contracts:**

Revenue for fixed-price contracts where performance obligations are satisfied over time is recognised using percentage-of-completion method. In respect of such fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs/efforts incurred determining the degree of completion of the performance obligation.

iii. **Sale of licenses:**

Revenue from licenses where the customer obtains a "right to use "the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

b) **Income Tax:**

Income tax comprises current and deferred tax. Income tax expense is recognized in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

i. **Current Income Tax:**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The current income tax expense for overseas branches has been computed based on the tax laws applicable to each branch in the respective jurisdiction in which it operates.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

ii. **Deferred Tax:**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred Tax includes MAT credit, if any and it is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 for a specified period. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

Notes accompanying the Standalone Financial Statements
as at and for the year ended March 31, 2021.

c) **Leases:**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

Company as a lessee:

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor:

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 "Revenue from Contracts with Customers" to allocate the consideration in the contract.

Transition:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

The company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively using the modified retrospective method, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the company has not restated comparative information, instead, the cumulative effect

Notes accompanying the Standalone Financial Statements
as at and for the year ended March 31, 2021.

of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. Accordingly, a right-of-use asset of Rs. 13,263 lakhs and lease liability of Rs. 13,412 lakhs has been recognised. The cumulative effect on transition in retained earnings net of taxes is Rs. 97 lakhs. The principle portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of Rs. 489 lakhs has been reclassified from property, plant and equipment to right-of-use assets. An amount of Rs. 326 lakhs has been reclassified from other current financial liabilities to lease liability - current and an amount of Rs. 319 lakhs have been reclassified from borrowings - non-current to lease liability - non-current.

d) Impairment of assets:

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

e) Cash and Cash Equivalents:

For the purposes of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with original maturities of three months or less that are readily convertible to known amounts of cash and cash equivalents which are subject to insignificant risk of changes in value and net of outstanding bank overdraft. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

f) Investments and other financial assets and liabilities:

i. Classification:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial liabilities are measured at amortised cost using the effective interest method.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

ii. Initial recognition:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Notes accompanying the Standalone Financial Statements
as at and for the year ended March 31, 2021.

iii. **Measurement:**

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv. **Impairment of financial assets (other than at fair value):**

The Company assesses at each reporting date whether a financial asset or a group of financial assets and contract assets (unbilled revenue) is impaired. The Company recognizes loss allowances, in accordance with IND AS 109, using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenue with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit or loss.

v. **Interest and Dividend income:**

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

vi. **Investments in subsidiaries :** The Company accounts for its investment in subsidiaries at cost, less impairment losses if any.

g) **Derivatives and hedging activities:**

The Company designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges/fair value hedges, as applicable.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by their respective Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains/loss in the statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
- Hedges of a net investment in a foreign operation

Subsequent to initial recognition, derivative financial instruments are measured as described below:

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

Cash flow hedges:

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs.

The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

The Company enters into the contracts that are effective as hedges from an economic perspective but may not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

h) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i) Property, plant and equipment:

i. Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Freehold land is carried at historical cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

An item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

The cost of property, plant and equipment not available for use before year end date are disclosed under capital work- in-progress and not depreciated.

An asset's carrying amount is written down immediately to its recoverable amount if the assets or CGU as applicable, carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the statement of profit and loss.

ii. Depreciation:

The Company depreciates property, plant and equipment on a straight-line basis as per the estimated useful lives prescribed in Schedule II of the Companies Act 2013, except in respect of the following assets:

Class of asset	Useful life as per Schedule II	Useful life as followed by the Company based on technical evaluation
Networking Equipments and Servers (classified under Data Processing Equipments)	6 years	4 years
Vehicles	8 years	5 years
Electrical Installations and Equipments	10 years	5 years

Notes accompanying the Standalone Financial Statements
as at and for the year ended March 31, 2021.

Assets acquired under leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) **Business combinations, Goodwill and Intangible Assets:**

(i) **Business combinations:**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition related costs are generally recognized in profit or loss as incurred.

Intangible assets acquired in business combination are measured at fair value as of the date of acquisition less accumulated amortisation and accumulated impairment, if any.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with Ind AS 109 Financial Instruments or Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, with the corresponding gain or loss being recognised in profit or loss.

Business combinations arising from transfers of interests in entities that are under common control are accounted at book value. The difference between any consideration given and the aggregate carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

(ii) **Goodwill:**

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

(iii) **Intangible Assets:**

Intangible assets other than acquired in a business combination are measured at cost at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Research costs are expensed as incurred.

Internally generated intangible asset arising from development activity is recognized at cost on demonstration of its technical feasibility, the intention and ability of the company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

An item of Intangible assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Intangible assets are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

Amortization periods and methods for all Intangible Assets, including on business combination:

Intangible assets are amortized on straight line basis over their estimated useful lives which are as follows:

Class of Intangible Assets	Useful life as followed by the Company
Softwares (acquired)	1-5 years
Softwares (internally generated)	3-5 years
Non-compete agreements	3-5 years
Customer relationship	5-10 years
Customer contracts	1 year
Brand	5 years

The estimated useful life of amortizable intangible assets are reviewed and where appropriate are adjusted, annually.

k) **Provisions and contingent liabilities:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

l) Employee benefits:

i. Post-employment and pension plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

The Company has the following employee benefit plans:

Provident Fund:

Employees receive benefits from a provident fund, which is a defined benefit plan. The employer and employees each make periodic contributions to the plan. Provident fund contributions are made to a trust administered by the Company. The contributions to the trust managed by the Company are accounted for as a defined benefit plan as the Company is liable for any shortfall, if any with respect to the rate of return based on the government specified minimum rates of return.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

Superannuation and family pension fund:

Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India. The Company makes annual contributions based on a specified percentage of each eligible employee's salary.

The Company has a Defined Contribution Plan for Post-employment benefits for all employees in the form of Family Pension Fund administered by Regional Provident Fund Commissioner.

These contributions to superannuation and family pension funds are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution Plans are charged to the Statement of Profit and Loss as and when employee provides services.

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Scheme. The Gratuity plan provides for a lump sum payment to eligible employees, at retirement, death, incapacitation or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Company's obligation in respect of the gratuity plan, is provided for based

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on actuarial valuation using the projected unit credit method. The Company recognizes actuarial gains and losses immediately in other comprehensive income, net of taxes.

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

ii. Short-term benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related services are provided. Liabilities for wages and salaries including the amount expected to be paid under short-term cash bonus or profit sharing plans, expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii. Compensated absences:

The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year as applicable. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are classified under current liabilities and balance under non-current liabilities.

iv. Share-based payments:

Selected employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost under employee benefits expense is recognised, together with a corresponding change in Share Based Payment Reserves under Other Equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

m) Foreign currency transactions

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated at the exchange rate prevailing on the reporting date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in

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terms of historical cost in foreign currencies are not restated.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been restated using exchange rates prevailing on the reporting date. Statement of profit and loss of such entities has been restated using weighted average exchange rates. Translation adjustments have been reported as Foreign Currency Translation Reserve in the Statement of Changes in Equity through Other Comprehensive Income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and restated at the exchange rate prevailing at the reporting date.

n) Dividends:

Provision is made for the undistributed amounts of appropriately authorized dividend being declared on or before the end of the reporting period.

o) Earnings per share:

The basic earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

p) Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

3. Critical estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

The areas involving critical estimates and/or judgements are:

a Revenue recognition

The company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any,on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The policy for the same has been explained under note 2(b).

c Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under note 2(i).

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d Impairment of Investments

The Company reviews its carrying value of investments in subsidiaries and other entities annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

e Provisions

Provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under note 2(k).

f Business combinations

In accounting for business combinations, judgement is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired, and liabilities and contingent consideration involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgements, estimates, and assumptions can materially affect the results of operations.

g Goodwill

Goodwill is tested for impairment annually once or when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

h Defined benefit obligation

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Also refer note 14.

i Employee stock options

“The company initially measures the cost of equity-settled transactions with employees using a Black Scholes Options Pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model and the performance of the company, which is dependent on the terms and conditions of the grant

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 31.”

j, Allowance for Expected Credit Losses

During the period of COVID-19 pandemic, the Company continued higher focus on liquidity of its receivables and concurrently reassessed the allowance for credit losses based on various factors like historical loss experience, subsequent collections, credit term extension requests from customers and future economic assessment relating to industries the company deals with and the countries where it operates.

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as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

4. Property, plant and equipment

Particulars	Buildings	Leasehold Improvements	Electrical Installations and equipments	Furniture and Fixtures	Office Equipments	Data Processing Equipments	Vehicles	Total
Gross carrying amount								
As at April 1, 2020	4,048	3,592	1,442	1,882	1,173	8,483	285	20,905
Additions	-	352	71	103	43	1,137	22	1,728
Disposals	-	(316)	(23)	(46)	(111)	(292)	(54)	(842)
Exchange translation differences	-	-	(0)	(5)	(14)	(3)	-	(22)
Gross carrying amount as at March 31, 2021	**4,048**	**3,628**	**1,490**	**1,934**	**1,091**	**9,325**	**253**	**21,769**
Accumulated Depreciation								
As at April 1, 2020	920	1,162	869	846	622	5,804	196	10,418
Depreciation	186	564	200	171	166	1,439	32	2,760
Disposals	-	(316)	(22)	(37)	(111)	(292)	(54)	(833)
Exchange translation differences	-	-	0	3	8	5	-	16
Accumulated depreciation as at March 31, 2021	**1,106**	**1,410**	**1,047**	**983**	**685**	**6,956**	**174**	**12,361**
Net carrying amount as at March 31, 2021	**2,942**	**2,218**	**443**	**951**	**406**	**2,369**	**79**	**9,408**

Particulars	Buildings	Leasehold Improvements	Electrical Installations and equipments	Furniture and Fixtures	Office Equipments	Data Processing Equipments	Data Processing Equipments - Finance lease (refer note 2(c))	Vehicles	Total
Gross carrying amount									
As at April 1, 2019	4,048	1,448	1,038	1,528	855	6,519	1,077	235	16,748
Transition impact of Ind AS 116 (refer note 2(c))	-	-	-	-	-	-	(1,077)	-	(1,077)
Additions	-	2,160	409	380	344	1,997	-	67	5,357
Disposals	-	(16)	(2)	(19)	(27)	(50)	-	(17)	(131)
Adjustment	0	0	(3)	(7)	1	17	-	(0)	8
Exchange translation differences	-	-	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2020	**4,048**	**3,592**	**1,442**	**1,882**	**1,173**	**8,483**	**0**	**285**	**20,905**
Accumulated Depreciation									
As at April 1, 2019	733	790	688	713	499	4,448	588	163	8,622
Transition impact of Ind AS 116 (refer note 2(c))	-	-	-	-	-	-	(588)	-	(588)
Depreciation	187	388	169	160	148	1,414	-	39	2,506
Disposals	-	(16)	(2)	(19)	(27)	(50)	-	(17)	(131)
Adjustment	0	-	14	(6)	-	(8)	-	11	10
Exchange translation differences	-	-	0	(2)	2	0	-	-	0
Accumulated depreciation as at March 31, 2020	**920**	**1,162**	**869**	**846**	**622**	**5,804**	**-**	**196**	**10,418**
Net carrying amount as at March 31, 2020	**3,128**	**2,430**	**573**	**1,036**	**551**	**2,679**	**-**	**89**	**10,487**

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(All amounts in INR Lakhs, unless otherwise stated)

5 Other intangible assets

Particulars	Softwares (Acquired)	Softwares (Internally generated)	Customer Relationship	Non Compete Agreements	Brand	Customer contracts	Total Other intangible assets
Gross carrying amount							
As at April 1, 2020	**4,508**	**828**	**3,753**	**166**	**79**	**77**	**9,411**
Additions	1,015	1,278	-	-	-	-	**2,293**
Disposals	(2,815)	(168)	-	-	-	-	**(2,983)**
Exchange Difference	-	-	-	-	-	-	**-**
Gross carrying amount as at March 31, 2021	**2,708**	**1,938**	**3,753**	**166**	**79**	**77**	**8,721**
Accumulated Amortisation							
As at April 1, 2020	3,698	636	1,125	166	48	77	**5,749**
Amortisation	1,418	234	375	-	16	-	**2,043**
Disposals	(2,815)	(168)	-	-	-	-	**(2,983)**
Exchange Difference	0	-	-	-	-	-	**0**
Accumulated amortisation as at March 31,2021	**2,301**	**702**	**1,500**	**166**	**64**	**77**	**4,809**
Net carrying amount as at March 31, 2021	**407**	**1,236**	**2,253**	**-**	**15**	**-**	**3,912**

Particulars	Softwares (Acquired)	Softwares (Internally generated)	Customer Relationship	Non Compete Agreements	Brand	Customer contracts	Total
Gross carrying amount							
As at April 1, 2019	2,664	720	3,753	166	79	77	**7,459**
Additions	1,861	108	-	-	-	-	**1,969**
Disposals	(2)	-	-	-	-	-	**(2)**
Adjustment	(15)	-	-	-	-	-	**(15)**
Gross carrying amount as at March 31, 2020	**4,508**	**828**	**3,753**	**166**	**79**	**77**	**9,411**
Accumulated Amortisation							
As at April 1, 2019	2,330	555	750	110	32	77	**3,854**
Amortisation	1,383	81	375	56	16	-	**1,911**
Disposals	(2)	-	-	-	-	-	**(2)**
Adjustment	(14)	-	-	-	-	-	**(14)**
Exchange Difference	(0)	-	-	-	-	-	**(0)**
Accumulated amortisation as at March 31, 2020	**3,697**	**636**	**1,125**	**166**	**48**	**77**	**5,749**
Net carrying amount as at March 31, 2020	**811**	**192**	**2,628**	**-**	**31**	**-**	**3,662**

Research and development expenditure - Aggregate amount of research and development expenditure recognised as an expense during the year is INR. Nil (March 31, 2020 : INR.183 lakhs).

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(All amounts in INR Lakhs, unless otherwise stated)

6. Financial assets

6 (a) Investments : Non current

Particulars	As at March 31, 2021	As at March 31, 2020
Investments carried at Fair Value through Other Comprehensive Income (FVOCI) **Investment in equity instruments - Quoted** 100 (March 31, 2020 : 100) Equity Shares of INR 10 each fully paid up in CFL Capital Financial Services Limited	0	0
Sub Total	**0**	**0**
Investment in equity instruments - Unquoted 100 (March 31, 2020: 100) Equity Shares of INR. 9 each fully paid-up in Spencer & Company Limited	0	0
Sub Total	0	0
Investments carried at cost **Investment in equity instruments of subsidiary companies - Unquoted**		
Zensar Technologies Inc. 2,18,750 (March 31, 2020: 2,00,000) Shares having an aggregate cost of US$ 1,60,00,000 (March 31, 2020: US$ 10,00,000)	11,382	290
Zensar Technologies (Singapore) Pte Limited 3,00,000 (March 31, 2020: 3,00,000) Equity Shares of SGD 1 each Less : Provision for impairment in the value of investments	78 (78)	78 (78)
Zensar Technologies (UK) Limited 50,000 (March 31, 2020: 50,000) Equity Shares of GBP 1 each	39	39
Zensar Technologies (Shanghai) Company Limited @@ (refer note 28) 100% fully paid up equity amounting to US$ Nil (March 31, 2020: US$ 10,00,000) Less : Provision for impairment in the value of investments	- -	498 (498)
Zensar (Africa) Holdings Pty Limited 100 (March 31, 2020: 100) Shares of an aggregate cost of ZAR 10,00,000	61	61
Cynosure Interface Services Private Limited 100,000 (March 31, 2020: 100,000) Equity Shares of INR 10 each fully paid up	1,270	1,270
Sub Total	**12,752**	**1,660**
Unquoted Investments carried at Fair value through Profit and Loss (FVTPL)		
- Mutual Funds	15,397	-
Total Non-current Investments	**28,149**	**1,660**
Aggregate amount of quoted investments & market value thereof	**0**	**0**
Aggregate amount of unquoted investments	**28,227**	**2,236**
Aggregate amount of impairment in the value of investments	**78**	**576**

@@ Investment in this entity is not denominated in number of shares as per laws of the People's Republic of China

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6 (b) Investments : Current

Particulars	As at March 31, 2021	As at March 31, 2020
- Mutual Funds (carried at Fair value through Profit and Loss)	33,877	26,704
- Non Convertible Debentures (carried at amortised cost)	1,020	-
- Non Convertible Debentures (carried at Fair value through Profit and Loss)	1,431	-
Total	**36,328**	**26,704**
Aggregate amount of unquoted investments	32,343	26,704
Aggregate amount of quoted investments	3,985	-

6 (c) Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Considered good	65,664	1,05,569
Credit impaired	2,104	4,410
	67,768	**1,09,979**
Less: Allowance for credit loss	(2,104)	(4,410)
Total	**65,664**	**1,05,569**

6 (d) Loans : Non current

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Loans to related parties#		
Considered good	-	-
Credit impaired	-	78
Less: Allowance for credit loss	-	(78)
Total	**-**	**-**

loans provided for their working capital requirements

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6 (e) Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	0	0
Funds in transit	355	26
Cheques on hand	-	13
Balances with banks :		
- In current accounts	2,766	2,383
- Deposits having original maturity of less than three months	5,321	877
Total	**8,442**	**3,299**

6 (f) Other balances with banks

Particulars	As at March 31, 2021	As at March 31, 2020
Earmarked Balances with Banks - Unclaimed Dividend	233	269
Deposits having original maturity of more than three months	34,003	2,434
Total	**34,236**	**2,703**

6 (g) Other financial assets : Non current

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Security deposits		
Considered good	1,198	1,271
Credit impaired	117	-
	1,315	1,271
Less: Allowance for credit loss	(117)	-
	1,198	**1,271**
Amount deposited under protest		
Considered good	19	1,488
Credit impaired	1,581	-
	1,600	1,488
Less: Allowance for credit loss	(1,581)	-
	19	**1,488**
Interest receivable		
Considered good	-	-
Credit impaired	-	20
	-	20
Less: Allowance for credit loss	-	(20)
	-	-
Total	**1,217**	**2,759**

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6 (h) Other financial assets : Current

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Unbilled revenues	1,009	1,465
Foreign currency derivative assets	662	1,255
Security Deposits		
Considered good	-	177
Credit impaired	90	-
	90	177
Less: Allowance for credit loss	(90)	-
	-	177
Interest accrued on bank deposits and Non Convertible Debentures	638	16
Sales consideration receivable	22	22
Contractually reimbursable expenses		
Considered good	1,652	3,395
Credit impaired	-	151
	1,652	3,546
Less: Allowance for credit loss	-	(151)
	1,652	3,395
Total	**3,983**	**6,330**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

7. Deferred Tax Asset (net)

The components of deferred tax assets and liabilities are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
The major components of the deferred tax asset are		
Depreciation/amortisation of Property, plant and equipment and Intangible assets	1,073	544
Allowance for credit loss on trade receivables and advances	635	1,386
Expenses allowable on payment/exercise basis	858	653
Fair value changes of cash flow hedges	1	165
Capital losses	190	-
Others	-	92
	2,757	2,840
The major components of the deferred tax liability are		
Gain on mutual fund investments mandatorily measured at FVTPL	250	67
Fair value changes of cash flow hedges	-	-
	250	67
Net deferred tax asset / (liability)	**2,507**	**2,773**

(i) Movement in deferred tax assets

Particulars	Depreciation/ amortisation of Property, plant and equipment and Intangible assets	Allowance for credit loss on trade receivables and advances	Expenses allowable on payment / exercise basis	Fair value changes of cash flow hedges	Capital losses	Others	Total
As at March 31, 2019	**673**	**1,978**	**957**	**-**		**73**	**3,681**
(Charged)/credited:							
- Transition impact of Ind AS 116 (refer note 2(c))	53	-	-	-		-	53
- to statement of profit and loss	(182)	(592)	(304)	-		19	(1,059)
- to other comprehensive income	-	-	-	165		-	165
As at March 31, 2020	**544**	**1,386**	**653**	**165**		**92**	**2,840**
(Charged)/credited:							
- to statement of profit and loss	529	(751)	205	-	190	(92)	80
- to other comprehensive income	-	-	-	(164)		-	(164)
As at March 31, 2021	**1,073**	**635**	**858**	**1**	**190**	**-**	**2,757**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

(ii) Movement in deferred tax liabilities

Particulars	Gain on mutual fund investments mandatorily measured at FVTPL	Fair value changes of cash flow hedges	Total
As at March 31, 2019	**82**	**207**	**289**
(Charged)/credited:			
- to statement of profit and loss	(15)	-	(15)
- to other comprehensive income	-	(207)	(207)
As at March 31, 2020	**67**	**-**	**67**
(Charged)/credited:			
- to statement of profit and loss	183	-	183
- to other comprehensive income	-	-	-
As at March 31, 2021	**250**	**-**	**250**

8 Other non-current assets

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	608	808
Capital advances	-	74
Total	**608**	**882**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

9 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Advances other than capital advances:		
- advances to employees		
Considered good	231	292
Credit impaired	29	-
	260	292
Less: Allowance for credit loss	(29)	-
	231	292
- advances to suppliers		
Considered good	291	239
Credit impaired	118	118
	409	357
Less: Allowance for credit loss	(118)	(118)
	291	239
Unbilled revenues	328	607
Prepaid expenses	1,182	1,010
Balance with government authorities	1,868	4,125
Surplus of plan assets over obligations (Refer note 14 below)	946	-
Others	0	0
Total	**4,846**	**6,273**

10 (a) Equity share capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
237,500,000 equity shares of INR. 2 each	4,750	4,750
(237,500,000 shares of INR. 2 each as at March 31, 2020)		
Total	**4,750**	**4,750**
Issued, subscribed and Paid up :		
225,620,285 equity shares of INR 2 each	4,512	4,508
(225,416,970 shares of INR 2 each at March 31, 2020)		
Total	**4,512**	**4,508**

(i) Reconciliation of the shares outstanding as at the beginning and at the end of the year:

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Nos	INR In lakhs	Nos	INR In lakhs
At the beginning of the year	22,54,16,970	4,508	22,51,84,920	4,504
Add: Shares issued on exercise of employee stock options	2,03,315	4	2,32,050	4
Outstanding at the end of the year	**22,56,20,285**	**4,512**	**22,54,16,970**	**4,508**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

(ii) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of INR 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The board of directors in their meeting on January 21, 2021 declared interim dividend of INR 1.20 per equity share. The total outflow was INR 2,706 lakhs.

The Board of Directors in their meeting held on April 29, 2021 have recommended a final dividend of Rs. 2.40 per equity share, subject to the approval of shareholders.

(iii) Details of shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	Year ended March 31, 2021		Year ended March 31, 2020	
	%	No. of shares	%	No. of shares
Swallow Associates LLP	26.85%	6,05,86,344	26.88%	6,05,86,344
Marina Holdco (FPI) Limited	22.83%	5,15,06,470	22.85%	5,15,06,470
Summit Securities Limited	11.07%	2,49,72,427	11.08%	2,49,72,427
Instant Holdings Limited	8.44%	1,90,51,374	8.45%	1,90,51,374
Amansa Holdings Private Limited	6.31%	1,42,34,785	5.83%	1,31,47,050

(iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding March 31, 2021 - Nil

(v) For details of Employee Stock Option Plans (ESOP), Refer note 31

10 (b) Reserves and surplus

Particulars	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve	442	442
Share based payment reserve	1,488	3,400
Retained earnings	64,606	38,513
Securities premium	3,018	2,812
General reserve	1,06,940	1,06,940
Special economic zone re-investment reserve	2,550	1,250
Total reserves and surplus	**1,79,046**	**1,53,358**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

10 (c) Movement of Reserves and surplus

Particulars	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve		
Balance at the beginning and end of the year	442	442
Share based payment reserve		
Balance at the beginning of the year	3,400	2,849
Add: Employee Share based payment expense (net)	(1,848)	645
Less: Transferred to General reserve on cancellation of stock options	-	-
Less: Transferred to Securities premium on exercise of stock options	65	94
Balance as at the end of the year	**1,488**	**3,400**
Retained earnings		
Balance as at the beginning of the year	38,513	28,082
Transition impact of Ind AS 116 (refer note 2(c))	-	(97)
Add: Profit for the year	28,964	23,104
Add/(less) items of other comprehensive income recognised directly in retained earnings:		
Add/(less) Remeasurements of defined employee benefit plans (net of tax)	1,134	(894)
Less: Equity Dividends paid (including Dividend Distribution Tax)	2,706	11,932
Add: Utilisation of Special Economic Zone Re-investment Reserve	1,250	1,500
Less: Transferred to Special Economic Zone Re-investment Reserve	2,550	1,250
Balance as at the end of the year	**64,606**	**38,513**
Securities premium		
Balance as at the beginning of the year	2,812	2,571
Add: Transferred from share based payment reserve on exercise of stock options	65	94
Add: Received on exercise of stock options	141	148
Balance as at the end of the year	**3,018**	**2,812**
General reserve		
Balance as at the beginning of the year	1,06,940	1,06,940
Add: Transferred from share based payment reserve on cancellation of stock options	-	-
Balance as at the end of the year	**1,06,940**	**1,06,940**
Special Economic Zone Re-investment Reserve		
Balance as at the beginning of the year	1,250	1,500
Add: Transferred from retained earnings	2,550	1,250
Less: Utilised during the year	1,250	1,500
Balance as at the end of the year	**2,550**	**1,250**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

10 (d) Other components of equity

Particulars	As at March 31, 2021	As at March 31, 2020
Cash flow hedging reserve		
Balance at the beginning of the year	(292)	400
Effective portion of gain / (loss) on Cash Flow Hedge (net)	469	(1,065)
Tax impact	(164)	372
Balance as at the end of the year	**12**	**(292)**
Foreign currency translation reserve		
Balance at the beginning of the year	(207)	(207)
Currency translation adjustments (net)	207	-
Tax impact	-	-
Balance as at the end of the year	**-**	**(207)**
Total	**12**	**(499)**

10 (e) Nature and purpose of each reserve within equity

(i) Capital redemption reserve:

This reserve had been created out of general reserve in earlier years, being the nominal value of shares bought back. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Share based payment reserve:

This reserve is used to record the fair value of equity-settled share based payment transactions. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options.

(iii) Retained earnings:

Retained earnings represents Company's undistributed earnings after taxes.

(iv) Securities premium:

Securities premium is used to record premium on issue of Equity shares. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(v) General Reserve:

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(vi) Special economic zone re-investment reserve:

This Reserve had been created out of profit of eligible SEZ units in accordance with the provision of Section 10 AA(1)(ii) of the Income Tax Act,1961. The reserve can only be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the section 10AA(2) of the Income Tax Act, 1961.

(vii) Cash flow hedging reserve:

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sales. For hedging foreign currency risk the Company uses forward contracts which are designated as cash flow hedges. To the extent this hedge is effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss.

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

(viii) Foreign currency translation reserve:

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

11 (a) Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Foreign Currency derivative liabilities	431	3,701
Accrued salaries and benefits	6,670	4,866
Unclaimed dividend	233	269
Capital creditors	288	730
Book overdrafts	-	-
Others	67	77
Total	**7,689**	**9,643**

11 (b) Lease liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Lease Liabilities	17,172	19,369
Current		
Lease Liabilities	4,775	5,066
Total	**21,947**	**24,435**

12 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Trade payables	9,170	8,053
Total	**9,170**	**8,053**

"During the year ended March 31, 2021 and March 31, 2020 an amount of INR 320 lakhs and 478 lakhs respectively was paid beyond the appointed day as defined in the Micro, Small and Medium Enterprises Development Act, 2006. Interest due and outstanding on the same is INR 5 lakhs [previous year INR 8 lakhs]. Interest paid INR 6 lakhs (previous year INR Nil) Further in view of the Management, the amount of interest, if any remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 is not expected to be material. This information has been determined to the extent such suppliers have been identified on the basis of information obtained and available with the Company."

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

13 Provision: Non-current

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Contingencies	317	263
Total	**317**	**263**

(i) Information about individual provisions

It pertains to Lease rentals related litigations. The timing and the amount of cash flows that will arise from this matter will be determined by the Appellate Authorities only on settlement of this case.

(ii) Movements in provisions

Movements in each class of provisions during the financial year, are set out below

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balances	**263**	**209**
Additional provisions accrued	54	54
Unused amounts reversed	-	-
Amounts used during the year	-	-
Closing Balances	**317**	**263**

14 Employee benefit obligations

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for compensated absences	1,656	1,544
Total	**1,656**	**1,544**
Current		
Provision for compensated absences	1,807	1,403
Provision for gratuity (Refer Note (i) below)	-	1,719
Total	**1,807**	**3,122**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

(i) Defined benefit plans:

a **Gratuity -** The company provides for gratuity for employees in accordance with the gratuity scheme of the Company. The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net liability amount
As at April 1, 2019	**9,952**	**(9,632)**	**320**
Current service cost	1,889	-	1,889
Interest expense / (income)	772	(747)	25
Total amount recognised in statement of profit and loss	**2,661**	**(747)**	**1,914**
Remeasurements			
Return on plan assets	-	(36)	(36)
(Gain) / loss from change in demographic assumptions	172	-	172
(Gain) / loss from change in financial assumptions	1,629	-	1,629
Experience (gains) / losses	(391)	-	(391)
Total amount recognised in Other comprehensive income	**1,410**	**(36)**	**1,374**
Liability Transferred Out/Disinvestments	(124)	-	(124)
Contributions by the company		(318)	(318)
Benefit payments	(1,448)		(1,448)
As at March 31, 2020	**12,452**	**(10,733)**	**1,719**
Current service cost	2,081	-	2,081
Interest expense / (income)	752	(648)	104
Total amount recognised in statement of profit and loss	**2,833**	**(648)**	**2,185**
Remeasurements			
Return on plan assets	-	(86)	(86)
(Gain) / loss from change in demographic assumptions	(195)	-	(195)
(Gain) / loss from change in financial assumptions	(699)	-	(699)
Experience (gains) / losses	(763)	-	(763)
Total amount recognised in Other comprehensive income	**(1,657)**	**(86)**	**(1,743)**
Liability Transferred Out/Disinvestments	-	-	-
Contributions by the company	-	(1,760)	(1,760)
Benefit payments	(1,346)	-	(1,346)
As at March 31, 2021	**12,282**	**(13,228)**	**(946)**

The net liability disclosed above relates to funded plans. The Company intends to contribute in line with the recommendations of the fund administrator and the actuary.

b The net liability disclosed above relates to funded and unfunded plans are as follows:

Plan type	As at March 31, 2021	As at March 31, 2020
Present value of obligation	12,282	12,452
Fair value of plan assets	(13,228)	(10,733)
Total liability	**(946)**	**1,719**

c As at March 31, 2021 and March 31, 2020, plan assets were fully invested in insurer managed funds.

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

d Through its defined benefit plans, the company is exposed to number of risks, the most significant of which are detailed below:

Asset Volatility : The Plan liabilities are calculated using a discount rate set with reference to bond yields. If plan assets underperform, this yield will create a deficit. The plan asset investments are in fixed income securities with high grades. These are subject to interest rate risk.

Changes in bond yield : A decrease in bond yields will increase plan liabilities, although his will be partially offset by an increase in the value of the plans' bond holdings.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within the framework, the company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the process used to manage its risks from previous periods.

e The Company expects to contribute INR 847 Lakhs (March 31, 2020 INR 2,385 lakhs) to the defined benefit plan during the next annual reporting period.

Weighted average duration of the Projected Benefit Obligation is 8 Years (March 31, 2020 - 10 Years)

f

Estimated benefit payments from the fund for year ending	As at March 31, 2021	As at March 31, 2020
March 31, 2021	N.A.	775
March 31, 2022	1,063	805
March 31, 2023	970	800
March 31, 2024	1,061	856
March 31, 2025	1,208	1,012
March 31, 2026	1,082	N.A.
Thereafter	5,560	4,961

The expected benefits are based on the same assumptions used to measure the Company's benefit obligations as of March 31, 2020.

g **Provident fund :** The company makes contribution towards provident fund which is administered by the trustees. The contributions is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return. Company has obtained an actuarial valuation of the liability according to which there is no deficit as at the Balance Sheet date. The movement of liability and plan assets is as under:

ga **Present Value of Defined Benefit Obligation**

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	**40,044**	**34,756**
Liability transferred in	1,119	1,767
Interest cost	3,169	2,911
Current service cost	1,894	2,033
Employee contribution	3,212	3,308
Benefit paid	(4,592)	(4,731)
Actuarial (gains)/losses	-	-
Balance as at the end of the year	**44,846**	**40,044**

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as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

gb Fair value of Plan Assets (Restricted to the extent of Present Value of Obligation)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	**40,522**	**35,346**
Expected return on plan assets	3,988	2,941
Contributions by the Company	5,106	5,342
Transfer from other Company	1,119	1,767
Benefit paid	(4,592)	(4,731)
Actuarial gains/(losses)	-	(143)
Balance as at the end of the year	**46,143**	**40,522**

	Particulars	As at March 31, 2021	As at March 31, 2020
gc	**Assets and liabilities recognised in the balance sheet**	-	-

gd Expenses recognised in the statement of profit and loss

Particulars	As at March 31, 2021	As at March 31, 2020
Current service cost	1,894	2,033
Interest cost	3,169	2,911
Expected return on plan assets	(3,988)	(2,941)
Total expense recognised in the statement of profit and loss	**1,075**	**2,003**

ge The plan assets have been primarily invested as follows :

Category of Assets	As at March 31, 2021	As at March 31, 2020
Central Government of India Assets	6,225	6,311
State Government of India Assets	15,454	13,072
Special Deposits Scheme	253	253
Private Sector Bonds	19,912	17,733
Equity / Mutual Funds	2,543	1,315
Cash and Cash Equivalents	158	630
Others	1,598	1,208
Total	**46,143**	**40,522**

gf The principal assumptions used for the purpose of all defined benefit obligations are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate *	6.82%	6.04%
Salary escalation rate **	7.00%	7.00%
Rate of employee turnover		
-For services 4 years and below	16.00%	15.00%
-For services 5 years and above	9.00%	7.00%

* Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

** The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

gg Sensitivity analysis - the increase / (decrease) in present value of defined benefit obligation to changes in principal assumptions:

Particulars	As at March 31, 2021	As at March 31, 2020
- 1% increase in discount rate	(6.55%)	(7.97%)
- 1% decrease in discount rate	7.40%	9.16%
- 1% increase in salary escalation rate	7.32%	8.99%
- 1% decrease in salary escalation rate	(6.60%)	(7.97%)
- 1% increase in rate of employee turnover	(0.44%)	(0.90%)
- 1% decrease in rate of employee turnover	0.45%	0.95%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

(ii) Defined contribution plans:

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contribution to Employees' Provident Fund	1,942	1,925
Contribution to Employees' Family Pension Fund	979	1,044
Contribution to Employees' Superannuation Fund	45	51
Contribution to National Pension Schemes	86	71

15 Other Current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Unearned revenue	101	539
Statutory dues	1,492	1,114
Others	-	224
Total	**1,593**	**1,877**

16 (a) Income taxes

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax assets (net)	2,329	2,434
Income tax liabilities (net)	(1,970)	(1,522)
Net total	**359**	**912**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

16 (b) Movement

Movement in the Income Tax balances is as follow:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	912	968
Income tax paid (net of refunds)	8,306	5,726
Current income tax expense (Refer note 24 (i))	(8,142)	(6,436)
Adjustment for current tax of prior periods (Refer note 24 (i))	(109)	174
Income tax on other comprehensive income (Refer note 24 (iii))	(609)	480
Others	-	(0)
Net total	**359**	**912**

17 Revenue from operations

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Software development, its allied services and maintenance services	1,35,389	1,36,130
Sale of licenses, hardware and other equipments	789	900
Total	**1,36,178**	**1,37,030**

18 Other income (net)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income		
- On deposits with banks	906	95
- Others	163	167
Dividend Income (from subsidiaries)	2,626	2,757
Net gain /(loss) on financial assets mandatorily measured at FVTPL	1,268	(283)
Profit on sale of investments (mutual funds)	589	1,409
Foreign exchange gain / (loss) (net)	1,300	3,831
Secondment Fees	261	670
Profit /(Loss) on sale of fixed assets (net)	7	8
Profit / (Loss) on sale of subsidiaries	-	(51)
Provisions no longer required and credit balances written back	103	10
Miscellaneous Income	168	480
Total	**7,391**	**9,093**

Notes accompanying the Standalone Financial Statements
as at and for the year ended March 31, 2021.
(All amounts in INR Lakhs, unless otherwise stated)

19 Employee benefits expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	71,193	74,153
Contribution to provident and other funds (Refer note 14)	5,352	5,076
Employee share-based payment expense (net of recoveries) (Refer note 31)	(110)	119
Staff welfare expenses	1,246	1,565
Total	**77,681**	**80,913**

20 Finance Costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on :		
- Loans	71	4
- Fair value of contingent consideration	-	134
- Lease Liabilities	2,071	2,091
- Others	5	53
Bank charges	33	48
Total	**2,180**	**2,330**

21 Depreciation, amortisation and impairment expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of Property, plant and equipment	2,760	2,506
Depreciation of Right of use of assets	4,023	3,463
Amortization and Impairment of intangible assets #	2,162	2,169
Total	**8,945**	**8,138**

#includes impairment charge of INR 119 lakhs (previous year: INR 258 lakhs)

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

22 Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent (Refer Note 13)	370	560
Rates and taxes	1,831	228
Electricity and power	571	1,091
Travelling and conveyance	280	3,997
Recruitment expenses	1,313	553
Training expenses	307	474
Repairs and maintenance to :		
-Building	1,139	1,329
-Electrical Installations and equipments	182	284
-Data Processing Equipments	1,604	1,518
-Others	69	185
Insurance	67	475
Legal and professional charges	2,721	3,953
Payments to auditors (Refer note 22 (b) below)	97	133
Communication expenses	1,192	853
General Office expenses	346	668
Carriage, freight and octroi	-	-
Advertisement and publicity	208	699
Expenditure towards Corporate social responsibility (See Note 22 (a))	537	530
Allowance for doubtful trade receivables		
- Provided	1,058	922
- Bad debts written off	3,086	2,051
- Less: Reversed	(3,373)	(2,617)
	770	**356**
Allowance for doubtful loans and advances		
- Provided	253	125
- Loans and advances written off	48	-
- Less: Reversed	(136)	-
	165	**125**
Miscellaneous expenses	497	1,083
Total	**14,266**	**19,094**

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as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

22 (a) Expenditure towards Corporate social responsibility

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gross amount required to be spent by the Company during the year	577	528
Total	**577**	**528**

Amount spent during the year on	Year ended March 31, 2021	Year ended March 31, 2020
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	537	530
Total	**537**	**530**

The unspent CSR amount of INR 40 lakhs has been transferred to a separate bank account post the Balance Sheet date.

22 (b) Details of payments to auditors

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
As auditors :		
- Audit Fee [including quarterly limited reviews]	73	82
In other capacity, in respect of :		
- Certification services	13	10
- Taxation matters	11	27
Reimbursement of expenses	0	14
Total	**97**	**133**

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(All amounts in INR Lakhs, unless otherwise stated)

23 Revenue from operations

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments. The company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	Verticals	
	Digital and Application Services #	Digital Foundation Services#
Revenue by Geography		
-Americas	70,346	10,665
	[81,218]	[10,126]
-Europe	27,579	4,269
	[19,955]	[3,471]
- Africa	21,277	633
	[19,971]	[810]
- Rest of the world	497	912
	[1,352]	[127]
Revenue by Contract Type		
-Fixed Price Contracts/Fixed Monthly	73,222	10,658
	[6,801]	[124]
-Time and Material	46,477	5,821
	[115,695]	[14,410]

Figures in brackets are for previous year i.e. March 31, 2020

\# During the current year, 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" (DAS) and "Digital Foundation Services" (DFS) respectively. There are no other changes which impacts the segment reporting.

(b) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either receivable or as unbilled revenue.

A receivable is right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognised as related service are performed. Revenue for fixed price maintenance contracts is recognised on a straight line basis over the period of contract. Revenue in excess of billing is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

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(All amounts in INR Lakhs, unless otherwise stated)

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in then contract. This would result in timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial assets as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings is classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in Balance Sheet.

(c) Performance obligations and remaining performance obligations

The remaining performance obligation disclosures provide the aggregate amount of transaction price yet to be recognized as of the end of the reporting period and an explanation as to when company expects to recognize these amounts as revenue. Applying the practical expedients as given in INDAS 115, the company has not disclosed the remaining performance obligations related disclosures where the revenue recognized corresponds directly with the value to customer of the entity's performance completed to date, typically those contracts where invoicing is on the basis of time and material basis. Remaining performance obligation are subject to change and are affected by several factors, including terminations , changes in the scope of contracts, periodic revalidations, adjustment of revenue that has not materialized and adjustments for currency.

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is INR Nil [March 31, 2020: INR Nil] out of which INR Nil [March 31, 2020: INR Nil] is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

24 Income tax expense

This note provides Company's income tax expense and amounts that are recognised directly in equity and how the tax expense is affected by non- assessable and non-deductible items. It also explains significant estimates made in relation to Company's tax positions.

(i) Breakup of income tax expense:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Income tax expense		
Current Tax		
Current tax on profits for the year	8,142	6,436
Adjustment for current tax of prior periods	109	(174)
Current tax expense	**8,251**	**6,262**
Deferred tax		
Decrease / (increase) in deferred tax assets	103	1,044
(Decrease) / increase in deferred tax liabilities	-	-
Deferred tax expense / (benefit)	**103**	**1,044**
Income tax expense	**8,354**	**7,306**

The company has availed certain tax incentives that the Government of India has provided to the export of software for the units registered under the Special Economic Zones Act 2005 (SEZ). SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from the financial year in which the unit commences the provision of services and 50 percent of such profits or gains for further five years. Upto 50% of such profits or gains is also available for further five years subject to certain Special Economic Zone Re-investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve for acquiring new plant and machinery for the purpose of its business as per the provisions of Income Tax Act, 1961.

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

(ii) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before taxes	37,318	30,410
Indian statutory income tax rate	34.94%	34.94%
Computed expected tax expenses	**13,039**	**10,626**
Income exempt from tax		
-Tax holiday units	(3,604)	(3,560)
-Dividend from subsidiaries	(918)	-
Non-deductible expenses	159	454
Changes in unrecognized deferred tax assets (net)	(152)	443
Income taxed at higher/(lower) rates	(279)	(483)
Income tax relating to prior years	109	(174)
Total Income tax expense	**8,354**	**7,306**

(iii) Tax on the amounts recognised directly in OCI expense / (reversal):

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Current tax	Deferred tax	Current tax	Deferred tax
Fair value changes on cash flow hedges	-	164	-	(372)
Remeasurements of post employment benefit obligations	609	-	(480)	-
Total	**609**	**164**	**(480)**	**(372)**

(iv) Changes in tax rate - There is no change in tax rate as compared to the previous year

25 Fair value measurements

Financial instruments by category:

Particulars	As at March 31, 2021				As at March 31, 2020			
	FVTPL	FVOCI	Derivative financial assets / liabilities	Amortised cost	FVTPL	FVOCI	Derivative financial assets / liabilities	Amortised cost
Financial assets								
Investments:								
- equity instruments #	-	-	-	-	-	-	-	-
- mutual funds & NCD's	50,705	-	-	1,020	26,704	-	-	-
Trade receivables	-	-	-	65,664	-	-	-	1,05,569
Cash and cash equivalents	-	-	-	8,442	-	-	-	3,299
Other balances with bank	-	-	-	34,236	-	-	-	2,703
Derivative financial assets	-	-	662	-	-	-	1,255	-
Security deposits	-	-	-	1,198	-	-	-	1,448
Unbilled revenues	-	-	-	1,009	-	-	-	1,465
Others		-	-	2,331	-	-	-	4,921
Total financial assets	**50,705**	**-**	**662**	**1,13,900**	**26,704**	**-**	**1,255**	**1,19,405**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2021				As at March 31, 2020			
	FVTPL	FVOCI	Derivative financial assets / liabilities	Amortised cost	FVTPL	FVOCI	Derivative financial assets / liabilities	Amortised cost
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	-	9,170	-	-	-	8,053
Capital creditors	-	-	-	288	-	-	-	730
Accrued salaries and benefits	-	-	-	6,670	-	-	-	4,866
Derivative financial liabilities	-	-	431	-	-	-	3,701	-
Lease liabilities	-	-	-	21,947	-	-	-	24,435
Contingent consideration	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	-	300	-	-	-	346
Total financial liabilities	**-**	**-**	**431**	**38,375**	**-**	**-**	**3,701**	**38,430**

Excludes investments in subsidiaries accounted as per cost model in accordance with Ind AS 27 "Separate Financial Statements"

(i) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value, and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value – As at March 31, 2021

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds & NCD's	49,274	2,451	-	51,725
Financial investments at FVOCI				
Equity instruments	-	-	-	-
Derivatives designated as hedges				
Foreign currency derivative assets	-	662	-	662
Total financial assets	**49,274**	**3,113**	**-**	**52,387**
Financial liabilities				
Foreign currency derivative liabilities	-	431	-	431
Fair value of financial liability	-	-	-	-
Total financial liabilities	**-**	**431**	**-**	**431**

Notes accompanying the Standalone Financial Statements

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(All amounts in INR Lakhs, unless otherwise stated)

Financial assets and liabilities measured at fair value – As at March 31, 2020

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds	26,704	-	-	26,704
Financial investments at FVOCI				
Equity instruments	-	-	-	-
Derivatives designated as hedges				
Foreign currency derivative assets	-	1,255	-	1,255
Total financial assets	**26,704**	**1,255**	**-**	**27,959**
Financial liabilities				
Contingent consideration	-	-	-	-
Foreign currency derivative liabilities	-	3,701	-	3,701
Total financial liabilities	**-**	**3,701**	**-**	**3,701**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchange are valued using the closing price as at the reporting period.

Level 2: Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) but is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

(ii) Fair value measurement using significant Unobservable Inputs (Level 3)

The following table presents changes in level 3 items for the year ended March 31, 2021 and 2020

Particulars	Unlisted Equity Securities	Contingent Consideration
As at April 1, 2019	-	5,051
Fair value gain/(loss) recognized in other comprehensive income	-	-
Fair value gain/(loss) recognized in statement of profit and loss	-	134
Deduction on Payment	-	(4,988)
Reversal of liability	-	(173)
Foreign Exchange fluctuations – (gain)/loss	-	(24)
As at March 31, 2020	-	-
Fair value gain/(loss) recognized in other comprehensive income	-	-
Fair value gain/(loss) recognized in statement of profit and loss	-	-
Deduction on Payment	-	-
Reversal of liability	-	-
Foreign Exchange fluctuations – (gain)/loss	-	-
As at March 31, 2021	-	-

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(iii) Valuation inputs and relationships to fair value

Particulars	Fair value		Significant unobservable inputs	Probability-weighted range		Sensitivity
	As at March 31, 2021	As at March 31, 2020		As at March 31, 2021	As at March 31, 2020	
Contingent consideration	-	-	Expected cash outflows	-	-	Not Applicable
			Discount rate	-	-	Not Applicable

(iv) Valuation technique used to determine fair value:

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above tables:

Derivative instruments: The company enters into foreign currency forward contracts with banks with investment grade credit ratings. These are valued using the forward pricing valuation technique, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates. As at March 31, 2021, the changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships.

The main level 3 inputs for contingent consideration - Fair value of contingent consideration is based on management's assessment of probable consideration payable discounted using weighted average cost of capital.

(v) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments :-

1. Trade receivables
2. Cash and cash equivalents
3. Other balances with banks
4. Security deposits
5. Amount deposited under protest
6. Unbilled revenue
7. Investment in Non Convertible Debentures
8. Other receivables
9. Borrowings
10. Trade payables
11. Capital creditors
12. Unclaimed dividends
13. Accrued salaries and benefits
14. Book overdrafts
15. Other payables

26 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The company uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments. The Company's exposure to credit risk is influenced mainly by the individual characteristic of

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each customer and the concentration of risk from the top few customers. The demographics of the customer including the default risk of the industry and country in which the customer operates also has an influence on credit risk assessment.

(a) Market Risk

(i) Foreign currency risk

The Company operates globally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in the United States, South Africa, United Kingdom and elsewhere, and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Company evaluates exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company follows established risk management policies, to hedge forecasted cash flows denominated in foreign currency. The Company has designated certain derivative instruments as cash flow hedges to mitigate the foreign exchange exposure of forecasted highly probable cash flows.

Company's exposure to foreign currency risk as at March 31, 2021 in INR lakhs is as follows:

Particulars	USD	GBP	ZAR	Other currencies	Total
Financial assets					
Cash and cash equivalents	26	-	-	-	**26**
	[46]	[-]	[-]	[-]	**[46]**
Trade receivables	7,715	1,108	1,408	435	**10,666**
	[9,455]	[1,381]	[3,248]	[761]	**[14,845]**
Other assets	629	374	273	29	**1,305**
	[2,491]	[807]	[271]	[121]	**[3,690]**
Financial liabilities					
Trade payables	3,265	128	758	71	**4,222**
	[1,970]	[92]	[34]	[67]	**[2,163]**
Other liabilities	28	-	246	-	**274**
	[36]	[5]	[508]	[13]	**[562]**

Figures in brackets are for previous year i.e. as at March 31, 2020

Sensitivity

For the year ended March 31, 2021 and March 31, 2020, every percentage point appreciation/depreciation in the exchange rate would have affected the Company's operating margins respectively:

- INR/USD by approximately 0.59% and 0.67%,
- INR/GBP by approximately 0.22% and 0.16%
- INR/ZAR by approximately 0.17% and 0.13%,

Sensitivity analysis is computed based on changes in income and expenses, due to every percentage point appreciation/depreciation in the exchange rates.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and Option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. The foreign exchange forward contracts mature within twelve months from Balance Sheet.

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The following table gives details in respect of outstanding foreign exchange contracts:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount of contracts in lakhs	Fair Value – Gain / (Loss) (INR in lakhs)	Amount of contracts in lakhs	Fair Value Gain / (Loss) (INR in lakhs)
Derivative designated as cash flow hedges				
Forward Contract				
In USD	230	109	238	(486)
In GBP	70	(7)	94	(241)
In ZAR	1,150	(99)	950	420
Total Forwards		**3**		**(307)**
Option Contracts				
In USD	**64**	**8**	**52**	**(151)**

The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the balance sheet date:

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one month	(26)	16
Later than one month and not later than three months	(10)	(46)
Later than three months and not later than one year	47	(428)

The Company has designated certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast sale transactions. The related hedge transactions for balance in cash flow hedging reserve are expected to occur and reclassified to the statement of profit or loss within 12 months.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

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The following table provides the reconciliation of cash flow hedge reserve:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**(292)**	**400**
Gain / (Loss) during the year on Cash Flow Hedges [includes reclassification to statement of profit and loss [FY 2020-21 Rs. 944 lakhs [FY 2019-20 - Rs. (3,075) lakhs]	469	(1,065)
Tax impact	(164)	372
Balance at the end of the year	**(12)**	**(292)**

(b) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to INR. 65,664 lakhs and INR. 105,569 lakhs as of March 31, 2021 and March 31, 2020, respectively and unbilled revenues amounting to INR. 1,337 lakhs and INR. 2,072 lakhs as of March 31, 2021 and March 31, 2020, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers located in the United States, South Africa, United Kingdom and elsewhere. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of IND AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The company uses a matrix to compute the expected credit loss allowance for trade receivables and unbilled revenue. The provision matrix takes into account available external and internal credit risk factors and company's historical experience for customers.

The movement in allowance for life time expected credit loss on customer balances for the year ended March 31, 2021 and March 31, 2020 is given below:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	4,410	5,895
Allowance for doubtful debts	1,058	922
Reversal of allowance for doubtful debts	(3,373)	(2617)
Foreign exchange differences	9	210
Balance at the end	2,104	4,410

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2021, cash and cash equivalents are held with major banks and financial institutions.

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The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date. The amounts include estimated interest payments and exclude the impact of netting agreements, if any..

Particulars	As at March 31, 2021				
	Contractual cash flows				
	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	9,170	9,170	-	-	9,170
Lease liabilities	21,947	4,775	12,117	5,055	21,947
Other liabilities	7,689	7,689	-	-	7,689

Particulars	As at March 31, 2020				
	Contractual cash flows				
	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	8,053	8,053	-	-	8053
Lease liabilities	24,435	5,066	9,199	10,170	24,435
Other liabilities	9,643	9,643	-	-	9,643

27 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

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(All amounts in INR Lakhs, unless otherwise stated)

28 Related party disclosures

A List of related parties

(i) List of subsidiaries

Name of Entity	Relationship
Zensar Technologies (Singapore) Pte. Limited	100 % subsidiary
Zensar Info Technologies (Singapore) Pte. Limited	refer note (i)
Foolproof (SG) Pte Limited	100 % step down subsidiary
Zensar (Africa) Holdings Proprietary Limited	100 % subsidiary
Zensar (South Africa) Proprietary Limited	75 % step down subsidiary
Zensar Technologies (Shanghai) Company Limited	refer note (i)
Zensar Technologies (UK) Limited	100 % subsidiary
Foolproof Limited	100 % step down subsidiary
Knit Limited	refer note (i)
Zensar Technologies, Inc.	100 % subsidiary
PSI Holding Group, Inc.	refer note 35(b)
Zensar Technologies IM, Inc.	refer note 35(b)
Keystone Logic Inc.	100 % step down subsidiary
Cynosure Inc	100 % step down subsidiary
Indigo Slate Inc	100 % step down subsidiary
Professional Access Limited	100 % step down subsidiary
Aquila Technology Corporation	refer note (vii)
Keystone Logic Mexico, S. DE R.L. DE C.V	100 % step down subsidiary
Keystone Technologies Mexico, S. DE R.L. DE C.V	100 % step down subsidiary
Cynosure APAC Pty Ltd	(refer note (iv))
Zensar Technologies IM B.V.	refer note 35(b)
Zensar Information Technologies B.V.	refer note (vi)
Cynosure Interface Services Private Limited (refer note (iii))	100 % subsidiary
Zensar IT Services Limited	refer note (ii)
Zensar Technologies (Canada) Inc (refer note (v))	100 % step down subsidiary
Zensar Technologies GmbH (refer note (v))	100 % step down subsidiary

Notes:

(i) Zensar Info Technologies (Singapore) Pte. Limited, Zensar Technologies (Shanghai) Company Limited and KNIT Limited were voluntary liquidated during the year ended March 31, 2021. The company has received the approval from RBI for write off of the balances with respect to Zensar Technologies (Shanghai) Company Limited and accordingly, necessary adjustments have been made in books of account.

(ii) Zensar IT Services Limited was incorporated in FY 2017-18, but operations were not commenced. The company was voluntary liquidated during the year ended March 31, 2021.

(iii) Refer note 35(a)

(iv) Cynosure APAC Pty Ltd, a step down subsidiary was voluntary liquidated during the year ended March 31, 2020.

(v) During the year ended March 31, 2020, 100% step down subsidiaries in Canada and Germany namely Zensar Technologies Canada Inc and Zensar Technologies GmbH respectively were incorporated.

(vi) During the year ended March 31, 2021, a 100% step down subsidiary in Netherlands namely Zensar Information Technologies B.V. was incorporated

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(vii) 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. On 25 February 2021, Zensar Group signed an agreement for sale of its investment in Aquila. The closing conditions were met on 26 February 2021 and thereafter Zensar Group doesn't hold any investments in Aquila.

Other related parties with whom transaction have taken place during the current and previous year.

(a) Key Management Personnel

Name	Designation	
H.V Goenka	Chairman	
Ajay Singh Bhutoria	Chief Executive Officer and Managing Director	W.e.f January 12, 2021
Sandeep Kishore	Managing Director and Chief Executive Officer	Upto January 11, 2021
Navneet Khandelwal	Chief Financial Officer	
Gaurav Tongia	Company Secretary	
A.T. Vaswani	Non-Executive Director	
Arvind Agrawal	Non-Executive Director	
Venkatesh Kasturirangan	Non-Executive Director	
Sudip Nandy	Non-Executive Director	Upto August 7, 2019
Shashank Singh	Non-Executive Director	
Ben Druskin	Non-Executive Director	
Ketan Dalal	Non-Executive Director	
Tanuja Randery	Non-Executive Director	Upto May 31, 2019
Harsh Mariwala	Non-Executive Director	
Anant Goenka	Non-Executive Director	W.e.f January 21, 2019
Radha Rajappa	Non-Executive Director	W.e.f August 6, 2019

(b) Entities where Key management personnel either have significant influence or are members of key management personnel of that entity:

RPG Enterprises

Harrisons Malayalam Limited

KEC International Limited

Raychem RPG Limited

RPG Life Sciences Limited

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RPG Art Foundation

CEAT Speciality Tyres Limited (merged with CEAT Limited w.e.f. September 1, 2020)

RPG Foundation

Zensar Foundation

CEAT Limited

Rainetree Capital, LLC

Katalyst Advisors LLP

(c) Entities which have the ability to exercise influence / significant influence over the company:

Swallow Associates LLP

Summit Securities Limited

Marina Holdco (FPI) Ltd.

Instant Holdings Limited

Sofreal Mercantrade Private Limited

Other Promoter / Promoter Group entities (shareholding individually less than 1%)

(d) Post employment benefit plans:

Zensar PF Trust

Zensar Gratuity trust

Zensar Superannuation Trust

refer note 14 for information on transactions with post-retirement plans mentioned above

B Transactions along with outstanding balances with the related parties:

Sr. No.	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2021	March 31, 2020	March 31, 2021 Receivable / (Payable)	March 31, 2020 Receivable / (Payable)
A.	**Revenue from rendering services**				
(i)	Zensar Technologies, Inc.	65,761	67,327	43,351	65,037
(ii)	Zensar Technologies (UK) Limited	26,915	20,568	6,337	10,904
(iii)	Professional Access Limited	2,382	4,001	924	3,589
(iv)	Zensar Technologies IM, Inc.	82	1,597	-	1,567
(v)	Zensar (South Africa) Proprietary Limited	20,519	17,415	9,023	10,491
(vi)	RPG Life Sciences Limited	-	1	5	5
(vii)	RPG Enterprises	6	552	-	2
(viii)	Harrisons Malayalam Limited	-	-	5	5
(ix)	Zensar Technologies (Shanghai) Company Limited	-	-	-	40
(x)	Zensar Technologies IM B.V.	18	161	-	107
(xi)	Keystone Logic Inc.	4,473	7,138	2,729	5,739
(xii)	Foolproof Limited	356	563	266	469
(xiii)	Cynosure Inc.	4,182	5,554	1,855	3,763
(xiv)	Indigo Slate Inc.	304	351	-	29
(xv)	Zensar Information Technologies B.V.	130	-	130	-
(xvi)	Zensar Technologies (Canada) Inc	20	-	-	-
	Total - Revenue from rendering services	**1,25,148**	**1,25,228**	**64,625**	**1,01,747**

Notes accompanying the Standalone Financial Statements
as at and for the year ended March 31, 2021.
(All amounts in INR Lakhs, unless otherwise stated)

Sr. No.	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2021	March 31, 2020	March 31, 2021 Receivable / (Payable)	March 31, 2020 Receivable / (Payable)
B.	**Subcontracting costs (Purchase of services)**				
(i)	Zensar (South Africa) Proprietary Limited	451	1,811	(2,835)	(2,338)
(ii)	Cynosure Interface Services Private Limited	866	1,173	(52)	(112)
(iii)	Zensar Technologies IM B.V.	(15)	227	-	(505)
(iv)	Foolproof Limited	17	4	(17)	(63)
(v)	Zensar Technologies IM, Inc.	-	(51)	-	(294)
(vi)	PSI Holding Group, Inc.	-	-	-	(1)
(vii)	Zensar Technologies Inc	397	-	(397)	-
	Total - Subcontracting costs (Purchase of services)	**1,716**	**3,164**	**(3,301)**	**(3,313)**
C.	**Other Income/(Expenses)**				
(i)	Zensar Technologies, Inc.	190	438	46	377
(ii)	Zensar Technologies (UK) Limited	125	377	7	190
(iii)	CEAT Limited	8	8	14	5
(iv)	RPG Enterprises	(1,602)	(1,995)	(131)	(209)
(v)	Katalyst Advisors LLP	(19)	(6)	(4)	-
	Total - Other Income/(Expenses)	**(1,298)**	**(1,178)**	**(68)**	**363**
D.	**Dividend income received**				
(i)	Zensar (Africa) Holdings Proprietary Limited	201	2,557	-	-
(ii)	Cynosure Interface Services Private Limited	-	200	-	-
(iii)	Zensar Technologies (UK) Limited	2,425	-	-	-
	Total - Dividend income received	**2,626**	**2,757**	**-**	**-**
E.	**Reimbursements to /(by) the company [net]**				
(i)	Zensar Technologies, Inc.	(163)	2,398	(1,600)	1,170
(ii)	Zensar Technologies (UK) Limited	850	1,842	(20)	653
(iii)	Zensar Technologies (Singapore) Pte. Limited	3	1	(2)	7
(iv)	Zensar Technologies (Shanghai) Company Limited	-	-	-	116
(v)	Zensar Technologies IM, Inc.	99	196	-	208
(vi)	Zensar (South Africa) Proprietary Limited	1,094	1,262	896	393
(vii)	Professional Access Limited	26	107	(44)	32
(viii)	Zensar Technologies IM B.V.	(17)	42	-	36
(ix)	Keystone Logic Inc.	35	144	(38)	80
(x)	Cynosure Inc.	106	117	24	89
(xi)	Cynosure Interface Services Private Limited	103	34	86	(33)
(xii)	Indigo Slate Inc.	47	24	-	31
(xiii)	Foolproof Limited	40	53	15	85
(xiv)	Zensar Technologies (Canada) Inc	2	3	(1)	3
(xv)	Keystone Logic Mexico, S. DE R.L. DE C.V	18	14	18	12
(xvi)	Raychem RPG Limited	-	1	-	1
(xvii)	Harrisons Malayalam Limited	(1)	(1)	-	-
(xviii)	Sudip Nandy	-	(1)	-	-
	Total – Reimbursement to /(by) the company [net]	**2,242**	**6,236**	**(666)**	**2,883**

Notes accompanying the Standalone Financial Statements

as at and for the year ended March 31, 2021.

(All amounts in INR Lakhs, unless otherwise stated)

Sr. No.	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2021	March 31, 2020	March 31, 2021 Receivable / (Payable)	March 31, 2020 Receivable / (Payable)
F	**Loans granted/ (received back)**				
	Zensar Technologies (Shanghai) Company Limited	(89)	-	-	78
	Total - Loans granted/ (repaid)	**(89)**	**-**	**-**	**78**
G	**Interest income**				
	Zensar Technologies (Shanghai) Company Limited	-	-	-	20
	Total - Interest income	**-**	**-**	**-**	**20**
H	**Investment in Subsidiaries**				
	Zensar Technologies Inc	11,093	-	-	-
	Total - Investment in Subsidiaries	**11,093**	**-**	**-**	**-**
I	**Donations**				
(i)	RPG Foundation	829	530	-	-
(ii)	Zensar Foundation	-	63	-	-
	Total – Donations	**829**	**593**	**-**	**-**
J	**Corporate Guarantees given**	**-**	**-**	**-**	**@@**
K.	**Dividend on Equity Shares Paid**				
(i)	Swallow Associates LLP	727	2,786	-	-
(ii)	Summit Securities Limited	300	1,142	-	-
(iii)	Instant Holdings Limited	229	865	-	-
(iv)	Sofreal Mercantrade Private Limited	70	266	-	-
(v)	H.V Goenka	2	7	-	-
(vi)	Anant Goenka	-	0	-	-
(vii)	A.T. Vaswani	1	2	-	-
(viii)	Harsh Mariwala	0	1	-	-
(ix)	Marina Holdco (FPI) Ltd.	618	2,369	-	-
(x)	Other Promoter / Promoter Group entities	6	15	-	-
	Total - Dividend on Equity Shares paid	**1,953**	**7,453**	**-**	**-**

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(All amounts in INR Lakhs, unless otherwise stated)

Sr. No.	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2021	March 31, 2020	March 31, 2021 Receivable / (Payable)	March 31, 2020 Receivable / (Payable)
L	**Directors Fees and Commission paid ****				
(i)	H.V Goenka	9	230	(295)	-
(ii)	A.T. Vaswani	26	18	(10)	(8)
(iii)	Arvind Agrawal	26	15	(10)	(8)
(iv)	Venkatesh Kasturirangan	20	12	(10)	(8)
(v)	Sudip Nandy	3	11	-	(4)
(vi)	Shashank Singh ##	21	16	(10)	(8)
(vii)	Ben Druskin	9	5	-	-
(viii)	Ketan Dalal	22	14	(10)	(8)
(ix)	Tanuja Randery	1	8	-	(1)
(x)	Harsh Mariwala	17	11	(10)	(8)
(xi)	Anant Goenka	16	7	(10)	(8)
(xii)	Radha Rajappa	15	4	(10)	(6)
	Total - Directors Fees and Commission paid	**186**	**351**	**(375)**	**(67)**
M	**Compensation of Key management personnel #**	**Ajay Singh Bhutoria^@**	**Sandeep Kishore^**	**Gaurav Tongia**	**Navneet Khandelwal**
	Short Term Benefits	3	12	60	177
		[N.A]	[14]	[57]	[151]
	Post-Employment Benefits	1	1	2	6
		[N.A]	[2]	[2]	[6]
	Long-term Employee benefits	-	-	-	-
		[N.A]	[-]	[-]	[-]
	Perquisites value of Employee Stock options	-	-	-	-
		[N.A]	[-]	[-]	[-]
	Total - Compensation of Key management personnel	4	13	62	183
		[N.A]	[16]	[59]	[157]
	Outstanding amounts*	6	-	-	80
		[N.A]	[-]	[-]	[100]

Figures in brackets are for previous year i.e. as at March 31, 2020

\# The details in the above table are on accrual and amortization basis, wherever applicable. Doesn't include Gratuity and compensated absences related provisions /payments.

^ Remuneration excludes the remuneration drawn from Zensar Technologies Inc.

@ The Board approved the Grant of 400,000 RSUs under the EPAU 2016 Plan effective March 30, 2021. These would vest as per the terms of the Grant. Proportionate value related to current period shown as outstanding.

Compensation of Ajay Singh Bhutoria included from his joining date, January 7, 2021

* Outstanding, constitutes of long term performance-based incentives and stock options, is not part of the "Total compensation of Key management personnel".

\## paid to Marina Holdco (FPI) Limited, which has nominated Shashank Singh on the Board of the Company

@@ Company had given Corporate Guarantee of USD 36 million to banks for loans availed by a subsidiary of Company.

** Transactions during the year includes Commission disbursed by the Company against previous years approved Commission; Outstanding for the year are the amount accrued as current year Commission.

Notes accompanying the Standalone Financial Statements

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(All amounts in INR Lakhs, unless otherwise stated)

29 Contingent liabilities

	Particulars	As at March 31, 2021	As at March 31, 2020
(a)	Income Tax:		
	Matters decided in favour of the Company by appellate authorities, where the Income Tax Department is in further appeal	752	751
	Matters on which the Company is in appeal	1,863	1,863
(b)	Sales Tax / Value Added Tax:		
	Claims against Company regarding sales tax against which the Company has preferred appeals	483	456
(c)	Claims against Company regarding service tax against which the Company has preferred appeal	21	21
(d)	Claims against the Company not acknowledged as debts	26	1,652
(e)	Corporate Guarantees given	-	22,563
(f)	Bank Guarantees	1,571	1,837

30 Disclosures with respect to Capital expenditure and Leases

(a) Capital expenditure contracted but not recognised as liability is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Property plant and equipments	587	720
Intangible assets	181	7

(b) The details of the right-of-use asset held by the Company are as follows:

Particulars	Additions for FY 20-21	As at March 31, 2021	Depreciation charge for FY 2020-21
Leasehold land	-	198	3
	[-]	[201]	[2]
Buildings/Office premises	694	19,484	3,768
	[12,604]	[22,669]	[3,224]
Data Processing Equipments	-	-	252
	[-]	[252]	[237]
Total	**694**	**19,682**	**4,023**
	[12,604]	**[23,122]**	**[3,463]**

Figures in brackets are for previous year i.e. as at March 31, 2020.

Notes accompanying the Standalone Financial Statements

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(All amounts in INR Lakhs, unless otherwise stated)

31 Share based payments

(a) Employee Stock Option Plan, 2002 (2002 ESOP) and Employee Stock Option Plan, 2006 (2006 ESOP)

Under the 2002 ESOP and 2006 ESOP schemes, participants are granted options which vest equally over a period of 5 years from the date of grant. Participation in the plan is at the discretion of the Nomination and Remuneration Committee (NRC) and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

- The exercise price is determined based on the market price, being the closing price of the share on the stock exchange with higher trading volume on the day preceding the day of the grant of options. The scheme allows the NRC to set the exercise price at a premium or discount not exceeding 20% on the market price.
- The options remain exercisable for 10 years from the date of vesting and lapse if they remain unexercised during this period.
- Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

Stock option activity under the "2002 ESOP" scheme is as follows:

Particulars	2020-21		2019-20	
	Number of options	Weighted average exercise price per option (INR)	Number of options	Weighted average exercise price per option (INR)
Outstanding at the beginning of the year	28,335	15.28	52,335	17
Granted during the year	-	-	-	-
Cancelled during the year	8,280	15.38	1,750	13.6
Exercised during the year	6,125	15.76	22,000	18.83
Lapsed during the year	-	-	250	17.6
Outstanding at the end of the year	13,930	15.01	28,335	15.28
Vested and Exercisable at the year end	13,930	-	28,335	-

Stock option activity under the "2006 ESOP" scheme is as follows:

Particulars	2020-21		2019-20	
	Number of options	Weighted average exercise price per option (INR)	Number of options	Weighted average exercise price per option (INR)
Outstanding at the beginning of the year	860,310	87.16	1,089,700	85.00
Granted during the year	-	-	-	-
Cancelled during the year	27,160	213.03	19,340	117.41
Exercised during the year	197,190	73.15	210,050	70.67
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	635,960	80.21	860,310	87.16
Vested and Exercisable at the year end	635,960	-	800,310	-

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(b) Employee Performance Award Unit Plan, 2016 (EPAU 2016)

Vesting would happen on or after 1 (one) year but not later than 5 (five) years from the date of grant of such PAUs or any other period as may be determined by the Nomination and Remuneration Committee (the Committee) and is subject to achievement of performance targets, set out in the Grant letter and/or the Scheme/prescribed by the Committee.

The exercise price is INR. 2 per unit and all vested units need to be exercised at any time within the period determined by the Committee from time to time, subject to a maximum period of two and half months from the end of calendar year in which vesting happens for the respective PAUs.

Particulars	2020-21		2019-20	
	Number of options	Weighted average exercise price per option (INR)	Number of options	Weighted average exercise price per option (INR)
Outstanding at the beginning of the year	2,619,000	2	3,045,805	2
Granted during the year	400,000	2	285,000	2
Cancelled during the year	1,234,000	2	711,805	2
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	1,785,000	2	2,619,000	2
Vested and Exercisable	-	-	-	-

(c) Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Share based payment scheme	Grant year	Range of exercise prices	Expiry year	Share options as at	
				March 31, 2021	March 31, 2020
2006 ESOP	FY 2006-2009	10 - 30	FY 2021-2024	2,000	4,990
	FY 2010-2013	10 - 55	FY 2021-2028	4,44,630	5,43,470
	FY 2014-2017	50 - 220	FY 2026-2031	1,89,330	3,11,850
Weighted average remaining contractual life of options outstanding at the end of the year				**5.51 years**	**6.76 years**
2002 ESOP	FY 2002-2005	6-16	FY 2018-2020	-	-
	FY 2006-2009	12- 20	FY 2021-2024	13,930	28,335
Weighted average remaining contractual life of options outstanding at the end of the year				**0.77 years**	**1.23 years**
EPAU 2016	FY 2016-2017	2			9,000
	FY 2017-2021	2		17,85,000	26,10,000
Weighted average remaining contractual life of options outstanding at the end of the year				**1.18 years**	**1.95 years**

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(d) Fair value of options granted

The fair value of the options at the grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option.

(e) The following tables illustrate the model inputs for options granted during the year ended March 31, 2021 and the resulting fair value of the options at the various grant dates:

Employee Performance Award Unit Plan, 2016 (EPAU 2016)

Particulars	Grant Date		
	30-03-2021	21-06-2019	29-04-2019
	Vest 1	Vest 1	Vest 1
Expected Life (years)	1.5	2.38	2.53
Volatility (%) *	53.84	32.96	33.22
Risk free rate (%)	4.23	6.28	6.85
Exercise price (Rs.)	2	2	2
Dividend yield (%)	0.66	3.15	3.46
Fair value per vest	273.88	233.93	210
Vest %	100%	100%	100%
Option fair value	**273.88**	**233.93**	**210**

* The expected price volatility is based on the historic volatility (based on remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

32 Earnings per share

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Profits attributable to equity shareholders	28,964	23,104
Basic Earnings Per Share		
Weighted average number of equity shares outstanding during the year (in nos)	225,458,848	225,268,893
Basic EPS (INR)	**12.85**	**10.26**
Diluted Earnings Per Share		
Weighted average number of equity shares outstanding during the year (in nos)	225,458,848	225,268,893
Effect of dilutive issue of stock options (in nos)	21,51,868	3,117,023
Weighted average number of equity shares outstanding for diluted EPS (in nos)	227,610,716	228,385,916
Diluted EPS (INR)	**12.73**	**10.12**

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(All amounts in INR Lakhs, unless otherwise stated)

33 Goodwill

Goodwill is tested for impairment atleast on an annual basis. For the purpose of impairment testing, goodwill is allocated to a Cash Generated Unit (CGU) or group of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Goodwill is allocated to Digital and Application Services segment.

Goodwill and other Intangible Assets with respect to DAS operating segment acquired through acquisitions is further allocated to identified CGU i.e. Retail Consumer Services.

The carrying amount was computed by allocating the net assets to CGU's for the purpose of impairment testing. The recoverable amount is computed based on value-in-use method using a forecast period of 5 years. The value-in-use of respective CGU is based on the future cash flows using a discount rate range of 8.9% and 1.5% annual revenue growth rate for periods subsequent to the forecast period of 5 years.

During the previous year ended on March 31, 2020, the group has realigned its CGUs in line with change in its business environment and synergies available through its integrated global service offerings.

Goodwill movement is given below:

Particulars	As at March 31, 2021	As at March 31, 2020
As on March 31, 2020	**8,402**	**8,402**
Add: Addition on acquisition	-	-
Add: Translation difference	-	-
As on March 31, 2021	**8,402**	**8,402**

In respect of above, no impairment was identified as of March 31, 2021 and March 31, 2020 as the recoverable value of the CGUs exceeded the carrying value. Further, an analysis of the sensitivity to a change in the key parameters based on reasonably probable assumptions, did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amounts.

Further, due to increase in economic uncertainties due to COVID-19, Company relooked at its sensitivity analysis of the key assumptions used in the projections and basis the current estimates, is of the view that there are no scenarios which warrant impairment of goodwill related to any CGU.

34. Segment information

Segment information has been presented in the Consolidated Financial Statements as permitted by Indian Accounting Standard Ind AS 108, Operating Segments as notified under the Companies (Indian Accounting Standard) Rules, 2015.

Notes accompanying the Standalone Financial Statements

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35. Business Combination

a) Merger of Cynosure Interface Services Private Limited with the Company

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 statements.

b) Disposal of investment in PSI Group

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 on 2nd December 2020 and as PSI Group are step down subsidiaries of the company, the necessary accounting treatment is reflected in the Consolidated financial statements of the Zensar Group.

36. Disclosure pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulation, 2015.

Particulars	Amount outstanding as at March 31, 2021	Maximum amount outstanding during the year
To subsidiaries	Refer table below	
To associates	Not Applicable	Not Applicable
To firms/companies in which directors are interested (other than subsidiaries/ associates mentioned above)		
Where there is		
No Repayment schedule	Not Applicable	Not Applicable
Repayment beyond seven years	Not Applicable	Not Applicable
No Interest	Not Applicable	Not Applicable
Interest rates below as specified under section 186 of the Act	Not Applicable	Not Applicable

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(All amounts in INR Lakhs, unless otherwise stated)

Particulars of amount of loans and advances in nature of loans outstanding from subsidiaries as at March 31, 2021

Particulars	Balance as at March 31, 2021	Maximum amount outstanding during the year
Zensar Technologies (Shanghai) Company Limited	-	-
	[78]	[78]

Figures in brackets are for previous year i.e. as at March 31, 2020

There are no loans and advances in the nature of loans as at March 31, 2021 where there is no repayment schedule / repayment beyond seven years.

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
DIN: 00026726

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

FINANCIAL STATEMENTS
CONSOLIDATED

Independent Auditors' Report

TO THE MEMBERS OF ZENSAR TECHNOLOGIES LIMITED

Report on the Audit of Consolidated inancial Statements

Opinion

We have audited the accompanying consolidated financial statements of Zensar Technologies Limited ("the Parent" or "the Company") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1	**Impairment testing of CGU:** The Group carries goodwill resulting from business acquisitions. In case of one of the subsidiaries which has been identified as CGU, there is a risk that the carrying amount of goodwill is not supported by performance of the CGU. In respect of above CGU, any adverse change in the business activities due to internal or external factors such as the financial and economic environment where the Group operates, may have a significant adverse effect on the recoverable amount of goodwill and require the recognition of impairment. In such a case, it is necessary to reassess the appropriateness of the key assumptions related to forecasts of future revenues, operating margins, discount rate and perpetual growth rate used to determine the recoverable amount, the reasonableness and consistency of the criteria used in the calculation in line with the requirements of Ind AS 36 – Impairment of Assets. Refer note 30 of the Consolidated Financial Statements.	**Principal audit procedures performed:** • We evaluated the design and operating effectiveness of internal controls relating to review of goodwill impairment testing performed by management. • We assessed the reasonableness of management's assumptions by: - evaluating the appropriateness of the model used to calculate value in use; - involving Internal Fair Valuation (IFV) Specialist in respect of assessing key valuation assumptions such as weighted average cost of capital (WACC) which was used for discounting the future cash flows and perpetual growth rate applied by the Company for the purposes of computing value-in-use; - validating the cash flow forecasts with reference to historical forecasts and actual performance for past 3 financial years; - evaluating the underlying key business assumptions related to future revenues and operating margins in estimating projections including cash flows; - assessing the sensitivity of the outcome of impairment assessment in response to changes in the key assumptions.

Independent Auditors' Report (Contd.)

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Board's Report including its annexures, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Board's Report including its annexures is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Board's Report including its annexures, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 financial statements 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 the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, 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 also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 these consolidated financial statements.

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 consolidated financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 statements or, if such disclosures are inadequate, to modify our opinion.

Independent Auditors' Report (Contd.)

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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

Independent Auditors’ Report (Contd.)

h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.

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

Saira Nainar
Partner
(Membership No. 040081)
UDIN:21040081AAAABX5829

Place: Mumbai
Date: April 29, 2021

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated financial statements of the Zensar Technologies Limited ("the Parent" or "the Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of the Parent and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained in respect of Parent and its subsidiaries companies, which are companies incorporated in India, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Saira Nainar
Partner
(Membership No. 040081)
UDIN:21040081AAAABX5829

Place: Mumbai
Date: April 29, 2021

Consolidated Balance Sheet

(All amounts in INR Lakhs, unless otherwise stated)

Consolidated Balance Sheet as at	Notes	March 31, 2021	March 31, 2020
Assets			
Non-current assets			
(a) Property, plant and equipment	4	11,339	12,940
(b) Right of use assets	2(c) & 32	27,503	32,649
(c) Capital work-in-progress		6	180
(d) Goodwill	30	57,702	64,658
(e) Other intangible assets	5	16,754	22,020
(f) Intangible assets under development		-	957
(g) Financial assets			
i. Investments	6(a)	15,397	1,142
ii. Other financial assets	6(f)	3,060	6,798
(h) Income tax assets (net)	17(a)	6,416	6,064
(i) Deferred tax assets (net)	7	4,916	4,966
(j) Other non-current assets	8	968	1,419
Total Non-current assets		**1,44,061**	**1,53,793**
Current assets			
(a) Inventories	9	-	9,412
(b) Financial assets			
i. Investments	6(b)	36,328	26,704
ii. Trade receivables	6(c)	58,875	66,564
iii. Cash and cash equivalents	6(d)	34,921	48,834
iv. Other balances with banks	6(e)	34,941	2,823
v. Other financial assets	6(g)	18,951	29,762
(c) Other current assets	10	15,260	21,663
Total current assets		**1,99,276**	**2,05,762**
Total assets		**3,43,337**	**3,59,555**
Equity and liabilities			
Equity			
(a) Equity share capital	11(a)	4,512	4,508
(b) Other equity			
i. Reserves and surplus	11(b)	2,27,859	2,01,118
ii. Other components of equity	11(d)	1,861	3,373
Equity attributable to owners of the company		**2,34,232**	**2,08,999**
Non-controlling interests	29(b)	2,874	2,370
Total equity		**2,37,106**	**2,11,369**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
i. Borrowings	12(a)	-	6,537
ii. Lease liabilities	12(c)	25,388	31,293
iii. Other financial liabilities	12(b)	97	4,599
(b) Provisions	14	317	263
(c) Employee benefit 0bligations	15	5,125	1,554
(d) Other non current liabilities	16	1,460	-
Total non-current liabilities		**32,387**	**44,246**
Current liabilities			
(a) Financial liabilities			
i. Borrowings	12(a)	-	22,321
ii. Trade payables	13		
- Total outstanding dues of micro and small enterprises		502	212
- Total outstanding dues of creditors other than micro and small enterprises		21,511	26,285
iii. Lease liabilities	12(c)	9,567	10,577
iv. Other financial liabilities	12(b)	24,720	22,825
(b) Employee benefit obligations	15	3,620	8,325
(c) Other current liabilities	16	11,426	8,485
(d) Income tax liabilities (net)	17(a)	2,498	4,910
Total current liabilities		**73,844**	**1,03,940**
Total liabilities		**1,06,231**	**1,48,186**
Total equity and liabilities		**3,43,337**	**3,59,555**

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Consolidated Statement of Profit and Loss

(All amounts in INR Lakhs, except earnings per share)

Consolidated Statement of Profit and Loss for the	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
(a) Revenue from operations	18	3,78,139	4,18,168
(b) Other income (net)	19	2,545	8,842
Total income		**3,80,684**	**4,27,010**
Expenses			
(a) Purchase of traded goods		11,344	15,250
(b) Consumption of spare parts for computer hardware and maintenance contracts		2,191	2,655
(c) Changes in inventories		504	434
(d) Employee benefits expense	20	2,15,256	2,34,743
(e) Subcontracting costs		52,332	65,881
(f) Finance costs	21	5,353	6,051
(g) Depreciation, amortisation and impairment expense	22	17,471	15,918
(h) Other expenses	23	28,029	48,499
Total expenses		**3,32,480**	**3,89,431**
Profit before exceptional item and tax		**48,204**	**37,579**
Exceptional item	34 (i)	(4,910)	-
Profit before tax		**43,294**	**37,579**
Tax expense	**24**		
(a) Current tax		10,689	10,131
(b) Deferred tax		1,907	288
[net of reversal of INR 2,179 lakhs liability reclassified to exceptional item in year ended March 31, 2021 (refer note 34 (i))]			
Total tax expense		**12,596**	**10,419**
Profit for the year		**30,698**	**27,160**
Other comprehensive income/(loss)			
I) (a) **Items that will not be reclassified to profit or loss**			
- Remeasurements of defined employee benefit plans	15	1,759	(1,374)
- Change in fair value of equity instruments	11(d)	(271)	(1,312)
(b) Income tax relating to items that will not be reclassified to profit or loss	24(iii)	(609)	480
		879	**(2,206)**
II) (a) **Items that will be reclassified to profit or loss**			
- Effective portion of gain / (loss) on designated portion of hedging instruments in a Cash Flow Hedge (net)"	11(d)	469	(1,065)
- Exchange differences in translating the financial statements of foreign operations gain / (loss)"		(1,546)	2,887
(b) Income tax relating to items that will be reclassified to profit or loss	11(d)	(164)	560
		(1,241)	**2,382**
Other comprehensive income/(loss) for the year, net of tax		**(362)**	**176**
Total comprehensive income/(loss) for the year		**30,336**	**27,336**
Profit for the year attributable to:			
- Owners of the Company		30,003	26,342
- Non-controlling interests		695	818
		30,698	**27,160**
Other comprehensive income / (loss) attributable to:			
- Owners of the Company		(609)	326
- Non-controlling interests		247	(150)
		(362)	**176**
Total comprehensive income attributable to:			
- Owners of the Company		29,394	26,668
- Non-controlling interests		942	668
		30,336	**27,336**
Earnings per share [Face value INR. 2 each]- Before exceptional Item	33		
- Basic		15.49	11.69
- Diluted		15.34	11.53
Earnings per share [Face value INR. 2 each]- After exceptional Item	33		
- Basic		13.31	11.69
- Diluted		13.18	11.53

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Consolidated Statement of Changes in Equity

(All amounts in INR Lakhs, unless otherwise stated)

Equity share capital

Balance as at April 1, 2019	Changes in equity share capital during the year	"Balance as at March 31, 2020"
4,504	4	4,508
Balance as at April 1, 2020	**Changes in equity share capital during the year**	**"Balance as at March 31, 2021"**
4,508	4	4,512

Particulars	Reserves & surplus							Other components of equity			Owners Equity	Non-controlling interests	Total
	Capital redemption reserve	Share based payment reserve	Retained earnings	Capital reserve	Securities premium	General reserve	Special economic zone re-investment reserve	Cash flow hedging reserve	Equity investment through OCI	Foreign currency translation reserve			
Balance as at April 1, 2019	**442**	**2,849**	**72,834**	**293**	**2,571**	**1,06,940**	**1,500**	**400**	**602**	**1,300**	**1,89,732**	**1,696**	**1,91,428**
Profit for the year	-	-	26,342	-	-	-	-	-	-	-	26,342	818	27,160
Effective portion of gain / (loss) on Cash Flow Hedge (net).	-	-	-	-	-	-	-	(693)	-	-	(693)	-	(693)
Change in fair value of equity instruments	-	-	-	-	-	-	-	-	(1,124)	-	(1,124)	-	(1,124)
Exchange differences in translating the financial statements of foreign operations - gain / (loss) (net of tax)	-	-	-	-	-	-	-	-	-	3,038	3,038	(150)	2,887
Remeasurements of defined employee benefit plans (net of tax)	-	-	(894)	-	-	-	-	-	-	-	(894)	-	(894)
Total comprehensive income for the year	**-**	**-**	**25,448**	**-**	**-**	**-**	**-**	**(693)**	**(1,124)**	**3,038**	**26,668**	**668**	**27,336**
Transaction with owners in their capacity as owners:													**-**
Transition impact of Ind AS 116 (refer note 2(c))			(579)								(579)	-	(579)
Dividends paid (including Dividend Distribution Tax)	-	-	(11,974)	-	-	-	-	-	-	-	(11,974)	-	(11,974)
Recognition of Employee Share based payment expense	-	645	-	-	-	-	-	-	-	-	645	-	645
Transferred from / to Securities premium on exercise of stock options	-	(94)	-	-	94	-	-	-	-	-	-	-	-
Received on exercise of stock options	-	-	-	-	148	-	-	-	-	-	148	-	148
Transferred to General reserve on cancellation of stock options	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred from/to retained earnings	-	-	1,500	-	-	-	(1,500)	-	-	-	-	-	-
Transfer to Special economic zone re-investment reserve	-	-	(1,250)	-	-	-	1,250	-	-	-	-	-	-
Minority Adjustments										(150)	(150)	6	(144)

Particulars	Reserves & surplus							Other components of equity			Owners Equity	Non-controlling interests	Total
	Capital redemption reserve	Share based payment reserve	Retained earnings	Capital reserve	Securities premium	General reserve	Special economic zone re-investment reserve	Cash flow hedging reserve	Equity investment through OCI	Foreign currency translation reserve			
Balance as at March 31, 2020	**442**	**3,400**	**85,980**	**293**	**2,812**	**1,06,940**	**1,250**	**(292)**	**(522)**	**4,188**	**2,04,490**	**2,370**	**2,06,861**
Profit for the year	-	-	30,003	-	-	-	-	-	-	-	30,003	695	30,698
Effective portion of gain / (loss) on Cash Flow Hedge (net).	-	-	-	-	-	-	-	305	-	-	305	-	305
Change in fair value of equity instruments	-	-	-	-	-	-	-	-	(271)	-	(271)	-	(271)
Exchange differences in translating the financial statements of foreign operations - gain / (loss) (net of tax)	-	-	-	-	-	-	-	-	-	(1,546)	(1,546)	247	(1,546)
Remeasurements of defined employee benefit plans (net of tax)	-	-	1,150	-	-	-	-	-	-	-	1,150	-	1,150
Total comprehensive income for the year	**-**	**-**	**31,153**	**-**	**-**	**-**	**-**	**305**	**(271)**	**(1,546)**	**29,641**	**942**	**30,336**
Transaction with owners in their capacity as owners:													
Dividends paid (including Dividend Distribution Tax)	-	-	(2,706)	-	-	-	-	-	-	-	(2,706)	-	(2,706)
Recognition of Employee Share based payment expense	-	(1,848)	-	-	-	-	-	-	-	-	(1,848)	-	(1,848)
Transferred from / to Securities premium on exercise of stock options	-	(65)	-	-	65	-	-	-	-	-	-	-	-
Received on exercise of stock options	-	-	-	-	141	-	-	-	-	-	141	-	141
Transferred to General reserve on cancellation of stock options	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred from/to retained earnings	-	-	1,250	-	-	-	(1,250)	-	-	-	-	-	-
Transfer to Special economic zone re-investment reserve	-	-	(2,550)	-	-	-	2,550	-	-	-	-	-	-
Dividend payable to Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(444)	(444)
Minority Adjustments	-	-	-	-	-	-	-	-	-	247	247	7	254
Balance as at March 31, 2021	**442**	**1,488**	**1,13,127**	**293**	**3,018**	**1,06,940**	**2,550**	**12**	**(793)**	**2,642**	**2,29,966**	**2,874**	**2,32,594**

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Consolidated Statement of Cash Flows for the year ended March 31, 2021

(All amounts in INR Lakhs unless otherwise stated)

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
Cash flow from operating activities				
Profit before taxation		**43,294**		**37,579**
Exceptional item (refer note 34)		(4,910)		-
Profit before exceptional item and tax		**48,204**		**37,579**
Adjustments for:				
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	
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	20,114	(1,544)	18,970
Operating profit before working capital changes		**68,318**		**56,549**
Change in assets and liabilities				
(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	
Cash generated from operations		**99,802**		**80,089**
Income taxes paid (net of refunds)		(14,001)		(11,467)
Net cash inflow from operating activities		**85,801**		**68,622**
Cash flow from investing activities				
Purchases of Property, plant and equipment and intangible assets	(3,949)		(7,818)	
Earnout to Subsidiaries	(707)		(5,970)	
Sale of Business/subsidiaries (refer note 34)	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)	(1,73,731)		(1,21,530)	
Purchase of investments (Non Convertible Debentures)	(2,451)		-	
Sale of investments (Mutual Funds)	1,53,011		1,05,147	
Interest income received	764		522	
Net cash used in investing activities		**(52,827)**		**(31,527)**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from financing activities		
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 (refer note 12(c))	(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)
Net cash used in financing activities	**(46,691)**	**(19,679)**
Effect of exchange differences on translation of cash and cash equivalents	(196)	39
Net increase/(decrease) in cash and cash equivalents	**(13,913)**	**17,455**
Cash and cash equivalents at the beginning of the year	**48,834**	**31,379**
Cash and cash equivalents at the end of the year	**34,921**	**48,834**

Notes:

1. The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2. Cash and cash equivalents comprise of: refer note 6(d)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash on hand	5	5
Funds in transit	355	26
Cheques on hand	-	13
Balances with Banks:		
- In current accounts	25,861	46,953
- Deposits having original maturity of less than three months	8,700	1,837
Total	**34,921**	48,834
Less: Book Overdrafts	-	-
Total	**34,921**	**48,834**

The accompanying notes form an integral part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration no: 117366W / W-100018)

Saira Nainar
Partner
Membership No: 040081

Place: Mumbai
Date: April 29, 2021

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
(DIN: 00026726)

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

1. Corporate Information

Zensar Technologies Limited ("Company") is a public limited company incorporated and domiciled in India and has registered office at Zensar Knowledge Park, Plot # 4, MIDC, Kharadi, Off Nagar road, Pune, Maharashtra, India. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Company along with its subsidiaries (together hereinafter referred to as "the Group") are engaged in providing a complete range of IT Services and Solutions. The Group's industry expertise spans across Manufacturing, Retail, Media, Banking, Insurance, Healthcare and Utilities.

The Consolidated Financial Statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on April 29, 2021.

Basis of preparation:

Compliance with Ind AS:

The consolidated financial statements (financial statements) comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

i. Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) which are measured at fair value;
- defined benefit plans - plan assets measured at fair value;
- share- based payments and
- assets and liabilities arising in a business combination

ii. Current versus Non-current classification:

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their settlement in cash and cash equivalents, the Group has ascertained its operating cycles as 12 months for the purpose of current and non-current classification of assets and liabilities.

iii. Principles of consolidation:

The Consolidated Financial Statements comprise the financial statements of Zensar Technologies Limited and its subsidiaries (the Company and its subsidiaries constitute "the Group"). The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity. The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The financial statements of the Group companies are consolidated on a line-by-line basis and intragroup balances, transactions including unrealized gain / loss from such transactions and cash flows are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

The difference between the fair value of consideration received from disposal of investment in subsidiary and the carrying amount of its assets (including goodwill) less liabilities as on the date of disposal along with cost of sell is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on such disposal of investment in subsidiary. In addition, any amounts previously recognised in the other comprehensive income are re-classified to the statement of profit and loss.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the company's interests and the non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company

iv. Presentation and Function currency:

Items included in the financial statements of each of Group entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company and its Indian subsidiaries is Indian Rupee (INR) and these financial statements are prepared in INR which is the presentation currency.

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

2. Summary of significant accounting policies

a) Revenue Recognition:

The Group earns revenue primarily from software development, maintenance of software/hardware and related services, and sale of software licenses.

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. At the inception of every contract, transaction price and performance obligations are determined. Transaction price reflect amount of consideration expected to be received in exchange for transferring goods and services plus estimate of variable consideration i.e. discounts, price concession, rebates etc. Transaction price is allocated to identifiable performance obligations in a manner that depicts exchange for transferring of promised goods and services. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The Group applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Group allocates the transaction price to separately identifiable performance obligations based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

i. Time and material contracts:

Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.

ii. Fixed- price contracts:

Revenue for fixed-price contracts where performance obligations are satisfied over time is recognised using percentage-of-completion method. In respect of such fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs/efforts incurred determining the degree of completion of the performance obligation.

iii. Sale of licenses:

Revenue from licenses where the customer obtains a "right to use "the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

b) Income Tax:

Income tax comprises current and deferred tax. Income tax expense is recognized in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

i. Current Income Tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

ii. **Deferred Tax:**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with undistributed earnings of subsidiaries and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Group offsets deferred tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred Tax includes MAT credit, if any and it is recognized as an asset only when and to the extent there is convincing evidence that the group will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 for a specified period. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

c) **Leases:**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

Group as a lessee:

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

Group as a lessor:

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 "Revenue from Contracts with Customers" to allocate the consideration in the contract

Transition:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively using the modified retrospective method, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

On transition, the Group recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. Accordingly, a right-of-use asset of Rs. 23,810 lakhs and lease liability of Rs. 24,630 lakhs has been recognised. The cumulative effect on transition in retained earnings net of taxes is Rs. 579 lakhs. The principle portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 6.70% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Group has chosen to apply the practical expedient as per the standard.

In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of Rs. 489 lakhs has been reclassified from property, plant and equipment to right-of-use assets. An amount of Rs. 326 lakhs has been reclassified from other current financial liabilities to lease liability - current and an amount of Rs. 319 lakhs have been reclassified from borrowings - non-current to lease liability - non-current.

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

d) **Foreign Currency Translation:**

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated at the exchange rate prevailing on the reporting date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not restated.

Assets and liabilities of entities with functional currency other than the functional currency of the Group have been translated using exchange rates prevailing on the reporting date. Statement of profit and loss of such entities has been translated using weighted average exchange rates. Translation adjustments have been reported as Foreign Currency Translation Reserve in the Statement of Changes in Equity through Other Comprehensive Income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the reporting date.

e) **Business Combinations:**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognized in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. Goodwill is measured at cost less accumulated impairment losses, if any.

Intangible assets acquired in business combination are measured at fair value as of the date of acquisition less accumulated amortisation and accumulated impairment, if any.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

When the consideration transferred by the group in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with Ind AS 109 Financial Instruments or Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, with the corresponding gain or loss being recognised in profit or loss.

f) **Impairment of assets:**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

g) **Cash and Cash Equivalents:**

For the purposes of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with original maturities of three months or less that are readily convertible to known amounts of cash and cash equivalents which are subject to insignificant risk of changes in value and net of outstanding bank overdraft. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

h) **Inventories:**

Inventories are valued at lower of cost and net realizable value including necessary provision for obsolescence. Cost is determined using weighted average method. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

i) **Investments and other financial assets and liabilities:**

i. **Classification:**

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial liabilities are measured at amortised cost using the effective interest method.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

ii. **Initial recognition:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

iii. **Measurement:**

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv. **Impairment of financial assets (other than at fair value):**

The Group assesses at each reporting date whether a financial asset or a group of financial assets and contract assets (unbilled revenue) is impaired. The Group recognizes loss allowances, in accordance with IND AS 109, using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenue with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit or loss.

j) **Interest and Dividend income:**

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

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k) Derivatives and hedging activities:

The Group designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges/fair value hedges, as applicable.

The Group uses hedging instruments that are governed by the policies of the Company and its subsidiaries which are approved by their respective Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company and its subsidiaries. The Group enters into derivative financial instruments where the counterparty is primarily a bank.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains/loss in the statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
- Hedges of a net investment in a foreign operation

Subsequent to initial recognition, derivative financial instruments are measured as described below:

Cash flow hedges:

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs.

The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

The Group enters into the contracts that are effective as hedges from an economic perspective but may not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

l) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

m) Property, plant and equipment:

i. Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Freehold land is carried at historical cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

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The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

An item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

The cost of property, plant and equipment not available for use before year end date are disclosed under capital work- in-progress and not depreciated.

An asset's carrying amount is written down immediately to its recoverable amount if the assets or CGU as applicable, carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the statement of profit and loss.

ii. Depreciation:

The Group depreciates property, plant and equipment on a straight-line basis as per the estimated useful lives. The estimated useful lives of property, plant and equipment are as follows:

Class of asset	Useful life
Buildings	30 years
Electrical Installations and equipments	5 years
Furniture & fixtures	3-10 years
Office Equipments	3-10 years
Data processing Equipments	3-5 years
Vehicles	5 years

Assets acquired under leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

n) Intangible Assets:

i. Intangible assets other than acquired in a business combination are measured at cost at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Research costs are expensed as incurred.

Internally generated intangible asset arising from development activity is recognized at cost on demonstration of its technical feasibility, the intention and ability of the Group to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

An item of Intangible assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Intangible assets are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

ii. Amortization periods and methods for all Intangible Assets, including on business combination:

Intangible assets are amortized on straight line basis over their estimated useful lives which are as follows:

Class of Intangible Assets	Useful life followed by the group
Softwares (acquired)	1-5 years
Softwares (internally generated)	3-5 years
Non-compete agreements	3-5 years
Customer relationship	4-10 years
Customer contracts	1 -3 years
Brand	5 years

The estimated useful life of amortizable intangible assets are reviewed and where appropriate are adjusted, annually.

o) Provisions and contingent liabilities:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

p) **Employee benefits:**

i. **Post-employment and pension plans:**

The Group participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

The Group has the following employee benefit plans:

Provident Fund:

Employees receive benefits from a provident fund, which is a defined benefit plan. The employer and employees each make periodic contributions to the plan. Provident fund contributions are made to a trust administered by the Group. The contributions to the trust managed by the Group are accounted for as a defined benefit plan as the Group is liable for any shortfall, if any with respect to the rate of return based on the government specified minimum rates of return.

The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

Superannuation and family pension fund:

Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India. The Group makes annual contributions based on a specified percentage of each eligible employee's salary.

The Group has a Defined Contribution Plan for Post-employment benefits for all employees in the form of Family Pension Fund administered by Regional Provident Fund Commissioner.

These contributions to superannuation and family pension funds are classified as defined contribution plans as the Group has no further obligation beyond making the contributions. The Group's contributions to Defined Contribution Plans are charged to the Statement of Profit and Loss as and when employee provides services.

Gratuity:

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Scheme. The Gratuity plan provides for a lump sum payment to eligible employees, at retirement, death, incapacitation or termination of employment based on the last drawn salary and years of employment with the Group. The gratuity fund

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is managed by the Life Insurance Corporation of India (LIC). The Group's obligation in respect of the gratuity plan, is provided for based on actuarial valuation using the projected unit credit method. The Group recognizes actuarial gains and losses immediately in other comprehensive income, net of taxes.

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

ii. Short-term benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related services are provided. Liabilities for wages and salaries including the amount expected to be paid under short-term cash bonus or profit sharing plans, expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii. Compensated absences:

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year, as applicable. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are classified under current liabilities and balance under non-current liabilities.

iv. Share-based payments:

Selected employees of the Group receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost under employee benefits expense is recognised, together with a corresponding change in Share Based Payment Reserves under Other Equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where

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an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

q) Assets held for Sale

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through containing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write –down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increase in fair value less costs sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non –current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in balance sheet.

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

r) Contributed Equity:

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

s) Dividends:

Provision is made for the undistributed amounts of appropriately authorized dividend being declared on or before the end of the reporting period.

t) Earnings per share:

The basic earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

u) Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

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3. Critical estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

The Group 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 Group 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

The areas involving critical estimates and/or judgements are:

a Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any,on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The policy for the same has been explained under note 2(b).

c Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under note 2(m).

d Provisions

Provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under note 2(0).

e Business combination

In accounting for business combinations, judgement is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired, and liabilities and contingent consideration involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgements, estimates, and assumptions can materially affect the results of operations.

f Goodwill

Goodwill is tested for impairment annually once or when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

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g Defined benefit obligation

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Also refer note 15.

h Employee stock options

“The Group initially measures the cost of equity-settled transactions with employees using a Black Scholes Options Pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model and the performance of the Group, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 38.”

i Allowance for Expected Credit Losses

During the period of COVID-19 pandemic, the Group continued higher focus on liquidity of its receivables and concurrently reassessed the allowance for credit losses based on various factors like historical loss experience, subsequent collections, credit term extension requests from customers and future economic assessment relating to industries the company deals with and the countries where it operates.

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4. Property, plant and equipment

Particulars	Buildings	Leasehold Improvements	Electrical Installations and equipments	Furniture and Fixtures	Office Equipments	Data Processing Equipments	Data Processing Equipments - Finance lease (refer note 2(c))	Vehicles	Total
Gross carrying amount									
As at April 1, 2020	4,048	5,254	1,441	2,733	3,070	12,191	-	285	29,022
Additions	-	563	71	227	75	1,358	-	22	2,316
Disposals	-	(953)	(23)	(139)	(513)	(1,620)	-	(54)	(3,302)
Disposal of subsidiaries (refer note 34)	-	-	-	(34)	(2)	(87)	-	-	(123)
Exchange translation differences	-	(97)	-	(19)	(72)	(317)	-	-	(505)
Gross carrying amount as at March 31, 2021	**4,048**	**4,767**	**1,489**	**2,768**	**2,558**	**11,525**	**-**	**253**	**27,408**
Accumulated Depreciation									
As at April 1, 2020	920	2,194	868	1,357	1,832	8,712	-	196	16,082
Depreciation	186	740	200	284	492	1,885	-	32	3,820
Disposals	-	(942)	(22)	(125)	(501)	(1,613)	-	(54)	(3,257)
Disposal of subsidiaries (refer note 34)	-	-	-	(34)	(2)	(58)	-	-	(95)
Exchange translation differences	-	(109)	1	(18)	(43)	(312)	-	-	(481)
Accumulated depreciation as at March 31, 2021	**1,106**	**1,883**	**1,047**	**1,463**	**1,778**	**8,613**	**-**	**175**	**16,069**
Net carrying amount as at March 31, 2021	**2,942**	**2,884**	**442**	**1,304**	**779**	**2,912**	**-**	**79**	**11,339**

Particulars	Buildings	Leasehold Improvements	Electrical Installations and equipments	Furniture and Fixtures	Office Equipments	Data Processing Equipments	Data Processing Equipments - Finance lease (refer note 2(c))	Vehicles	Total
Gross carrying amount									
As at April 1, 2019	4,048	2,626	1,038	2,262	2,330	10,061	1,077	235	23,677
Transition impact of Ind AS 116 (refer note 2 (c)	-	-	-	-	-	-	(1,077)	-	(1,077)
Additions	-	2,565	409	493	605	2,430	-	67	6,569
Disposals	0	(267)	(6)	(109)	(44)	(874)	-	(17)	(1,317)
Exchange translation differences	-	330	-	87	179	574	-	-	1,170
Gross carrying amount as at March 31, 2020	**4,048**	**5,254**	**1,441**	**2,733**	**3,070**	**12,191**	**-**	**285**	**29,022**
Accumulated Depreciation									
As at April 1, 2019	733	1,597	688	1,152	1,258	7,229	588	165	13,413
Transition impact of Ind AS 116 (refer note 2 (c)	-	-	-	-	-	-	(588)	-	(588)
Depreciation	187	540	169	242	484	1,859	-	40	3,521
Disposals	-	(267)	11	(109)	(44)	(898)	-	(8)	(1,315)
Exchange translation differences	0	324	0	72	134	522	-	-	1,053
Accumulated depreciation as at March 31, 2020	**920**	**2,194**	**868**	**1,357**	**1,832**	**8,712**	**-**	**196**	**16,082**
Net carrying amount as at March 31, 2020	**3,128**	**3,060**	**573**	**1,376**	**1,238**	**3,479**	**-**	**89**	**12,940**

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5 Other intangible assets

Particulars	Softwares (Acquired)	Softwares (Internally generated)	Customer Relationship	Non Compete Agreements	Brand	Customer contracts	Total
Gross carrying amount							
As at April 1, 2020	5,127	828	30,087	2,962	3,404	853	43,261
Additions	979	1,278	-	-	-	-	2,257
Disposals	(3,150)	(168)	-	-	-	-	(3,318)
Disposal of subsidiaries (refer note 34)	(870)	-	(929)	(772)	(831)	-	(3,402)
Exchange translation differences	(24)	-	(653)	(66)	(38)	121	(660)
Gross carrying amount as at March 31, 2021	**2,062**	**1,938**	**28,505**	**2,124**	**2,535**	**974**	**38,138**
Accumulated Amortisation							
As at April 1, 2020	4,177	635	11,281	2,354	1,941	853	21,241
Amortisation	1,472	234	4,557	342	512	-	7,117
Disposals	(3,150)	(168)	-	-	-	-	(3,318)
Disposal of subsidiaries (refer note 34)	(870)	-	(929)	(772)	(831)	-	(3,402)
Exchange translation differences	(32)	-	(292)	(49)	(2)	121	(254)
Accumulated amortisation as at March 31, 2021	**1,597**	**701**	**14,617**	**1,875**	**1,620**	**974**	**21,384**
Net carrying amount as at March 31, 2021	**465**	**1,237**	**13,888**	**249**	**915**	**-**	**16,754**

Particulars	Softwares (Acquired)	Softwares (Internally generated)	Customer Relationship	Non Compete Agreements	Brand	Customer contracts	Total
Gross carrying amount							
As at April 1, 2019	3,170	720	26,718	2,379	2,752	853	36,592
Additions	1,861	108	-	-	-	-	1,969
Disposals	(2)	-	-	-	-	-	(2)
Exchange translation differences	98	-	3,369	583	652	-	4,702
Gross carrying amount as at March 31, 2020	**5,127**	**828**	**30,087**	**2,962**	**3,404**	**853**	**43,261**
Accumulated Amortisation							
As at April 1, 2019	2,641	554	5,640	1,452	1,041	853	12,181
Amortisation	1,445	81	4,148	388	449	-	6,511
Disposals	(2)	-	-	-	-	-	(2)
Exchange translation differences	93	-	1,493	514	451	-	2,551
Accumulated amortisation as at March 31, 2020	4,177	635	11,281	2,354	1,941	853	21,241
Net carrying amount as at March 31, 2020	**950**	**193**	**18,806**	**608**	**1,463**	**0**	**22,020**

Research and development expenditure - Aggregate amount of research and development expenditure recognised as an expense during the year is INR Nil (March 31, 2020 : INR 183 lakhs)

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as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

6. Financial assets

6 (a) Investments : Non current

Particulars	As at March 31, 2021	As at March 31, 2020
Investment carried at Fair Value through Other Comprehensive Income (FVOCI) **Investment in equity instruments - Quoted** 100 (March 31, 2020: 100) Equity Shares of INR 10 each fully paid-up in CFL Capital Financial Services Limited	0	0
Sub Total	0	0
Investments in equity instruments - Unquoted 100 (March 31, 2020: 100) Equity Shares of INR 9 each fully paid-up in Spencer & Company Limited	0	0
Total	0	0
Investments in equity instruments of subsidiary companies - Unquoted Nil (March 31, 2020: 1,000) Equity Shares of USD 0.01 each of Aquila Technology Corporation (refer note 29)	0	1,142
Unquoted Investments carried at Fair value through Profit and Loss (FVTPL) **- Mutual Funds**	15,397	-
Total Non-current Investments	15,397	1,142
Aggregate amount of quoted investments & market value thereof	0	0
Aggregate amount of unquoted investments	15,397	1,142

6 (b) Investments : Current

Particulars	As at March 31, 2021	As at March 31, 2020
- Mutual Funds (carried at Fair value through Profit and Loss)	33,877	26,704
- Non Convertible Debentures (carried at amortised cost)	1,020	-
- Non Convertible Debentures (carried at Fair value through Profit and Loss)	1,431	-
Total	36,328	26,704
Aggregate amount of unquoted investments	32,343	26,704
Aggregate amount of quoted investments	3,985	-

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(All amounts in INR Lakhs, unless otherwise stated)

6 (c) Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Considered good	58,875	66,564
Credit impaired	3,256	8,894
	62,131	**75,458**
Less: Allowance for credit loss	(3,256)	(8,894)
Total	**58,875**	**66,564**

6 (d) Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	5	5
Funds in transit	355	26
Cheques on hand	-	13
Balances with banks :		
- In current accounts	25,861	46,953
- Deposits having original maturity of less than three months	8,700	1,837
Total	**34,921**	**48,834**

6 (e) Other balances with banks

Particulars	As at March 31, 2021	As at March 31, 2020
Earmarked Balances with Banks - Unclaimed Dividend	233	269
Deposits having original maturity of more than three months	34,123	2,554
Balance held in Escrow accounts	585	-
Total	**34,941**	**2,823**

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6 (f) Other financial assets : Non current

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Security deposits		
Considered good	1,375	1,569
Credit impaired	122	5
	1,497	1,574
Less: Allowance for credit loss	(122)	(5)
	1,375	1,569
Amount deposited under protest		
Considered good	19	1,488
Credit impaired	1,581	-
	1,600	1,488
Less: Allowance for credit loss	(1,581)	-
	19	1,488
Lease Receivable (refer note 32)	1,666	3,741
Others	-	-
Total	**3,060**	**6,798**

6 (g) Other financial assets : Current

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Unbilled revenues	15,072	25,657
Foreign currency derivative assets	662	1,255
Security deposits		
Considered good	10	186
Credit impaired	90	-
	100	186
Less: Allowance for credit loss	90	-
	10	186
Lease Receivable (refer note 32)	1,856	2,598
Interest accrued on bank deposits and Non Convertible Debentures	642	20
Sales consideration receivable (refer note 34(i) & 34(ii)	312	22
Contractually reimbursable expenses	192	24
Others	205	-
Total	**18,951**	**29,762**

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(All amounts in INR Lakhs, unless otherwise stated)

7. Deferred Tax Asset (net)

The components of deferred tax assets and liabilities are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
The major components of the deferred tax asset are		
Depreciation/amortisation of Property, plant and equipment and Intangible assets	1,075	1,406
Allowance for credit loss on trade receivables and advances	735	2,359
Expenses allowable on payment/exercise basis	3,402	4,477
Fair value changes of cash flow hedges	1	163
Net operating losses	714	592
Capital losses	190	-
Others	6	50
	6,123	**9,047**
The major components of the deferred tax liability are		
Depreciation/amortisation of Property, plant and equipment and Intangible assets	818	403
Gain on mutual fund investments mandatorily measured at FVTPL	250	67
Items allowed on consumption basis	139	2,677
Others	-	934
	1,207	**4,081**
Net deferred tax asset / (liability)	**4,916**	**4,966**

(i) Movement in deferred tax assets

Particulars	Depreciation/ amortisation of Property, plant and equipment and Intangible assets	Allowance for credit loss on trade receivables and advances	Expenses allowable on payment/ exercise basis	Fair value changes of cash flow hedges	Net operating losses	Capital losses	Others	Total
As at April 1, 2019	**1,630**	**2,416**	**3,352**	**-**	**-**	**-**	**177**	**7,575**
(Charged)/credited:								-
Transition impact of Ind AS 116 (refer note 2(c))	226	-	-	-	-	-	-	226
- to statement of profit and loss	(450)	(57)	1,125	(397)	592	-	(127)	686
- to other comprehensive income	-	-	-	560	-	-	-	560
As at March 31, 2020	**1,406**	**2,359**	**4,477**	**163**	**592**	**-**	**50**	**9,047**
(Charged)/credited:								
- to statement of profit and loss	(331)	(1,625)	(1,009)	2	276	190	(44)	(2,541)
- to other comprehensive income	-	-	-	(164)	-	-	-	(164)
Group Relief Tax Aggregation	-	-	-	-	(154)	-	-	(154)
Exchange differences	-	1	(66)	-	-	-	-	(65)
As at March 31, 2021	**1,075**	**735**	**3,402**	**1**	**714**	**190**	**6**	**6,123**

Notes accompanying the Consolidated Financial Statements
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(All amounts in INR Lakhs, unless otherwise stated)

(ii) Movement in deferred tax liabilities

Particulars	Depreciation/ amortisation of Property, plant and equipment and Intangible assets	Gain on mutual fund investments mandatorily measured at FVTPL	Net operating losses	Investments measured at fair value through OCI	Items allowed on consumption basis	Others	Total
As at April 1, 2019	**127**	**82**	**207**	**183**	**1,949**	**559**	**3,107**
Charged/(credited):							
- to statement of profit and loss	276	(15)	(207)	(183)	728	375	974
- to other comprehensive income	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
As at March 31, 2020	**403**	**67**	**-**	**-**	**2,677**	**934**	**4,081**
(Charged)/credited:							
- to statement of profit and loss	415	183	-	-	(298)	(934)	(634)
- to exceptional item	-	-	-	-	(2,179)		(2,179)
- to other comprehensive income	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	(61)	-	(61)
As at March 31, 2021	**818**	**250**	**-**	**-**	**139**	**-**	**1,207**

8 Other non-current assets

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	949	1,345
Capital advances	19	74
Total	**968**	**1,419**

9 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Spare parts in support of computer hardware maintenance contracts [Goods in transit: INR Nil (March 31, 2020: INR 399 lakhs)]	-	9,412
Total	**-**	**9,412**

Amounts recognised in statement of profit or loss:

Write-downs of inventories to net realisable value amounted to INR 650 lakhs (March 31, 2020: INR 1,461 lakhs). These were recognised as an expense during the year and included in ‘Changes in inventories’ in consolidated statement of profit and loss.

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10 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Advances other than capital advances:		
- advances to employees		
Considered good	297	554
Credit impaired	29	-
	326	554
Less: Allowance for credit loss	(29)	-
	297	554
- advances to suppliers		
Considered good	491	1,088
Credit impaired	118	118
	609	1,206
Less: Allowance for credit loss	(118)	(118)
	491	1,088
Unbilled revenues	9,127	13,246
Prepaid expenses	2,089	2,241
Balances with government authorities	2,156	4,434
Surplus of plan assets over obligations (refer note 15)	948	-
Others	153	100
Total	**15,260**	**21,663**

11 (a) Equity share capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
237,500,000 equity shares of INR 2 each	4,750	4,750
237,500,000 shares of INR 2 each at March 31, 2020)		
Total	**4,750**	**4,750**
Issued, subscribed and Paid up :		
225,620,285 equity shares of INR 2 each	4,512	4,508
(225,416,970 shares of INR 2 each at March 31, 2020)		
Total	**4,512**	**4,508**

(i) Reconciliation of the shares outstanding as at the beginning and at the end of the year:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos	INR In lakhs	Nos	INR In lakhs
At the beginning of the year	22,54,16,970	4,508	22,51,84,920	4,504
Add:Shares issued on exercise of employee stock options	2,03,315	4	2,32,050	4
Outstanding at the end of the year	**22,56,20,285**	**4,512**	**22,54,16,970**	**4,508**

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(ii) Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of INR 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The board of directors in their meeting on January 21, 2021 declared interim dividend of INR 1.20 per equity share. The total outflow was INR 2,706 lakhs.

The Board of Directors in their meeting held on April 29, 2021 have recommended a final dividend of Rs. 2.40 per equity share, subject to the approval of shareholders.

(iii) Details of shareholders holding more than 5% of the aggregate shares in the company:

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	%	No. of shares	%	No. of shares
Swallow Associates LLP	26.85%	6,05,86,344	26.88%	6,05,86,344
Marina Holdco (FPI) Limited	22.83%	5,15,06,470	22.85%	5,15,06,470
Summit Securities Limited	11.07%	2,49,72,427	11.08%	2,49,72,427
Instant Holdings Limited	8.44%	1,90,51,374	8.45%	1,90,51,374
Amansa Holdings Private Limited	6.31%	1,42,34,785	5.83%	1,31,47,050

(iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceeding March 31, 2021 - Nil

(v) For details of Employee Stock Option Plan (ESOP), refer note 38

11 (b) Reserves and surplus

Particulars	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve	442	442
Share based payment reserve	1,488	3,400
Retained earnings	1,13,127	85,980
Capital reserve	293	293
Securities premium	3,018	2,812
General reserve	1,06,940	1,06,940
Special economic zone re-investment reserve	2,550	1,250
Total reserves and surplus	**2,27,859**	**2,01,118**

Notes accompanying the Consolidated Financial Statements
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11 (c) Movement of Reserves and surplus

Particulars	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve		
Balance at the beginning and end of the year	442	442
Share based payment reserve		
Balance as at the beginning of the year	3,400	2,849
Add: Employee Share based payment expense (net)	(1,848)	645
Less: Transferred to General reserve on cancellation of stock options	-	-
Less: Transferred to Securities premium on exercise of stock options	65	94
Balance as at the end of the year	**1,488**	**3,400**
Retained earnings		
Balance as at the beginning of the year	85,980	72,834
Transition impact of Ind AS 116 (refer note 2(c))	-	(579)
Add: Profit for the year	30,003	26,342
Add / (less) items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit plans (net of tax)	1,150	(894)
Less: Equity Dividends paid (including Dividend Distribution Tax)	2,706	11,974
Add: Utilisation of Special Economic Zone Re-investment Reserve	1,250	1,500
Less: Transferred to Special Economic Zone Re-investment Reserve	2,550	1,250
Balance as at the end of the year	**1,13,127**	**85,980**
Capital reserve		
Balance at the beginning and end of the year	293	293
Securities premium		
Balance as at the beginning of the year	2,812	2,571
Add: Transferred from share based payment reserve on exercise of stock options	65	94
Add: Received on exercise of stock options	141	148
Balance as at the end of the year	**3,018**	**2,812**
General reserve		
Balance as at the beginning of the year	1,06,940	1,06,940
Add: Transferred from share based payment reserve on cancellation of stock options	-	-
Balance as at the end of the year	**1,06,940**	**1,06,940**
Special Economic Zone Re-investment Reserve		
Balance as at the beginning of the year	1,250	1,500
Add: Transferred from retained earnings	2,550	1,250
Less: Utilised during the year	1,250	1,500
Balance as at the end of the year	**2,550**	**1,250**

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11 (d) Other components of equity

Particulars	As at March 31, 2021	As at March 31, 2020
Cash flow hedging reserve		
Balance at the beginning of the year	(292)	400
Effective portion of gain/(loss) on Cash Flow Hedge (net)	469	(1,065)
Tax impact	(164)	372
Balance as at the end of the year	**12**	**(292)**
FVOCI- equity investments		
Balance at the beginning of the year	(522)	602
Change in fair value of equity instruments	(271)	(1,312)
Tax impact	-	188
Balance as at the end of the year	**(793)**	**(522)**
Foreign currency translation reserve		
Balance at the beginning of the year	4,188	1,300
Currency translation adjustments (net)	2,198	2,887
Reclassified to Consolidated Statement of Profit & Loss (refer note 34(i))	(3,744)	-
Tax impact	-	-
Balance as at the end of the year	**2,642**	**4,188**
Total	**1,861**	**3,373**

11 (e) Nature and purpose of each reserve within equity

(i) Capital redemption reserve:

This reserve had been created out of general reserve in earlier years, being the nominal value of shares bought back. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Share based payment reserve:

This reserve is used to record the fair value of equity-settled share based payment transactions. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options.

(iii) Retained earnings:

Retained earnings represents Group's undistributed earnings after taxes.

(iv) Capital reserve:

The Group recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

(v) Securities premium:

Securities premium is used to record premium on issue of Equity shares. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

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(vi) General Reserve:

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(vii) Special economic zone re-investment reserve:

This Reserve had been created out of profit of eligible SEZ units in accordance with the provision of Section 10 AA(1)(ii) of the Income Tax Act,1961. The reserve can only be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the section 10AA(2) of the Income Tax Act, 1961.

(viii) Cash flow hedging reserve:

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sales. For hedging foreign currency risk, the Company uses forward contracts which are designated as cash flow hedges. To the extent this hedge is effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss.

(ix) FVOCI- equity investments:

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity instruments reserve within equity.

(x) Foreign currency translation reserve:

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

12 (a) Borrowing

Particulars	Maturity period	Terms of repayment	As at 31 March, 2021	As at 31 March, 2020
From Banks (Secured) # *	Sep' 2019 to Sep' 2022	Half yearly instalments	-	10,835
Total			**-**	**10,835**
Less: Current maturities of long term debt (included in note 12(b))			-	4,298
Borrowings [Non-current]			**-**	**6,537**
From Banks (Secured) *	Not Applicable	Payable on Demand	-	10,593
From Banks (Secured) #	July'2020	Payable within twelve months from the date of borrowing	-	11,728
Borrowings [Current]			**-**	**22,321**

* Present and future right, title, interest and assets of Zensar Technologies Inc, Professional Access Limited, Keystone Logic Inc. & Cynosure Inc.

\# Guarantee given by Zensar Technologies Limited

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12 (b) Other financial liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Non-current		
Contingent consideration payable (refer note 34)	-	3,859
Accured salaries and benefits	97	740
Total	**97**	**4,599**
Current		
Contingent consideration payable	5,609	1,833
Fair value of financial liability (refer note 36)	2,849	1,712
Current maturities of long term debt	-	4,298
Foreign Currency derivative liabilities	431	3,701
Accured salaries and benefits	14,486	10,053
Unclaimed dividend	233	269
Capital creditors	288	730
Book overdrafts	-	-
Interest accrued on borrowings	-	-
Dividend payable to Non-controlling interests	444	-
Others	380	229
Total	**24,720**	**22,825**

12 (c) Lease liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Lease Liabilities	25,388	31,293
Current		
Lease Liabilities	9,567	10,577
Total	**34,955**	**41,870**

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13 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Trade payables	22,013	26,497
Total	**22,013**	**26,497**

During the year ended March 31, 2021 and March 31,2020 an amount of INR 320 and 478 lakhs respectively was paid beyond the appointed day as defined in the Micro, Small and Medium Enterprises Development Act, 2006. Interest due and outstanding on the same is INR 5 lakhs [previous year INR 8 lakhs]. Interest paid INR 6 (previous year INR Nil) Further in view of the Management, the amount of interest, if any remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 is not expected to be material. This information has been determined to the extent such suppliers have been identified on the basis of information obtained and available with the Company.

14 Provisions Non-current

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Contingencies	317	263
Total	**317**	**263**

(i) Information about individual provisions

It pertains to Lease rentals related litigations. The timing and the amount of cash flows that will arise from this matter will be determined by the Appellate Authorities only on settlement of this case.

(ii) Movements in provisions

Movements in each class of provisions during the financial year, are set out below

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balances	**263**	**209**
Additional provisions accrued	54	54
Unused amounts reversed	-	-
Amounts used during the year	-	-
Closing Balances	**317**	**263**

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15 Employee benefit obligations

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for compensated absences	5,125	1,554
Total	**5,125**	**1,554**
Current		
Provision for compensated absences	3,620	6,593
Provision for gratuity (Refer Note (i) below)	-	1,732
Total	**3,620**	**8,325**

(i) Defined benefit plans:

a **Gratuity -** The Group provides for gratuity for employees in India in accordance with the gratuity scheme as applicable to the respective entities of the Group. The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net liability amount
As at April 1, 2019	**9,952**	**(9,632)**	**320**
Current service cost	1,904	-	1,904
Past service cost	-	-	-
Interest expense / (income)	774	(749)	25
Total amount recognised in statement of profit and loss	**2,678**	**(749)**	**1,929**
Remeasurements			
Return on plan assets	-	(36)	(36)
(Gain) / loss from change in demographic assumptions	171	-	171
(Gain) / loss from change in financial assumptions	1,635	-	1,635
Experience (gains) / losses	(396)	-	(396)
Total amount recognised in Other comprehensive income	**1,410**	**(36)**	**1,374**
Liability Transferred Out/Disinvestments	(124)	-	(124)
Contributions by the company	-	(319)	(319)
Benefit payments	(1,448)	-	(1,448)
As at March 31, 2020	**12,468**	**(10,736)**	**1,732**
Current service cost	2,099	-	2,099
Past service cost	-	-	-
Interest expense / (income)	754	(649)	105
Total amount recognised in statement of profit and loss	**2,853**	**(649)**	**2,203**
Remeasurements			
Return on plan assets	-	(87)	(87)
(Gain) / loss from change in demographic assumptions	-	-	-
(Gain) / loss from change in demographic assumptions	(196)	-	(196)
(Gain) / loss from change in financial assumptions	(702)	-	(702)
Experience (gains) / losses	(775)	-	(775)
Total amount recognised in Other comprehensive income	**(1,673)**	**(87)**	**(1,761)**
Exchange differences	-	-	-
Liability Transferred Out/Disinvestments	-	-	-
Contributions by the company	-	(1,781)	(1,781)
Benefit payments	(1,349)	7	(1,342)
As at March 31, 2021	**12,298**	**(13,246)**	**(948)**

The net liability disclosed above relates to funded plans. The Group intends to contribute in line with the recommendations of the fund administrator and the actuary.

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b The net liability disclosed above relates to funded and unfunded plans are as follows:

Plan type	As at March 31, 2021	As at March 31, 2020
Present value of obligation	12,298	12,468
Fair value of plan assets	(13,246)	(10,736)
Total liability	**(948)**	**1,732**

c As at March 31, 2021 and March 31, 2020, plan assets were primarily invested in insurer managed funds.

d Through its defined benefit plans, the group is exposed to number of risks, the most significant of which are detailed below:

Asset Volatility: The Plan liabilities are calculated using a discount rate set with reference to bond yields. If plan assets underperform, this yield will create a deficit. The plan asset investments are in fixed income securities with high grades. These are subject to interest rate risk.

Changes in bond yield: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within the framework, the group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The group has not changed the process used to manage its risks from previous periods.

e The Group expects to contribute INR 859 Lakhs (March 31, 2020 INR 2,409 lakhs) to the defined benefit plan during the next annual reporting period. Weighted average duration of the Projected Benefit Obligation is 8 Years (March 31, 2020 - 10 Years)

f

Estimated benefit payments from the fund for year ending	As at March 31, 2021	As at March 31, 2020
March 31, 2021	N.A.	775
March 31, 2022	1,063	806
March 31, 2023	972	802
March 31, 2024	1,064	858
March 31, 2025	1,211	1,014
March 31, 2026	1,085	N.A.
Thereafter	5,575	4,973

The expected benefits are based on the same assumptions used to measure the Company's benefit obligations as of March 31, 2020.

g **Provident fund :** The company makes contribution towards provident fund which is administered by the trustees. The contributions is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return. Company has obtained an actuarial valuation of the liability according to which there is no deficit as at the Balance Sheet date. The movement of liability and plan assets is as under:

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ga Present Value of Defined Benefit Obligation

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	**40,044**	**34,756**
Liability transferred	1,119	1,767
Interest cost	3,169	2,911
Current service cost	1,894	2,033
Employee contribution	3,212	3,308
Benefit paid	(4,592)	(4,731)
Actuarial (gains)/losses	-	-
Balance as at the end of the year	**44,846**	**40,044**

gb Fair value of Plan Assets (Restricted to the extent of Present Value of Obligation)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	**40,522**	**35,346**
Expected return on plan assets	3,988	2,941
Contributions by the Company	5,106	5,342
Transfer from other Company	1,119	1,767
Benefit paid	(4,592)	(4,731)
Actuarial gains/(losses)	-	(143)
Balance as at the end of the year	**46,143**	**40,522**

Particulars	As at March 31, 2021	As at March 31, 2020
Assets and liabilities recognised in the balance sheet	**-**	**-**

gd Expenses recognised in the statement of profit and loss

Particulars	As at March 31, 2021	As at March 31, 2020
Current service cost	1,894	2,033
Interest cost	3,169	2,911
Expected return on plan assets	(3,988)	(2,941)
Total expense recognised in the statement of profit and loss	**1,075**	**2,003**

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ge The plan assets have been primarily invested as follows :

Category of Assets	As at March 31, 2021	As at March 31, 2020
Central Government of India Assets	6,225	6,311
State Government of India Assets	15,454	13,072
Special Deposits Scheme	253	253
Private Sector Bonds	19,912	17,733
Equity / Mutual Funds	2,543	1,315
Cash and Cash Equivalents	158	630
Others	1,598	1,208
Total	**46,143**	**40,522**

gf The principal assumptions used for the purpose of all defined benefit obligations are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate *	6.82%	6.04%
Salary escalation rate **	7.00%	7.00%
Rate of employee turnover		
-For services 4 years and below	16.00%	15.00%
-For services 5 years and above	9.00%	7.00%

* Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

** The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

gg Sensitivity analysis - the increase / (decrease) in present value of defined benefit obligation to changes in principal assumptions:

Particulars	As at March 31, 2021	As at March 31, 2020
- 1% increase in discount rate	(6.55%)	(7.97%)
- 1% decrease in discount rate	7.40%	9.16%
- 1% increase in salary escalation rate	7.32%	8.99%
- 1% decrease in salary escalation rate	(6.60%)	(7.97%)
- 1% increase in rate of employee turnover	(0.44%)	(0.90%)
- 1% decrease in rate of employee turnover	0.45%	0.95%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

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(ii) Defined contribution plans:

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contribution to Employees' Provident Fund	1,970	1,960
Contribution to Employees' Family Pension Fund	1,166	1,474
Contribution to Employees' Superannuation Fund	45	51
Contribution to Employees' Social Security Fund	4,367	5,801
Contribution to Employees' 401(K) Fund	1,405	1,473
Contribution to Central Provident Fund in Singapore	192	-
Contribution to National Insurance of UK	2,701	1,705
Contribution to National Pension Schemes	273	71
Contribution to Infonavit Credit	34	
Contribution to Medicare Fund	1,133	1,424

16 Other Current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Statutory dues	1,460	-
Total	**1,460**	-
Current		
Unearned revenue	3,245	4,482
Statutory dues	8,181	3,779
Others	-	224
Total	**11,426**	**8,485**

17 (a) Income taxes

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax assets (net)	6,416	6,064
Income tax liabilities (net)	(2,498)	(4,910)
Net total	**3,918**	**1,154**

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17 (b) Movement

The gross movement in the income tax asset / (liability) is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	1,154	(803)
Income tax paid (net of refunds)	14,001	11,467
Current income tax expense (refer note 24 (i))	(10,689)	(10,131)
Income tax on other comprehensive income (refer note 24 (iii))	(609)	480
Translation difference	14	71
Group Relief Tax Aggregation	154	78
Transferred on Disposal of subsidiaries	(107)	-
Others	-	(8)
Net total	**3,918**	**1,154**

18 (a) Revenue from operations

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Software development and allied services	3,65,525	4,00,058
Sale of licenses, hardware and other equipments	12,614	18,110
Total	**3,78,139**	**4,18,168**

(b) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments. The company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	Verticals	
	Digital and Application Services#	Digital Foundation Services#
Revenue by Geography		
-Americas	2,19,457	53,275
	[255,214]	[51,809]
-Europe	52,301	10,641
	[54,889]	[11,412]
- Rest of the world	39,909	2,556
	[41,416]	[3,428]
Revenue by Contract Type		
-Fixed Price Contracts/ Fixed Monthly	2,00,243	54,807
	[203,671]	[39,669]
-Time and Material	1,11,426	11,663
	[147,847]	[26,981]

Figures in brackets are for previous year i.e. March 31, 2020

During the current year, 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" (DAS) and "Digital Foundation Services" (DFS) respectively. There are no other changes which impacts the segment reporting.

Notes accompanying the Consolidated Financial Statements
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(All amounts in INR Lakhs, unless otherwise stated)

(c) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either receivable or as unbilled revenue. A receivable is right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognised as related service are performed. Revenue for fixed price maintenance contracts is recognised on a straight line basis over the period of contract. Revenue in excess of billing is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in then contract. This would result in timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial assets as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings is classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in Balance Sheet.

(d) Performance obligations and remaining performance obligations

The remaining performance obligation disclosures provide the aggregate amount of transaction price yet to be recognized as of the end of the reporting period and an explanation as to when company expects to recognize these amounts as revenue. Applying the practical expedients as given in INDAS 115, the company has not disclosed the remaining performance obligations related disclosures where the revenue recognized corresponds directly with the value to customer of the entity's performance completed to date, typically those contracts where invoicing is on the basis of time and material basis. Remaining performance obligation are subject to change and are affected by several factors, including terminations , changes in the scope of contracts, periodic revalidations, adjustment of revenue that has not materialized and adjustments for currency.

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is INR 35,821 lakhs [March 31, 2020: INR 33,123 lakhs] out of which INR 17,092 lakhs [March 31, 2020: INR 11,494 lakhs] is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

19 Other income (net)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income		
- On deposits with banks	1,099	272
- Others	287	241
Net gain /(loss) on financial assets mandatorily measured at FVTPL	1,268	(283)
Profit on sale of investments (mutual funds)	589	1,409
Foreign exchange gain / (loss) (net)	(1,123)	4,484
Fair value of financial liability (refer note 36)	(818)	(400)
Profit /(Loss) on sale of fixed assets (net)	(27)	5
Provisions no longer required and credit balances written back (refer note 37)	609	2,581
Miscellaneous Income	661	533
Total	**2,545**	**8,842**

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(All amounts in INR Lakhs, unless otherwise stated)

20 Employee benefits expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	1,91,775	2,06,441
Contribution to provident and other funds (refer note 15)	16,023	15,872
Employee share-based payment expense (refer note 38)	(1,848)	645
Staff welfare expenses	9,306	11,785
Total	**2,15,256**	**2,34,743**

21 Finance Costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on :		
- Loans	363	1,046
- Fair value of contingent consideration	1,234	1,133
- Lease Liablities	2,645	2,851
- Others	6	138
Bank charges	1,105	883
Total	**5,353**	**6,051**

22 Depreciation, amortisation and impairment expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of Property, plant and equipment#	3,820	3,521
Depreciation of Right of use assets##	6,415	5,628
Amortization of intangible assets###	7,236	6,769
Total	**17,471**	**15,918**

includes impairment charge of INR 38 lakhs (previous year INR Nil)

includes impairment charge of INR 36 lakhs (previous year INR Nil)

###includes impairment charge of INR 119 lakhs (previous year: INR 258 lakhs)

Notes accompanying the Consolidated Financial Statements
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22 Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent (refer note 14)	1,826	3,113
Rates and taxes	2,890	1,600
Electricity and power	780	1,354
Travelling and conveyance	1,568	12,450
Recruitment expenses	2,130	2,061
Training expenses	541	857
Repairs and maintenance to :		
-Building	1,267	1,456
-Electrical Installations and equipments	183	257
-Data Processing Equipments	1,984	2,222
-Others	421	551
Insurance	441	850
Legal and professional charges	5,961	9,645
Communication expenses	2,281	2,009
General Office expenses	411	769
Carriage, freight and octroi	1,175	1,484
Advertisement and publicity	1,048	2,147
Expenditure towards Corporate social responsibility (refer note 23 (a))	537	530
Allowance for doubtful trade receivables		
- Provided	1,704	3,942
- Bad debts written off	6,193	4,357
- Less: Reversed	(7,129)	(5,863)
	768	**2,436**
Allowance for doubtful loans and advances		
- Provided	254	172
- Loans and advances written off	48	-
- Less: Reversed	(165)	-
	137	**172**
Miscellaneous expenses	1,682	2,536
Total	**28,029**	**48,499**

Notes accompanying the Consolidated Financial Statements
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23 (a) Expenditure towards Corporate social responsibility

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gross amount required to be spent by the Company during the year	577	528
Total	**577**	**528**

Amount spent during the year on	Year ended March 31, 2021	Year ended March 31, 2020
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	537	530
Total	**537**	**530**

The unspent CSR amount of INR 40 lakhs has been transferred to a separate bank account post the Balance Sheet date.

24 Income tax expense

This note provides Group's income tax expense and amounts that are recognised directly in equity and how the tax expense is affected by non- assessable and non-deductible items. It also explains significant estimates made in relation to Group's tax positions.

(i) Breakup of income tax expense:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Income tax expense		
Current Tax expense on profits for the year	10,689	10,131
Current tax expense	**10,689**	**10,131**
Deferred tax		
Decrease / (increase) in deferred tax assets	2,367	(686)
(Decrease) / increase in deferred tax liabilities	(460)	974
Deferred tax expense / (benefit)	**1,907**	**288**
Income tax expense	**12,596**	**10,419**

In India, the company has availed certain tax incentives that the Government of India has provided to the export of software for the units registered under the Special Economic Zones Act 2005 (SEZ). SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from the financial year in which the unit commences the provision of services and 50 percent of such profits or gains for further five years. Upto 50% of such profits or gains is also available for further five years subject to certain Special Economic Zone Re-investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve for acquiring new plant and machinery for the purpose of its business as per the provisions of Income Tax Act, 1961.

Notes accompanying the Consolidated Financial Statements
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(ii) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before taxes	43,294	37,579
Indian statutory income tax rate	34.94%	34.94%
Computed expected tax expenses	**15,127**	**13,130**
Income exempt from tax	(3,604)	(3,560)
Non-deductible expenses	2,441	448
Changes in unrecognized deferred tax assets (net)	36	442
Income taxed at higher/(lower) rates	(1,338)	-
Income tax relating to prior years	891	539
Difference in overseas tax rates	(616)	(904)
Other items	(341)	324
Total Income tax expense	**12,596**	**10,419**

(iii) Tax on the amounts recognised directly in OCI:

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Current tax	Deferred tax	Current tax	Deferred tax
Fair value changes on cash flow hedges	-	164	-	(372)
Remeasurements of post-employment benefit obligations	609	-	(480)	-
Change in fair value of equity instruments	-	-	-	(188)
Total	**609**	**164**	**(480)**	**(560)**

(iv) Changes in tax rate - The applicable Indian statutory tax rate for both the financial years is 34.94%.

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25 Fair value measurements

Financial instruments by category:

Particulars	As at March 31, 2021				As at March 31, 2020			
	FVTPL	FVOCI	Derivative financial assets / liabilities	Amortised cost	FVTPL	FVOCI	Derivative financial assets / liabilities	Amortised cost
Financial assets								
Investments:								
- equity instruments	-	-	-	-	-	1,142	-	-
- mutual funds and NCD's	50,705	-	-	1,020	26,704	-	-	-
Trade receivables	-	-	-	58,875	-	-	-	66,564
Cash and cash equivalents	-	-	-	34,921	-	-	-	48,834
Other balances with bank	-	-	-	34,941	-	-	-	2823
Derivative financial assets	-	-	662	-	-	-	1,255	-
Security deposits	-	-	-	1,385	-	-	-	1,754
Unbilled revenues	-	-	-	15,072	-	-	-	25,657
Lease receivable	-	-	-	3,522				6,339
Others	-	-	-	1,370	-	-	-	1,555
Total financial assets	**50,705**	**-**	**662**	**151,106**	**26,704**	**1,142**	**1,255**	**153,526**
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	33,156
Trade payables	-	-	-	22,013	-	-	-	26,497
Capital creditors	-	-	-	288	-	-	-	730
Accrued salaries and benefits	-	-	-	14,583	-	-	-	10,794
Derivative financial liabilities	-	-	431	-	-	-	3,701	-
Contingent consideration	5,609	-	-	-	5,692	-	-	-
Lease liabilities	-	-	-	34,955	-	-	-	41,870
Other financial liabilities	2,849	-	-	1,057	1,712	-	-	497
Total financial liabilities	**8,458**	**-**	**431**	**72,896**	**7,404**	**-**	**3,701**	**113,544**

(i) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value, and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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Financial assets and liabilities measured at fair value – As at March 31, 2021

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds and NCD's	49,274	2,451	-	51,725
Financial investments at FVOCI				
Equity instruments	-	-	-	-
Derivatives designated as hedges				
Foreign currency derivative assets	-	662	-	662
Total financial assets	**49,274**	**3,113**	**-**	**52,387**
Financial liabilities				
Contingent consideration	-	-	5,609	5,609
Foreign currency derivative liabilities	-	431	-	431
Fair value of financial liability	-	-	2,849	2,849
Total financial liabilities	**-**	**431**	**8,458**	**8,889**

Financial assets and liabilities measured at fair value – As at March 31, 2020

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds	26,704	-	-	26,704
Financial investments at FVOCI				
Equity instruments	-	-	1,142	1,142
Derivatives designated as hedges				
Foreign currency derivative assets	-	1,255	-	1,255
Total financial assets	**26,704**	**1,255**	**1,142**	**29,101**
Financial liabilities				
Contingent consideration	-	-	5,692	5,692
Foreign currency derivative liabilities	-	3,701	-	3,701
Fair value of financial liability	-		1,712	1,712
Total financial liabilities	**-**	**3,701**	**7,404**	**11,105**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchange are valued using the closing price as at the reporting period.

Level 2: Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) but is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

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(ii) Fair value measurement using significant Unobservable Inputs (Level 3)

The following table presents changes in level 3 items for the year ended March 31, 2021 and 2020

Particulars	Unlisted Equity Securities	Financial liability	Contingent Consideration
As at April 1, 2019	**2,324**	**1,543**	**12,601**
Fair value gain/(loss) recognized in other comprehensive income	(1,312)	-	-
Fair value (gain)/loss recognized in statement of profit and loss	-	400	1,565
Deduction on Payment	-	-	(5,970)
Reversal of liability	-	-	(2,568)
Foreign Exchange fluctuations – gain/(loss)	130	(231)	64
As at March 31, 2020	**1,142**	**1,712**	**5,692**
Fair value gain/(loss) recognized in other comprehensive income	(271)	-	-
Fair value (gain)/loss recognized in statement of profit and loss	-	818	1,234
Deduction on Payment	-	-	(707)
Reversal of liability	-	-	(405)
Foreign Exchange fluctuations – (gain)/loss	85	319	(205)
Disposal of investment	(956)	-	-
As at March 31, 2021	**-**	**2,849**	**5,609**

(iii) Valuation inputs and relationships to fair value

Particulars	Fair value		Significant unobservable inputs	Probability-weighted range		Sensitivity
	As at March 31,2021	As at March 31,2020		As at March 31,2021	As at March 31,2020	
Unquoted equity shares	-	1,142	Earnings growth rate (CAGR)	-	2%	Increasing/decreasing the earnings growth factor by 100bps would increase/ decrease the FV by INR. Nil [March 2020 - INR 76 lakhs]
			Risk adjusted discount rate	-	10.20%	Increasing/decreasing the discount rate by 100bps would decrease/increase the FV by INR Nil [March 2020 - INR. 76 lakhs]
Financial liability	2,849	1,712	Risk adjusted discount rate	25.19%	24.80%	Increasing/decreasing the discount rate by 100 bps would decrease/increase the FV by INR 114 lakhs [March 2020 - INR. 71 lakhs]
Contingent consideration	5,609	5,692	Expected cash outflows	6,682	7,642	If expected cash flows were 10% lower, the FV would decrease by INR 585 lakhs [March 2020 - INR. 605 lakhs]
			Discount rate	21.80%	21.80%	A change in discount rate by 100bps would increase/ decrease the FV by INR 26 lakhs [March 2020 - INR. 76 lakhs]

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(iv) Valuation technique used to determine fair value:

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above tables:

Derivative instruments: The Group enters into foreign currency forward contracts with banks with investment grade credit ratings. These are valued using the forward pricing valuation technique, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates. As at March 31, 2021, the changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships.

The main level 3 inputs for above mentioned cases used by the Group are derived and evaluated as follows:

1. Unquoted Equity instruments are valued based on expected cash flows discounted using weighted average cost of capital.
2. Financial liability are valued based on expected cash flows discounted using weighted average cost of capital.
3. Contingent consideration: Fair value of contingent consideration is based on management's assessment of probable consideration payable discounted using weighted average cost of capital.

(v) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments: -

1. Trade receivables
2. Cash and cash equivalents
3. Other balances with banks
4. Security deposits
5. Amount deposited under protest
6. Unbilled revenue
7. Investment in Non Convertible Debentures
8. Other receivables
9. Borrowings
10. Trade payables
11. Capital creditors
12. Unclaimed dividends
13. Accrued salaries and benefits
14. Book overdrafts
15. Other payables

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26 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The demographics of the customer including the default risk of the industry and country in which the customer operates also has an influence on credit risk assessment.

(a) Market Risk

(i) Foreign currency risk

The Group operates globally and a major portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in the United States, South Africa, United Kingdom and elsewhere, and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Group evaluates exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Group follows established risk management policies, to hedge forecasted cash flows denominated in foreign currency. The Group has designated certain derivative instruments as cash flow hedges to mitigate the foreign exchange exposure of forecasted highly probable cash flows.

Group's exposure to foreign currency risk as at March 31, 2021 in INR lakhs is as follows:

Particulars	USD	GBP	ZAR	EUR	Other currencies	Total
Financial assets						
Cash and cash equivalents	1,189	-	-	586	-	**1,775**
	[773]	[320]	[-]	[731]	[-]	**[1,824]**
Trade receivables	403	-	64	193	312	**972**
	[1,905]	[369]	[872]	[513]	[438]	**[4,097]**
Other assets	256	-	5	86	199	**546**
	[666]	[109]	[262]	[577]	[3]	**[1,617]**
Financial liabilities						
Trade payables	842	18	-5	180	32	**1,067**
	[2,161]	[140]	[34]	[75]	[42]	**[2,452]**
Employee benefit obligations	-	-	-	-	-	**-**
	[-]	[66]	[-]	[13]	[8]	**[87]**
Other liabilities	62	-	246	-	-	**308**
	[416]	[16]	[183]	[10]	[666]	**[1,291]**

Figures in brackets are for previous year i.e. as at March 31, 2020

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Sensitivity

For the year ended March 31, 2021 and March 31, 2020, every percentage point appreciation/depreciation in the exchange rate would have affected the Company's operating margins respectively:

- INR/USD by approximately 0.09% and 0.03%,
- INR/GBP by approximately 0.00% and 0.02%,
- INR/ZAR by approximately 0.01% and 0.03%,
- INR/EUR by approximately 0.03% and 0.07%

Sensitivity analysis is computed based on changes in income and expenses, due to every percentage point appreciation/ depreciation in the exchange rates.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and Option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. The foreign exchange forward contracts mature within twelve months from Balance Sheet.

The following table gives details in respect of outstanding foreign exchange contracts:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount of contracts in lakhs	Fair Value – Gain / (Loss) (INR in lakhs)	Amount of contracts in lakhs	Fair Value Gain / (Loss) (INR in lakhs)
Derivative designated as cash flow hedges				
Forward Contract				
In USD	230	109	238	(486)
In GBP	70	(7)	94	(241)
In ZAR	1,150	(99)	950	420
Total Forwards		**3**		**(307)**
Option Contracts				
In USD	**64**	**8**	**52**	**(151)**

The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the balance sheet date:

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one month	(26)	16
Later than one month and not later than three months	(10)	(46)
Later than three months and not later than one year	47	(428)

The Company has designated certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast sale transactions. The related hedge transactions for balance in cash flow hedging reserve are expected to occur and reclassified to the statement of profit or loss within 12 months.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

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The following table provides the reconciliation of cash flow hedge reserve:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**(292)**	**400**
Gain / (Loss) during the year on Cash Flow Hedges [includes reclassification to statement of profit and loss [FY 2020-21 Rs. 944 lakhs [FY 2019-20 - Rs. (3,075) lakhs]	469	(1,065)
Tax impact	(164)	372
Balance at the end of the year	**(12)**	**(292)**

Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings (floating rate linked to libor)	-	33,156
Fixed rate borrowings	-	-
Total borrowings	**-**	**33,156**

Sensitivity

Profit after tax of the Group is sensitive to changes in interest rates, whose impact is given below.

Particulars	As at March 31, 2021	As at March 31, 2020
Interest rates - increase by 50 basis points (50 bps)	-	(122)
Interest rates - decrease by 50 basis points (50 bps)	-	122

(b) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to INR. 58,875 lakhs and INR. 66,564 lakhs as of March 31, 2021 and March 31, 2020, respectively and unbilled revenues amounting to INR. 24,199 lakhs and INR. 38,903 lakhs as of March 31, 2021 and March 31, 2020, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers located in the United States, South Africa, United Kingdom and elsewhere. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of IND AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The company uses a matrix to compute the expected credit loss allowance for trade receivables and unbilled revenue. The provision matrix takes into account available external and internal credit risk factors and company's historical experience for customers.

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The movement in allowance for life time expected credit loss on customer balances for the year ended March 31, 2021 and March 31, 2020 is given below:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	8.894	10,331
Allowance for doubtful debts	1,704	3,942
Reversal of allowance for doubtful debts	(7,129)	(5,863)
Transferred on disposal on subsidiary	(329)	-
Foreign exchange differences	116	484
Balance at the end	3,256	8,894

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2021, cash and cash equivalents are held with major banks and financial institutions.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date. The amounts include estimated interest payments and exclude the impact of netting agreements, if any..

Particulars	As at March 31, 2021				
	Contractual cash flows				
	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	22,013	22,013	-	-	22,013
Lease liabilities	34,955	9,567	19,636	5,752	34,955
Other liabilities	24,817	24,720	97	-	24,817

Particulars	As at March 31, 2020				
	Contractual cash flows				
	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	33,156	26,619	6,537	-	33,156
Trade payables	26,497	26,497	-	-	26,497
Lease liabilities	41,870	10,577	29,372	1,921	41,870
Other liabilities	23,126	18,527	4,599	-	23,126

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27 Capital management

The Group manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 12 (a) & 12 (b) and 6 (d) offset by cash and bank balances) and total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

28 Segment information

The Board of Directors examines the Group's performance based on the services, products and geographic perspective and has identified below mentioned reportable segments of its business as follows:

Digital and Application Services (DAS): Custom Applications Management Services that include Application Development, Maintenance, Support, Modernization and Testing Services across a wide technology spectrum and Industry verticals.

Digital Foundation Services (DFS): Infrastructure management services includes Hybrid IT, Digital workplace, Dynamic Security and Unified IT provided under managed service platform using automation, autonomics and machine learning.

The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Income and expenditure in relation to segments is categorised based on items that are individually identifiable to the segment, marketing costs are allocated based on revenue and the remainder of the costs are allocated based on resources. Certain expenses like depreciation are not specifically allocable to a segment as the underlying assets are used interchangeably.

Particulars	Year ended March 31, 2021			Year ended March 31, 2020		
	DAS	DFS	Total	DAS	DFS	Total
Revenue from external customers	3,11,669	66,470	3,78,139	3,51,518	66,650	4,18,168
Segment profit	60,494	9,801	70,295	46,983	8,036	55,019
Finance income	-	-	1,386	-	-	512
Fair value gain on financial assets at fair value through profit or loss	-	-	1,268	-	-	-283
Finance costs	-	-	-5,353	-	-	-6,051
Unallocated expenses net of other income	-	-	-19,392	-	-	-11,618
Profit before exceptional item and tax	**-**	**-**	**48,204**	**-**	**-**	**37,579**

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A. Segment Assets	Year ended March 31, 2021			Year ended March 31, 2020		
	DAS	DFS	Total	DAS	DFS	Total
Trade Receivables	50,277	8,598	58,875	55,212	11,352	66,564
Inventories	-	-	-	-	9,412	9,412
Unbilled Revenue	21,048	3,151	24,199	34,325	4,578	38,903
Goodwill	43,947	13,755	57,702	44,326	20,332	64,658
Unallocable Assets	-	-	2,02,561	-	-	1,80,018
TOTAL ASSETS			**3,43,337**			**3,59,555**
B. Segment Liabilities						
Unearned Revenue	2,586	659	3,245	2,041	2,440	4,481
Unallocable Liabilities	-	-	1,02,986	-	-	1,43,705
Total Liabilities			**1,06,231**			**1,48,186**

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at group basis. Also, Current tax, deferred taxes are not allocated to those segments as they are also managed on a group basis.

Management believes that currently it is not practicable to provide further disclosures of assets by geographical location, as meaningful segregation of the available information is onerous.

Geographical information on revenue and business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognised.

Revenue from external customers	Year ended 31 March, 2021	Year ended 31 March, 2020
Americas	272,732	307,023
United Kingdom	62,942	66,301
Rest of the World	42,465	44,844
Total	**378,139**	**418,168**

Revenue of INR. 89,520 lakhs (March 31, 2020 INR. 1,05,879 lakhs) are derived from single external customer. These revenues are attributed to the DAS and DFS segment.

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29 Group Structure

(a) Subsidiaries

Group's subsidiaries which are considered for consolidation are set below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Country	Proportion of Ownership interest	
		As at March 31, 2021	As at March 31, 2020
Zensar Technologies (Singapore) Pte. Limited	Singapore	100	100
Zensar Info Technologies (Singapore) Pte. Limited	Singapore	(refer note (i))	100
Foolproof (SG) Pte Limited	Singapore	100	100
Zensar (Africa) Holdings Proprietary Limited	South Africa	100	100
Zensar (South Africa) Proprietary Limited	South Africa	75	75
Zensar Technologies (Shanghai) Company Limited	China	(refer note (i))	100
Zensar Technologies (UK) Limited	United Kingdom	100	100
Foolproof Limited	United Kingdom	100	100
Knit Limited	United Kingdom	(refer note (i))	100
Zensar Technologies, Inc.	United States of America	100	100
PSI Holding Group, Inc.	United States of America	note (iii)	100
Zensar Technologies IM, Inc.	United States of America	note (iii)	100
Keystone Logic Inc.	United States of America	100	100
Cynosure Inc	United States of America	100	100
Indigo Slate Inc	United States of America	100	100
Professional Access Limited	United States of America	100	100
Aquila Technology Corporation	United States of America	note (vii)	note (vii)
Keystone Logic Mexico, S. DE R.L. DE C.V	Mexico	100	100
Keystone Technologies Mexico, S. DE R.L. DE C.V	Mexico	100	100
Cynosure APAC Pty Ltd	Australia	-	(refer note (iv))
Zensar Technologies IM B.V.	Netherlands	note (iii)	100
Zensar Information Technologies B.V.	Netherlands	note (vi)	-
Cynosure Interface Services Private Limited	India	100	100
Zensar IT Services Limited	India	note (ii)	note (ii)
Zensar Technologies (Canada) Inc (refer note (v))	Canada	100	100
Zensar Technologies GmbH (refer note (v))	Germany	100	100

Notes:

(i) Zensar Info Technologies (Singapore) Pte. Limited, Zensar Technologies (Shanghai) Company Limited and KNIT Limited were voluntary liquidated during the year ended March 31, 2021.

(ii) Zensar IT Services Limited was incorporated in FY 2017-18, but operations were not commenced. The company was voluntary liquidated during the year ended March 31, 2021.

(iii) Refer note 34 (i)

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(iv) Cynosure APAC Pty Ltd was voluntary liquidated during the year ended March 31, 2020.

(v) During the year ended March 31, 2020, a 100% subsidiaries in Canada and Germany namely Zensar Technologies Canada Inc and Zensar Technologies GmbH respectively were incorporated.

(vi) During the year ended March 31, 2021, a 100% subsidiary in Netherlands namely Zensar Information Technologies B.V. was incorporated

(vii) Refer note 34 (ii)

(b) Non-controlling interests (NCI)

Summarised financial information for Zensar (South Africa) Proprietary Limited, where there is non-controlling interests. The amount disclosed below are before inter-company eliminations

Summarised Balance sheet	As at 31 March, 2021	As at 31 March, 2020
Current assets	18,897	16,512
Current liabilities	13,120	12,285
Net current assets	**5,777**	**4,227**
Non-current assets	1,288	482
Non-current liabilities	555	17
Net non-current assets	**733**	**465**
Net assets	**6,510**	**4,692**
Accumulated NCI	**2,874**	**2,370**

Summarised statement of profit and loss	Year ended 31 March, 2021	Year ended 31 March, 2020
Revenue	39,074	39,297
Profit for the year	2,781	3,273
Other comprehensive income	979	(580)
Total Comprehensive income	3,760	2,693
Profit allocated to NCI	**695**	**818**
OCI allocated to NCI	247	(150)

Summarised cash flows	Year ended 31 March, 2021	Year ended 31 March, 2020
Net cash inflow/(outflow)	**3,196**	**1,009**

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30 Goodwill

Goodwill is tested for impairment atleast on an annual basis. For the purpose of impairment testing, goodwill is allocated to a Cash Generated Unit (CGU) or group of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Goodwill has been allocated to the following operating segment:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Digital and Application Services (DAS)	43,947	44,326
Digital Foundation Services (DFS)	13,755	20,332
Total	**57,702**	**64,658**

Goodwill and other Intangible Assets with respect to IMS and AMS operating segment acquired through acquisitions is further allocated to identified CGU as provided below.

CGU	As at 31 March, 2021	As at 31 March, 2020
HiTech and Manufacturing	5,898	6,105
Retail Consumer Services	18,991	19,361
Cloud and Infrastructure management Services	13,751	14,301
Multi-Vendor services	-	6,020
Financial services	11,425	11,784
Foolproof	**7,637**	**7,087**

The carrying amount was computed by allocating the net assets to CGU's for the purpose of impairment testing. The recoverable amount is computed based on value-in-use method using a forecast period of 5 years. The value-in-use of respective CGU is based on the future cash flows using discount rate range of 7.7-11.4% and 1.50% annual revenue growth rate for periods subsequent to the forecast period of 5 years.

Goodwill movement is given below:

Particulars	As at 31 March, 2021	As at 31 March, 2020
As on March 31, 2020	**64,658**	**60,310**
Add: Addition on acquisition (refer note 34)	5,887	-
Add: Translation difference	(1,069)	4,348
As on March 31, 2021	**57,702**	**64,658**

In respect of above, no impairment was identified as of March 31, 2021 and March 31, 2020 as the recoverable value of the CGUs exceeded the carrying value. Further, an analysis of the sensitivity to a change in the key parameters based on reasonably probable assumptions, did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amounts.

Further, due to increase in economic uncertainties due to COVID-19, Group relooked at its sensitivity analysis of the key assumptions used in the projections and basis the current estimates, is of the view that there are no scenarios which warrant impairment of goodwill related to any CGU.

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31 Contingent liabilities

	Particulars	As at 31 March, 2021	As at 31 March, 2020
(a)	Income Tax:		
	Matters decided in favour of the Company by appellate authorities, where the Income Tax Department is in further appeal	752	751
	Matters on which the Company is in appeal	1,863	1,863
(b)	Sales Tax / Value Added Tax:		
	Claims against Group regarding sales tax against which Group has preferred appeals	483	1,667
(c)	Claims against Group regarding service tax against which Group has preferred appeal	21	21
(d)	Claims against the Company not acknowledged as debts	26	1,652
(e)	Corporate Guarantees given	-	22,563
(f)	Bank Guarantees	1,571	1,837

32 Disclosures with respect to Capital expenditure and Leases

(a) Capital expenditure contracted but not recognised as liability is as follows:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Property plant and equipments	587	720
Intangible assets	181	7

(b) The details of the right-of-use asset held by the Group are as follows:

Particulars	Additions for FY 2020-21	As at March 31, 2021	Depreciation charge for FY 2020-21
Leasehold land	- [-]	198 [201]	3 [2]
Buildings/Office premises	1,420 [13,155]	27,305 [32,196]	6,160 [5,389]
Data Processing Equipments	- [-]	- [252]	252 [237]
Total	**1,420** [13,155]	**27,503** [32,649]	**6,415** [5,628]

Figures in brackets are for previous year i.e. as at March 31, 2020

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(c) The Group has given items on finance lease. The future receivable are as follows:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Minimum lease receivable		
- Less than one year	1,856	2,598
- One to five years	1,790	4,065
Total	3,646	6,663
Present value of minimum lease receivable		
- Less than one year	1,856	2,598
- One to five years	1,666	3,741
Total	**3,522**	**6,339**

Unearned finance income of assets leased under finance leases at the end of the reporting period are INR 124 lakhs (March 31, 2020: INR 303 lakhs)

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at INR Nil (INR Nil)

The interest rate inherent in the leases is fixed at the contract date for the entire lease term.

33 Earnings per share

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profits before exceptional item attributable to equity shareholders	34,913	26,342
Exceptional item (refer note 34 (i))	(4,910)	-
Profits attributable to equity shareholders	30,003	26,342
Basic Earnings Per Share Weighted average number of equity shares outstanding during the year (in nos)	225,458,848	225,268,893
Basic EPS (INR)- Before Exceptional Item	**15.49**	11.69
Basic EPS (INR)- After Exceptional Item	**13.31**	11.69
Diluted Earnings Per Share		
Weighted average number of equity shares outstanding during the year (in nos)	225,458,848	225,268,893
Effect of dilutive issue of stock options (in nos)	2,151,868	3,117,023
Weighted average number of equity shares outstanding for diluted EPS (in nos)	227,610,716	228,385,916
Diluted EPS (INR)- Before Exceptional Item	15.34	11.53
Diluted EPS (INR)- After Exceptional Item	13.18	11.53

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34 Business Combination

i. During the year, the Company signed an agreement 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") for a consideration of USD 10 million receivable upfront (subject to working capital adjustment) and USD 5 million performance based deferred earnouts. On completion of the closing conditions on 2nd December 2020, the impact between the carrying value and consideration less cost to sell has been as disclosed as exceptional item, including the reclassification of credit balance in Foreign currency translation reserve amounting to INR 3,744 lakhs on disposal to the Consolidated Statement of Profit and Loss. 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.

ii. 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 INR 271 lakhs [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.

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35. Related Party Disclosure

A. List of related parties

(i)	**Subsidiaries**		
	Aquila Technology Corp	Refer note 34 (ii)	
(ii)	**Other related parties with whom transactions have taken place during the current and previous year**		
(a)	**Key Management Personnel**		
	H.V Goenka	Chairman	
	Ajay Singh Bhutoria	Chief Executive Officer and Managing Director	W.e.f January 12, 2021
	Sandeep Kishore	Managing Director and Chief Executive Officer	Upto January 11, 2021
	Navneet Khandelwal	Chief Financial Officer	
	Gaurav Tongia	Company Secretary	
	A.T. Vaswani	Non-Executive Director	
	Arvind Agrawal	Non-Executive Director	
	Venkatesh Kasturirangan	Non-Executive Director	
	Sudip Nandy	Non-Executive Director	Upto August 7, 2019
	Shashank Singh	Non-Executive Director	
	Ben Druskin	Non-Executive Director	
	Ketan Dalal	Non-Executive Director	
	Tanuja Randery	Non-Executive Director	Upto May 31, 2019
	Harsh Mariwala	Non-Executive Director	
	Anant Goenka	Non-Executive Director	W.e.f January 21, 2019
	Radha Rajappa	Non-Executive Director	W.e.f August 6, 2019
(b)	**Entities where Key management personnel either have significant influence or are members of key management personnel of that entity:**		
	RPG Enterprises		
	Harrisons Malayalam Limited		
	KEC International Limited		
	Raychem RPG Limited		
	RPG Life Sciences Limited		
	RPG Art Foundation		
	CEAT Speciality Tyres Limited (merged with CEAT Limited w.e.f. September 1, 2020)		
	RPG Foundation		
	Zensar Foundation		
	CEAT Limited		
	Rainetree Capital, LLC		
	Katalyst Advisors LLP		

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(c)	**Entities which have the ability to exercise influence / significant influence over the company:** Swallow Associates LLP Summit Securities Limited Marina Holdco (FPI) Ltd. Instant Holdings Limited Sofreal Mercantrade Private Limited Other Promoter / Promoter Group entities (shareholding individually less than 1%)
(d)	**Post employment benefit plans#:** Zensar PF Trust Zensar Gratuity trust Zensar Superannuation Trust # refer note 15 for information on transactions with post-retirement plans mentioned above

B Transactions along with outstanding balances with the related parties:

Sr. No.	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2021	March 31, 2020	March 31, 2021 Receivable / (Payable)	March 31, 2020 Receivable / (Payable)
A.	**Revenue from rendering services**				
(i)	RPG Life Sciences Limited	-	1	5	5
(ii)	RPG Enterprises	6	552	-	2
(iii)	Harrisons Malayalam Limited	-	-	5	5
	Total - Revenue from rendering services	**6**	**553**	**10**	**12**
B.	**Other Income / (expenses)**				
(i)	CEAT Limited	8	8	14	5
(ii)	RPG Enterprises	(1,602)	(1,995)	(131)	(209)
(iii)	Katalyst Advisors LLP	(19)	(6)	(4)	-
(iv)	Rainetree Capital, LLC	(46)	(88)	-	-
	Total - Other Income/ (expenses)	**(1,659)**	**(2,081)**	**(121)**	**(204)**
C.	**Reimbursements to /(by) the company [net]**				
(i)	Aquila Technology Corporation	-	6	-	24
(ii)	Raychem RPG Limited	-	1	-	1
(iii)	Harrisons Malayalam Limited	(1)	(1)	-	-
(iv)	Sudip Nandy	-	(1)	-	-
(v)	Ben Druskin	0	(11)	-	-
(vi)	Venkatesh Kasturirangan	-	(3)	-	-
	Total - Reimbursements to /(by) the company [net]	**(1)**	**(9)**	**-**	**25**

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Sr. No.	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2021	March 31, 2020	March 31, 2021 Receivable / (Payable)	March 31, 2020 Receivable / (Payable)
D.	**Dividend on Equity Shares Paid**				
(i)	Swallow Associates LLP	727	2,786	-	-
(ii)	Summit Securities Limited	300	1,142	-	-
(iii)	Instant Holdings Limited	229	865	-	-
(iv)	Sofreal Mercantrade Private Limited	70	266	-	-
(v)	H.V Goenka	2	7	-	-
(vi)	Anant Goenka	-	0	-	-
(vii)	A.T. Vaswani	1	2	-	-
(viii)	Harsh Mariwala	0	1	-	-
(ix)	Marina Holdco (FPI) Ltd.	618	2,369	-	-
(x)	Other Promoter / Promoter Group entities	6	15	-	-
	Total - Dividend on Equity Shares paid	**1,953**	**7,453**	**-**	**-**
E.	**Donations**				
(i)	RPG Foundation	829	530	-	-
(ii)	Zensar Foundation	-	63	-	-
	Total – Donations	**829**	**593**	**-**	**-**
F	**Directors Fees and Commission paid****				
(i)	H.V Goenka	9	230	(295)	-
(ii)	A.T. Vaswani	26	18	(10)	(8)
(iii)	Arvind Agrawal	26	15	(10)	(8)
(iv)	Venkatesh Kasturirangan	20	12	(10)	(8)
(v)	Sudip Nandy	3	11	-	(4)
(vi)	Shashank Singh ##	21	16	(10)	(8)
(vii)	Ben Druskin	9	5	-	-
(viii)	Ketan Dalal	22	14	(10)	(8)
(ix)	Tanuja Randrey	1	8	-	(1)
(x)	Harsh Mariwala	17	11	(10)	(8)
(xi)	Anant Goenka	16	7	(10)	(8)
(xii)	Radha Rajappa	15	4	(10)	(6)
	Total - Directors Fees and Commission paid	**186**	**351**	**(375)**	**(67)**

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

G	Compensation of Key management personnel #	Ajay Singh Bhutoria@	Sandeep Kishore^	Gaurav Tongia	Navneet Khandelwal
	Short Term Benefits	651	2,279	60	177
		[N.A.]	[1,000]	[57]	[151]
	Post-Employment Benefits	10	12	2	6
		[N.A.]	[2]	[2]	[6]
	Long-term Employee benefits	-	-	-	-
		[N.A.]	[-]	[-]	[-]
	Perquisites value of Employee Stock options	-	-	-	-
		[N.A.]	[-]	[-]	[-]
	Total - Compensation of Key management personnel	**661**	**2,291**	**62**	**183**
		[N.A.]	[1,002]	[59]	[157]
	Outstanding amounts *	6	-	-	80
		[N.A.]	[2,031]	[-]	[100]

Figures in brackets are for previous year i.e. as at March 31, 2020.

Details in the above table are on accrual and amortization basis, wherever applicable. Doesn't include Gratuity and compensated absences related provisions /payments.

@ The Board approved the Grant of 400,000 RSUs under the EPAU 2016 Plan effective March 30, 2021. These would vest as per the terms of the Grant. Proportionate value related to current period shown as outstanding.

paid to Marina Holdco (FPI) Limited, which has nominated Shashank Singh on the Board of the Company

@ Compensation of Ajay Singh Bhutoria included from his joining date, January 7, 2021

* Outstanding, constitutes of long term performance-based incentives and stock options, is not part of the "Total compensation of Key management personnel".

^ In addition, Sandeep Kishore has been paid INR 73 Lakhs [USD 98,302] for the transition period

^ Short term benefits of Sandeep Kishore for FY 2020-21 include one-time lumpsum Payment

** Transactions during the year includes Commission disbursed by the Company against previous years approved Commission; Outstanding for the year are the amount accrued as current year Commission.

36 The Group entered into a share subscription agreement between Zensar (Africa) Holdings Proprietary Limited (Zensar), Clusten 16 Proprietary Limited (SPE) and Zensar (South Africa) Proprietary Limited (the Company) on 18 October 2013, wherein SPE subscribed for 49,001 ordinary shares and 2,01,000 "A" class shares in the issued share capital of the Company ("Subscription Shares"), representing a 25% plus one share holding in the Company thru Cash and Notional Loan funding. The agreement grants right to either party for put/call option after expiry of lock-in period of 7 years ending in Feb 2021. Neither party has exercised the right as on 31-Mar-2021.

The Group has accounted for this liability on fair value and the movement of such liability is accounted for in the statement of Profit and Loss.

The Black-Scholes model was used to determine the fair value of the liability.

The key inputs to the valuation used are:

- Financial assumptions
- Term of the options
- Current / spot price
- Exercise / strike price
- Risk-free rate
- Volatility
- Dividend yield

Notes accompanying the Consolidated Financial Statements
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(All amounts in INR Lakhs, unless otherwise stated)

37 During the previous year ended March 31, 2021, Group reversed contingent consideration payable on business combinations consummated in previous year amounting to INR. 2,568 lakhs [USD 3.6 million] based on company's assessment, being no longer payable. This reversal is accounted under other income.

During the year 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.

38 Share based payments

(a) Employee Stock Option Plan, 2002 (2002 ESOP) and Employee Stock Option Plan, 2006 (2006 ESOP)

Under the 2002 ESOP and 2006 ESOP schemes, participants are granted options which vest equally over a period of 5 years from the date of grant. Participation in the plan is at the discretion of the Nomination and Remuneration Committee (NRC) and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

- The exercise price is determined based on the market price, being the closing price of the share on the stock exchange with higher trading volume on the day preceding the day of the grant of options. The scheme allows the NRC to set the exercise price at a premium or discount not exceeding 20% on the market price.
- The options remain exercisable for 10 years from the date of vesting and lapse if they remain unexercised during this period.
- Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

Stock option activity under the "2002 ESOP" scheme is as follows:

Particulars	2020-2021		2019 - 2020	
	Number of options	Weighted average exercise price per option (INR.)	Number of options	Weighted average exercise price per option (INR)
Outstanding at the beginning of the year	28,335	15.28	52,335	17.00
Granted during the year	-	-	-	-
Cancelled during the year	8,280	15.38	1,750	13.60
Exercised during the year	6,125	15.76	22,000	18.83
Lapsed during the year	-	-	250	17.60
Outstanding at the end of the year	13,930	15.01	28,335	15.28
Vested and Exercisable at the year end	13,930	-	28,335	-

Notes accompanying the Consolidated Financial Statements
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Stock option activity under the "2006 ESOP" scheme is as follows:

Particulars	2020-2021		2019-2020	
	Number of options	Weighted average exercise price per option (INR.)	Number of options	Weighted average exercise price per option (INR.)
Outstanding at the beginning of the year	860,310	87.16	1,089,700	85.00
Granted during the year	-	-	-	-
Cancelled during the year	27,160	213.03	19,340	117.41
Exercised during the year	197,190	73.15	210,050	70.67
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	635,960	80.21	860,310	87.16
Vested and Exercisable at the year end	635,960	-	800,310	-

(b) Employee Performance Award Unit Plan, 2016 (EPAU 2016)

Vesting would happen on or after 1 (one) year but not later than 5 (five) years from the date of grant of such PAUs or any other period as may be determined by the Nomination and Remuneration Committee (the Committee) and is subject to achievement of performance targets, set out in the Grant letter and/or the Scheme/prescribed by the Committee.

The exercise price is INR. 2 per unit and all vested units need to be exercised at any time within the period determined by the Committee from time to time, subject to a maximum period of two and half months from the end of calendar year in which vesting happens for the respective PAUs.

Particulars	2020-2021		2019-2020	
	Number of options	Weighted average exercise price per option (INR.)	Number of options	Weighted average exercise price per option (INR.)
Outstanding at the beginning of the year	2,619,000	2	3,045,805	2
Granted during the year	400,000	2	285,000	2
Cancelled during the year	1,234,000	2	711,805	2
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	1,785,000	2	2,619,000	2
Vested and Exercisable	-	-	-	-

Notes accompanying the Consolidated Financial Statements
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(All amounts in INR Lakhs, unless otherwise stated)

(c) Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Share based payment scheme	Grant year	Range of exercise prices	Expiry year	Share options as at	
				31 March, 2021	**31 March, 2020**
2006 ESOP	FY 2006-2009	10 - 30	FY 2021-2024	2,000	4,990
	FY 2010-2013	10 - 55	FY 2021-2028	444,630	543,470
	FY 2014-2017	50 - 220	FY 2026-2031	189,330	311,850
Weighted average remaining contractual life of options outstanding at the end of the year				**5.51 years**	**6.76 years**
2002 ESOP	FY 2002-2005	6 - 16	FY 2018-2020	-	-
	FY 2006-2009	12- 20	FY 2021-2024	13,930	28,335
Weighted average remaining contractual life of options outstanding at the end of the year				**0.77 years**	**1.23 years**
EPAU 2016	FY 2016-2017	2			9,000
	FY 2017-2021	2		1,785,000	2,610,000
Weighted average remaining contractual life of options outstanding at the end of the year				**1.18 years**	**1.95 years**

(d) Fair value of options granted

The fair value of the options at the grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option.

(e) The following tables illustrate the model inputs for options granted during the year ended March 31, 2021 and the resulting fair value of the options at the various grant dates:

Employee Performance Award Unit Plan, 2016 (EPAU 2016)

Particulars	Grant date		
	30/03/21	**21/06/19**	**29/04/19**
	Vest 1	**Vest 1**	**Vest 1**
Expected Life (years)	1.5	2.38	2.53
Volatility (%) *	53.84	32.96	33.22
Risk free rate (%)	4.23	6.28	6.85
Exercise price (INR)	2	2	2
Dividend yield (%)	0.66	3.15	3.46
Fair value per vest	273.88	233.93	210
Vest %	100%	100%	100%
Option fair value	**273.88**	**233.93**	**210**

* The expected price volatility is based on the historic volatility (based on remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

39 Additional information as per Section 129 of the Companies Act, 2013 - Annexure I

For and on behalf of the Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
DIN: 00026726

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Navneet Khandelwal
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: April 29, 2021

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021
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39 Additional information required by Schedule III

Name of the Entity	Net Asset i.e., total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of Consolidated Other OCI	Amount	As % of Consolidated TCI	Amount
Parent								
Zensar Technologies Limited								
March 31, 2021	78.4%	1,83,570	96.5%	28,964	-236.5%	1,439	103.4%	30,403
March 31, 2020	75.3%	1,57,367	87.7%	23,104	-486.0%	(1,587)	80.7%	21,517
Subsidiaries								
Zensar Technologies Inc.								
March 31, 2021	12.0%	28,062	-70.9%	(21,271)	408.2%	(2,484)	-80.8%	(23,755)
March 31, 2020	19.2%	40,175	14.2%	3,735	1054.7%	3,444	26.9%	7,179
PSI Holding Group, Inc.								
December 02, 2020	0.0%	-	49.1%	14,716	0.9%	(6)	50.0%	14,711
March 31, 2020	0.2%	414	0.0%	(1)	-32.1%	(105)	-0.4%	(106)
Zensar Technologies IM, Inc								
December 02, 2020	0.3%	767	-1.7%	(524)	30.7%	(187)	-2.4%	(711)
March 31, 2020	10.0%	20,980	48.2%	12,688	418.9%	1,368	52.7%	14,056
Zensar Technologies IM, B.V.								
December 02, 2020	0.0%	-	-1.7%	(506)	-22.4%	136	-1.3%	(370)
March 31, 2020	1.2%	2,412	5.5%	1,444	39.1%	128	5.9%	1,572
Professional Access Limited								
March 31, 2021	0.4%	842	1.7%	497	2.8%	(17)	1.6%	480
March 31, 2020	0.2%	361	1.1%	286	4.2%	14	1.1%	300
Zensar Technologies (Singapore) Pte Limited								
March 31, 2021	0.1%	234	0.3%	93	-0.6%	3	0.3%	97
March 31, 2020	0.1%	137	0.4%	103	1.6%	5	0.4%	108
Zensar Technologies (Shanghai) Company Limited								
December 23, 2020	0.0%	-	1.1%	317	2.2%	(13)	1.0%	303
March 31, 2020	-0.1%	(303)	-0.3%	(70)	-3.8%	(12)	-0.3%	(82)
Zensar Technologies (UK) Limited								
March 31, 2021	12.8%	30,051	3.8%	1,150	-404.0%	2,458	12.3%	3,608
March 31, 2020	13.8%	28,871	22.6%	5,966	293.3%	957	26.0%	6,923
Foolproof Limited								
March 31, 2021	0.1%	315	1.2%	372	-27.9%	170	1.8%	542
March 31, 2020	0.0%	(35)	-2.5%	(657)	-1.3%	(4)	-2.5%	(661)
Knit Ltd								
September 22, 2020	0.0%	-	0.0%	1	0.0%	-	0.0%	1
March 31, 2020	0.0%	0	0.1%	16	-5.9%	(19)	0.0%	(3)
Foolproof (SG) Pte Limited								

Notes accompanying the Consolidated Financial Statements

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Name of the Entity	Net Asset i.e., total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of Consolidated Other OCI	Amount	As % of Consolidated TCI	Amount
March 31, 2021	0.0%	(104)	-0.9%	(260)	31.7%	(193)	-1.5%	(453)
March 31, 2020	0.1%	156	-0.3%	(66)	1.3%	4	-0.2%	(62)
Zensar (Africa) holdings (Pty) Limited								
March 31, 2021	-0.6%	(1,412)	2.3%	679	-50.6%	308	3.4%	987
March 31, 2020	-0.8%	(1,609)	7.3%	1,928	-126.2%	(412)	5.7%	1,516
Zensar (South Africa) (Pty) Limited								
March 31, 2021	2.8%	6,510	9.3%	2,782	-64.0%	389	10.8%	3,172
March 31, 2020	1.1%	2,322	9.3%	2,455	93.9%	307	10.4%	2,762
Keystone logic Inc.								
March 31, 2021	1.1%	2,614	2.6%	778	12.1%	(74)	2.4%	704
March 31, 2020	0.9%	1,910	4.9%	1,296	45.1%	147	5.4%	1,443
Zensar Info Technologies (Singapore) Pte. Limited								
May 04, 2020	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
March 31, 2020	0.0%	-	-0.1%	(34)	-0.4%	(1)	-0.1%	(35)
Cynosure APAC Pty. Ltd.								
March 31, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
March 31, 2020	0.0%	-	-0.1%	(21)	0.0%	-	-0.1%	(21)
Indigo Slate Inc								
March 31, 2021	0.7%	1,570	4.8%	1,448	6.6%	(40)	4.8%	1,408
March 31, 2020	0.1%	162	-5.6%	(1,464)	15.2%	49	-5.3%	(1,415)
Cynosure Inc								
March 31, 2021	1.8%	4,302	4.7%	1,400	22.0%	(134)	4.3%	1,266
March 31, 2020	2.6%	5,350	5.9%	1,544	135.3%	442	7.4%	1,986
Cynosure Interface Services Private Limited								
March 31, 2021	0.1%	135	-0.1%	(41)	-	16	-0.1%	(25)
March 31, 2020	0.1%	160	0.3%	70	0.0%	-	0.3%	70
Keystone Logic Mexico, S. DE R.L. DE C.V								
March 31, 2021	0.4%	1,043	0.8%	251	-16.3%	99	1.2%	351
March 31, 2020	0.3%	692	2.5%	662	-36.6%	(120)	2.0%	542
Keystone Technologies Mexico, S. DE R.L. DE C.V								
March 31, 2021	0.0%	24	-0.1%	(16)	-	8	0.0%	(8)
March 31, 2020	0.0%	32	0.0%	10	0.0%	(4)	0.0%	6
Zensar IT Services Limited								
June 22, 2020	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
March 31, 2020	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Zensar Technologies (Canada) Inc								

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Name of the Entity	Net Asset i.e., total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of Consolidated Other OCI	Amount	As % of Consolidated TCI	Amount
March 31, 2021	0.0%	80	0.1%	28	-	5	0.1%	33
March 31, 2020	0.0%	48	0.0%	7	-	0	0.0%	7
Zensar Information Technologies B.V.								
March 31, 2021	0.0%	57	0.1%	37	-	(0)	0.1%	37
March 31, 2020	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Zensar Technologies GmbH								
March 31, 2021	0.0%	24	0.0%	3	-	(1)	0.0%	2
March 31, 2020	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Adjustments arising out of consolidation								
March 31, 2021	-10.4%	(24,453)	-3.0%	(894)	409.6%	(2,492)	-11.5%	(3,387)
March 31, 2020	-24.2%	(50,603)	-101.2%	(26,659)	-1309.3%	(4,275)	-116.0%	(30,934)
Total								
March 31, 2021	100.0%	2,34,232	100.0%	30,003	100.0%	(609)	100.0%	29,394
March 31, 2020	100.0%	2,08,999	100.0%	26,342	100.0%	326	100.0%	26,668
Non controlling Interest								
Zensar (South Africa) (Pty) Limited								
March 31, 2021	1.2%	2,874	2.3%	695	-68.1%	247	3.1%	942
March 31, 2020	1.1%	2,370	3.0%	818	-85.5%	(150)	2.4%	668

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Annexure - 1

(FY 2020-21)

AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR Lakhs)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Name of the subsidiary	Reporting period for the subsidiary concerned	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Share capital	Reserves & surplus	Other components of equity	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend/ Dividend Approved	% of shareholding
1	Zensar Technologies Inc, USA	April 2020 -March 2021	"USD Closing Rate 73.11"	11,416	12,168	4,478	1,34,325	1,06,263	59,026	2,13,162	-19,089	2,182	-21,271	-	100%
2	Professional Access Limited, USA	April 2020 -March 2021	USD Closing Rate 73.11	0	738	104	2,916	2,074	-	5,341	689	191	497	-	100%
3	PSI Holding Group Inc, USA	April 2020 -Dec 2020	USD Closing Rate 73.11	-	-	-	-	-	-	-	14,716	-	14,716	-	Refer note (2) below
4	Zensar Technologies IM Inc, USA	April 2020 -Dec 2020	USD Closing Rate 73.11	-	-	-	-	-	-	11,414	-534	-9	-524	-	Refer note (2) below
5	Zensar Technologies IM B.V., Netherlands	April 2020 -Dec 2020	EUR Closing Rate 85.75	-	-	-	-	-	-	2,730	-607	-100	-506	-	Refer note (2) below
6	Zensar Technologies (Shanghai) Co. Ltd, China **	Apr-2020 -Dec 2020	CNY Closing Rate 11.14	-	-	-	-	-	-	-	317	0	317	-	Refer note (2) below
7	Zensar Technologies (Singapore) Pte Ltd, Singapore	April 2020 -March 2021	SGD Closing Rate 54.35	78	60	96	250	16	-	186	88	-5	93	-	100%

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as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Name of the subsidiary	Reporting period for the subsidiary concerned	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Share capital	Re-serves & surplus	Other compo-nents of equity	Total assets	Total Liabili-ties	Invest-ments	Turno-ver	Profit before taxa-tion	Provi-sion for taxation	Profit after taxa-tion	Pro-posed Dividend/ Dividend Ap-proved	% of share-holding
8	Zensar (South Africa) Proprietary Limited , South Africa	April 2020 -March 2021	ZAR Closing Rate 4.94	449	5,872	189	19,991	13,481	-	39,074	3,890	1,108	2,782	-	75%
9	Zensar (Africa) Holdings Proprietary Limited, South Africa	April 2020 -March 2021	ZAR Closing Rate 4.94	61	-1,484	12	1,451	2,862	44	-	679	0	679	1,943	100%
10	Zensar Technologies (UK) Limited, UK	April 2020 -March 2021	GBP Closing Rate 100.75	39	26,464	3,548	48,429	18,378	10,910	66,235	1,430	280	1,150	-	100%
11	Foolproof Ltd, UK	April 2020 -March 2021	GBP Closing Rate 100.75	1	272	42	7,461	7,145	-	10,974	418	46	372	-	100%
12	Knit Ltd, UK	Apr-2020 -Sep 2020	GBP Closing Rate 100.75	-	-	-	-	-	-	-	1	0	1	-	Refer note (2) below
13	Foolproof (SG) Pte. Ltd, Singapore.	April 2020 -March 2021	SGD Closing Rate 54.35	25	-229	100	480	584	-	658	-266	-6	-260	-	100%
14	Keystone Logic Inc. USA	April 2020 -March 2021	USD Closing Rate 73.11	32	2,401	181	6,342	3,728	-	8,175	938	161	778	-	100%
15	Zensar Info Technologies (Singapore) Pte Ltd, Singapore	April 2020 - May 2020	SGD Closing Rate 54.35	-	-	-	-	-	-	-	-	-	-	-	Refer note (2) below
16	Cynosure Inc, USA	April 2020 -March 2021	USD Closing Rate 73.11	6	3,892	405	8,877	4,575	-	18,004	1,779	378	1,400	-	100%
17	Cynosure Interface Services Private Ltd, India	April 2020 -March 2021	INR	10	125	-	348	213	-	866	-46	-5	-41	-	100%

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Name of the subsidiary	Reporting period for the subsidiary concerned	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Share capital	Reserves & surplus	Other components of equity	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend/ Dividend Approved	% of shareholding
18	Keystone Logic Mexico, S. DE R.L. DE C.V., Mexico	April 2020 -March 2021	MXN Closing Rate 3.55	17	1,047	-22	1,141	98	-	1,066	261	9	251	-	100%
19	Keystone Technologies Mexico, S. DE R.L. DE C.V., Mexico	April 2020 -March 2021	MXN Closing Rate 3.55	17	2	5	132	108	-	1,242	54	70	-16	-	100%
20	Indigo Slate Inc., USA	April 2020 -March 2021	USD Closing Rate 73.11	2	1,602	-34	4,443	2,874	-	21,124	2,051	603	1,448	-	100%
21	Zensar IT Services Limited, India	April 2020 -Jun 2020	INR	-	-	-	-	-	-	-	-	-	-	-	Refer note (2) below
22	Zensar Technologies (Canada) Inc, Canada	April 2020 -March 2021	CAD Closing Rate 58.03	40	35	5	96	16	-	486	35	8	28	-	100%
23	Zensar Information Technologies B.V	May 2020 -March 2021	EUR Closing Rate 85.75	22	37	-2	264	207	-	230	44	7	37	-	100%
24	Zensar Technologies GmbH	April 2020 -March 2021	EUR Closing Rate 85.75	23	3	-1	47	22	-	27	4	1	3	-	100%

** ** Zensar Technologies (Shanghai) Co. Ltd's accounting year as per local statute is is January to December. However for consolidation and above disclosure, April to March is considered

Notes :

1. Name of subsidiary yet to commence operations
2. Name of subsidiaries which have been liquidated or sold during the year

PSI Holding Group Inc, USA
Zensar Technologies IM Inc, USA
Zensar Technologies IM B.V., Netherlands
Zensar IT Services Ltd, India
Zensar Info Technologies (Singapore) Pte. Limited
Knit Limited
Zensar Technologies (Shanghai) Co. Ltd

3. Aquila Technology Corporation has not been included in the above statement (refer note 34 (ii))

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021
(All amounts in INR Lakhs, unless otherwise stated)

Part "B": Associates and Joint Ventures is not applicable to the Company as the Group does not have any Associate Companies and Joint Ventures

(FY 2019-20)
AOC - 1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in INR Lakhs)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Name of the subsidiary	**Reporting period for the subsidiary concerned**	**Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries**	**Share capital**	**Reserves & surplus**	**Other components of equity**	**Total assets**	**Total Liabilities**	**Investments**	**Turnover**	**Profit before taxation**	**Provision for taxation**	**Profit after taxation**	**Proposed Dividend**	**% of shareholding**
1	Zensar Technologies Inc, USA	April 2019 -March 2020	"USD Closing Rate 75.67"	290	32,959	6,926	2,15,226	1,75,051	1,13,917	1,96,965	3,366	-369	3,735	-	100%
2	Professional Access Limited, USA	April 2019 -March 2020	"USD Closing Rate 75.67"	0	240	121	5,183	4,821	-	6,720	596	309	286	-	100%
3	PSI Holding Group Inc, USA	April 2019 -March 2020	"USD Closing Rate 75.67"	0	392	23	446	32	-	-	-	1	-1	2,243	100%
4	Zensar Technologies IM Inc, USA	April 2019 -March 2020	"USD Closing Rate 75.67"	1	18,398	2,581	48,290	27,311	-	28,897	12,529	-159	12,688	-	100%
5	Zensar Technologies IM B.V., Netherlands	April 2019 -March 2020	"EUR Closing Rate 82.77"	11	2,414	-13	17,288	14,876	-	4,467	1,538	94	1,444	-	100%
6	Zensar Technologies (Shanghai) Co. Ltd, China **	April 2019 -March 2020	"CNY Closing Rate 10.64"	505	-788	-20	162	466	-	-	-69	0	-70	-	100%
7	Zensar Technologies (Singapore) Pte Ltd.	April 2019 -March 2020	"SGD Closing Rate 53.02"	78	-34	92	192	55	-	318	103	-	103	-	100%
8	Zensar (South Africa) Proprietary Limited, South Africa	April 2019 -March 2020	"ZAR Closing Rate 4.23"	449	5,033	-790	16,994	12,302	-	39,297	4,536	1,263	3,273	2,331	75%

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Name of the subsidiary	Reporting period for the subsidiary concerned	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Share capital	Reserves & surplus	Other components of equity	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
9	Zensar (Africa) Holdings Proprietary Limited, South Africa	April 2019 -March 2020	"ZAR Closing Rate 4.23"	61	-1,965	296	113	1,722	44	-	1,932	3	1,928	2,557	100%
10	Zensar Technologies (UK) Limited, UK	April 2019 -March 2020	"GBP Closing Rate 93.50"	39	27,745	1,087	51,879	23,008	10,083	70,159	7,445	1,479	5,966	-	100%
11	Foolproof Ltd. UK	April 2019 -March 2020	"GBP Closing Rate 93.50"	1	-100	63	6,310	6,345	-	8,895	-731	-74	-657	-	100%
12	Knit Ltd. UK	April 2019 -March 2020	"GBP Closing Rate 93.50"	1	90	-91	0	-0	-	-	16	-	16	-	100%
13	Foolproof (SG) Pte. Ltd, Singapore.	April 2019 -March 2020	"SGD Closing Rate 53.02"	25	31	101	1,053	897	-	1,129	-66	0	-66	-	100%
14	Keystone Logic Inc. USA	April 2019 -March 2020	"USD Closing Rate 75.67"	32	1,623	255	9,336	7,426	-	16,385	1,213	-83	1,296	714	100%
15	Zensar Information Technologies Ltd.	April 2019 -March 2020	"SGD Closing Rate 53.02"	38	-37	-1	-	-	-	-	-34	-	-34	-	100%
16	Cynosure Inc., USA	April 2019 -March 2020	"USD Closing Rate 75.67"	6	4,805	539	13,702	8,352	-	25,658	2,168	624	1,544	728	100%
17	Cynosure APAC Pty. Ltd, Australia	April 2019 -December 2019	"AUD Closing Rate 46.07"	-	-	-	-	-	-	-	-24	-3	-21	-	100%
18	Cynosure Interface Services Private Ltd.	April 2019 -March 2020	INR	10	150	-	394	234	-	1,173	94	25	70	200	100%
19	Keystone Logic Mexico, S. DE R.L. DE C.V., Mexico	April 2019 -March 2020	"MXN Closing Rate 3.14"	17	796	-121	1,291	599	-	2,750	1,002	340	662	-	100%

Notes accompanying the Consolidated Financial Statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Name of the subsidiary	Reporting period for the subsidiary concerned	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Share capital	Reserves & surplus	Other components of equity	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
20	Keystone Technologies Mexico, S. DE R.L. DE C.V., Mexico	April 2019 -March 2020	"MXN Closing Rate 3.14"	17	18	-3	335	304	-	810	33	23	10	-	100%
21	Indigo Slate Inc., USA	April 2019 -March 2020	"USD Closing Rate 75.67"	2	154	6	4,171	4,008	-	15,391	-1,828	-364	-1,464	-	100%
22	Zensar IT Services Ltd, India	April 2019 -March 2020	INR	-	-	-	-	-	-	-	-	-	-	-	100%
23	"Zensar Technologies (Canada) Inc, Canada"	May 2019 - March 2020	"CAD Closing Rate 53.08"	40	7	0	131	84	-	240	12	4	7	-	100%
24	Zensar Technologies GmbH	Jan 2020 - March 2020	"EUR Closing Rate 82.77"	-	-	-	-	-	-	-	-	-	-	-	100%

** Zensar Technologies (Shanghai) Co. Ltd's accounting year as per local statute is is January to December. However for consolidation and above disclosure, April to March is considered

Notes :

1. Name of subsidiary yet to commence operations	Zensar IT Services Ltd.
2. Name of subsidiaries which have been liquidated or sold during the year	Zensar Technologies GmbH
3. Aquila Tech Corp has not been included in the above statement (refer note 29 (a))	Cynosure APAC Pty. Ltd.

Part "B": Associates and Joint Ventures is not applicable to the Company as the Group does not have any Associate Companies and Joint Ventures

Disclaimer

Certain statements in this Annual Report concerning our future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. This Report 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; 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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