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Index

Section 1: RPG Group Overview
Section 2: Investment Rationale
Section 3: Industry overview
Section 4: Business Overview
Section 5: Financial Overview

4
7
9
13
23
Section 1: RPG Group Overview
RPG Group: Powered by Passion, Driven by Ethics

RPG Enterprises was founded in 1979 by Shri Rama Prasad Goenka, popularly known as RP Goenka, a pioneering fifth generation business leader from the Goenka family. The Goenkas have a history of business dating back to 1820 AD in banking, textiles, jute and tea. Under RP Goenka’s dynamic leadership, the Group grew in size and strength with several acquisitions in the 1980s and 1990s. Zensar became a part of the RPG Group in 1989, which is now one of India’s fastest growing conglomerates with 20000+ employees, presence in 100+ countries and annual gross revenues of ~$3 Bn.

**KEC International**  
World leader in Power Transmission EPC space.

**CEAT**  
One of India’s leading manufacturer of automobile tyres.

**Zensar Technologies**  
Software services provider spread across 29 locations, 200+ customers.

**RPG Life Sciences**  
Pharma company with wide range medicines in global generics and synthetic APIs.

**Raychem RPG**  
Engineering products and services catering to infrastructure segment of the economy.

**Harrisons Malayalam**  
One of India’s largest plantation companies with tea, rubber and other agro products.
### RPG Group: Key Financials

#### Net Revenue (Rs Cr)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>10,839</td>
<td>13,944</td>
<td>15,788</td>
<td>17,614</td>
<td>18,593</td>
</tr>
</tbody>
</table>

FY11-15 CAGR: 14%

#### EBITDA (Rs Cr) & PAT (Rs Cr)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>943</td>
<td>1,121</td>
<td>1,250</td>
<td>1,690</td>
<td>1,732</td>
</tr>
<tr>
<td>PAT</td>
<td>423</td>
<td>429</td>
<td>404</td>
<td>714</td>
<td>795</td>
</tr>
</tbody>
</table>

FY11-15 CAGR: EBITDA 16% PAT 17%

#### Net Worth (Rs Cr) & ROCE & ROE

<table>
<thead>
<tr>
<th>Year</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Worth</td>
<td>2,646</td>
<td>2,974</td>
<td>3,302</td>
<td>3,933</td>
<td>4,699</td>
</tr>
<tr>
<td>ROCE</td>
<td>11%</td>
<td>11%</td>
<td>11%</td>
<td>13%</td>
<td>18%</td>
</tr>
<tr>
<td>ROE</td>
<td>11%</td>
<td>11%</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
</tr>
</tbody>
</table>

#### Market Capitalization

<table>
<thead>
<tr>
<th>Year</th>
<th>Group Market Cap</th>
<th>CEAT</th>
<th>KEC</th>
<th>Zensar</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>1,000</td>
<td>2,000</td>
<td>3,000</td>
<td>4,000</td>
</tr>
<tr>
<td>FY12</td>
<td>2,000</td>
<td>4,000</td>
<td>6,000</td>
<td>8,000</td>
</tr>
<tr>
<td>FY13</td>
<td>3,000</td>
<td>6,000</td>
<td>9,000</td>
<td>12,000</td>
</tr>
<tr>
<td>FY14</td>
<td>4,000</td>
<td>8,000</td>
<td>12,000</td>
<td>16,000</td>
</tr>
<tr>
<td>FY15</td>
<td>5,000</td>
<td>10,000</td>
<td>14,000</td>
<td>18,000</td>
</tr>
</tbody>
</table>

Note:
1) ROCE is calculated by taking Operating EBIT multiplied by (1 minus tax rate @ 33%) divided by Average Capital Employed
2) ROE is calculated by taking PAT divided by Average Net-worth
3) Market Capitalization data is till 15 Jan, 2016
Section 2: Investment Rationale
Zensar Performance

16.2% Revenue CAGR over last 5 years vs. 14.6% for Indian IT-BPM Industry
9.7% Profit after Tax CAGR over last 5 years

45% CAGR in Market Cap over last 5 years against a BSE-IT CAGR of 10%
5 year Average ROCE (net of tax) of 19% and ROE of 29%

Current Price to Earnings ratio of 15 vs. ~20 of mid-tier IT companies

Fortune 500 clients account for 67% of Zensar’s revenue

Digital and eCommerce accounts for 23% of Zensar’s revenue

US accounts for 75% of Zensar’s revenue
Section 3: Industry Overview
Industry Outlook - IT Services

### Past
- Application Development
- Maintenance
- Testing
- System Integration
- Business Process Management
- Infrastructure Management

### Emerging
- Cloud
- Digitization
- Automation
- Social
- Mobile
- Analytics
- Security
- Internet of Things
- Analytics
- Automation
- Machine-to-Machine interaction
- SMAC, Cyber Security to be USD 500 billion market by 2020
- 70% of the car to be electronic components by 2020
- IOT to contribute USD 300 billion by 2020

**IT-BPM**

**ER&D**

- Front-end Engineering and Design (FEED)
- Testing
- Plant Engineering
- Embedded System Design
## Industry Outlook - Delivery Models

<table>
<thead>
<tr>
<th>Past</th>
<th>Emerging</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term projects</td>
<td>Short cycle times</td>
</tr>
<tr>
<td>Monolithic architecture</td>
<td>Modular, plug-n-play architecture</td>
</tr>
<tr>
<td>Waterfall development methodology</td>
<td>Agile methodology</td>
</tr>
<tr>
<td>On-premise apps</td>
<td>Cloud-based apps</td>
</tr>
<tr>
<td>Proprietary platforms</td>
<td>Open-source / standardized platforms</td>
</tr>
<tr>
<td>IC engine design</td>
<td>Electrical power-trains and Virtualized product dev.</td>
</tr>
<tr>
<td>Traditional material design</td>
<td>Advanced material design</td>
</tr>
<tr>
<td>Standalone systems</td>
<td>Embedded platform design</td>
</tr>
</tbody>
</table>

- **Analytics and Big Data** getting higher attention from CXOs
- **40-60% of projects** will need Agile delivery
- **Virtual crash testing** becoming a standard
Industry Outlook - Business Models

Past

- Managed services ...
  - Time and material based contracts

- Input based ...
  - Fixed fee contracts leveraging cost arbitrage

- Block deployment ...
  - One-time deployment fee

- Dedicated capacity ...
  - Individual data centers
  - Low asset utilisation

Emerging

- ... managed outcomes
  - SLA driven contracts
  - Amazon cloud front offers 25% discount if uptime <99%

- ... outcome based
  - Revenue sharing/impact linked
  - SFDC revenues USD 5 billion on the back of pay-per-use

- ... consumption based
  - Pay-per-use model
  - Amazon bags a USD 600 million public cloud deal with the CIA

- ... shared capacity
  - Shared infrastructure
  - Focus on increasing asset utilisation

Global delivery model to stay

Adaptive Sourcing – key to business growth

Traditional IT on borrowed time – Bi-Modal IT the new imperative
Section 4: Business Overview
Company Overview

LTM Financials

- **US $448 Mn** Revenue
  - 6.2% year-on-year growth

- **US $48 Mn** Profit After Tax
  - 19.0% year-on-year growth

- **16.2%** Revenue CAGR over the past 5 years
- **9.7%** PAT CAGR over the past 5 years

- **29** Global Locations
- **8000+** Associates
Shashank Singh joins the Board as Non Executive Director following the 23.23% stake acquisition by Apax Partners from Electra Partners.

* Shashank Singh joins the Board as Non Executive Director following the 23.23% stake acquisition by Apax Partners from Electra Partners.
Leadership Team

Dr Ganesh Natarajan  
Vice Chairman & CEO

Sandeep Kishore  
MD and CEO Designate

Nitin Parab  
Chief Executive, Infrastructure Business

Pinaki Kar  
Chief Executive, Infrastructure Business

S. Balasubramaniam  
Chief Financial Officer

Syed Azfar Hussain  
Global HR Head

Ajay Bhandari  
Chief Corporate Development Officer

Krishna Ramaswami  
Business Head, Digital Enterprise & India

Harish Gala  
Global Head, Enterprise Applications

Prameela Kalive  
Global Head, Strategic Services

Chakri Vaddi  
Head Enterprise Business, US

Chaitanya Rajebahadur  
Head Enterprise Business, Europe

Harish Lala  
Head Enterprise Business, Africa and Middle East

Deepanjan Banerjee  
Business Head, Manufacturing

Krishna Kumar  
Business Head, Retail

Mohan Hastak  
Business Head, Banking & Financial Services and Insurance
Service Portfolio

- E-Commerce
- Enterprise Applications
- Custom Applications
- Infrastructure Management
- Product Engineering

Digital Enterprise

- Manufacturing
- Retail
- Insurance
- Banking
3X3X3 Focus

1. **Industry**
   - Manufacturing
   - Retail
   - Insurance

2. **Geographical Segment**
   - USA
   - Europe
   - Africa

3. **Service offering**
   - Application Management
   - Infrastructure Management
   - Digital Enterprise
Increasing Focus on Select Verticals

1. Share of MRD going up

FY13: 14% Manufacturing, 13% Retail, 10% Banking & Financial Services, 63% Insurance
FY14: 14% Manufacturing, 11% Retail, 11% Banking & Financial Services, 64% Insurance
FY15: 14% Manufacturing, 9% Retail, 17% Banking & Financial Services, 59% Insurance

2. 94% of our overall revenue comes from US, UK + Europe, and Africa

FY13: 10% US, 9% Europe, 9% Africa, 72% ROW
FY14: 6% US, 9% Europe, 10% Africa, 75% ROW
FY15: 6% US, 8% Europe, 10% Africa, 76% ROW

- Manufacturing
- Retail
- Banking & Financial Services
- Insurance
- US
- Europe
- Africa
- ROW
Oracle continues to be Key Arrowhead – On target to achieve Oracle Diamond Partnership
Large Integrated deals initiative delivering results – Large deals worth $75Mn+ closed in Q3 FY16
E-commerce to lead growth in new customer acquisition – Accelerated solution ‘PARADE’ launched
Vertical business outcome solutions expected to grow at a 20% CAGR over next 3 years

Increased traction in emerging areas of Cloud Integration and Orchestration
Differentiated Value Propositions developed for Hybrid IT and End User Experience Management
New propositions propelling IM services to 40% of the overall IM business revenue
Maintenance business right sized – Showing an improvement 9%+ in Gross Margins from Q1 to Q3 FY16
Products licenses business rationalized to USD 28 Mn for the year

Digital Enterprise solutions currently at 13% of Zensar revenues expected to be 20% by FY17
E-commerce, UX and Analytics to account for more than 12% of Zensar’s revenues in FY16
Social listening, Connected beacons & other CMO directed solutions launched for Retailers and Insurers
Connected Shop floor and its integration with MES and Machine Analytics Solutions launched for Manufacturers
Focus on Digital

Enhanced focus on ‘Digital Transformation’ led deals

Digital Revenue Contribution

<table>
<thead>
<tr>
<th>Year</th>
<th>5%</th>
<th>13%</th>
<th>26%</th>
<th>30%</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY16E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY17E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cloud based PaaS Solution for Government and Business with high volume document based operations

Digitization of Records through Crowdsourcing

Partners for Digital

Cloud

Social

Analytics
PA Acquisition - Strengthened Retail Vertical

- ATG is the e-Commerce platform of choice for retail and was amongst top 2 commercial platforms in 2013
- Strengthens the digital story and places Zensar in forefront for Omni-Present commerce
- PA is amongst the top 3 Oracle ATG implementation specialists
- Makes Zensar the ‘Top Oracle Player’ in Tier 2 companies
- 82% of PA Revenue is from Retail clients
Section 5: Financial Overview
Consistent Growth

16.2% Revenue CAGR over the last 5 years

11.3% EBITDA CAGR over the last 5 years

9.7% Profit after Tax CAGR over the last 5 years
Key Metrics

RoE and RoCE - FY15

**Return on Equity**
- **23%**

**Return on Capital Employed**
- **28%**

Debt and Cash & Cash Equivalent

<table>
<thead>
<tr>
<th></th>
<th>USD Mn</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Long-term Borrowings</strong></td>
<td><strong>Short-term Borrowings</strong></td>
</tr>
<tr>
<td><strong>FY11</strong></td>
<td>48</td>
</tr>
<tr>
<td><strong>FY12</strong></td>
<td>37</td>
</tr>
<tr>
<td><strong>FY13</strong></td>
<td>25</td>
</tr>
<tr>
<td><strong>FY14</strong></td>
<td>12</td>
</tr>
<tr>
<td><strong>FY15</strong></td>
<td>0</td>
</tr>
</tbody>
</table>
## Q3 FY16 Performance

<table>
<thead>
<tr>
<th>USD K</th>
<th>Q3 FY16</th>
<th>Q2 FY16</th>
<th>Q3 FY15</th>
<th>QoQ Growth</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>114,827</td>
<td>116,424</td>
<td>115,892</td>
<td>(1.4%)</td>
<td>(0.9%)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>17,315</td>
<td>18,363</td>
<td>17,036</td>
<td>(5.7%)</td>
<td>1.6%</td>
</tr>
<tr>
<td>EBITDA%</td>
<td>15.1%</td>
<td>15.8%</td>
<td>14.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAT*</td>
<td>10,854</td>
<td>14,058</td>
<td>11,225</td>
<td>(22.8%)</td>
<td>(3.3%)</td>
</tr>
<tr>
<td>PAT%</td>
<td>9.5%</td>
<td>12.1%</td>
<td>9.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* PAT after minority interest
Highlights for Q3 FY16

- Zensar signed Large Deals worth TCV 75 Mn+ across key territories
- Digital contributed 26% of our YTD Q3 FY16 revenue
- Zensar received recognition for the following services by renowned Analyst
  - Digital Experience Delivery Service by Forrester
  - Digital Services PEAK Matrix by Everest
  - IoT capabilities in manufacturing by IDC
  - Oracle Application Management Service, Worldwide by Gartner
  - Insurance Application Outsourcing PEAK Matrix by Everest
  - SAP Application Management Service, Worldwide by Gartner
Revenue Mix Q3 FY16

By Geography
- USA: 75%
- Europe: 12%
- Africa: 7%
- ROW: 6%

By Industry
- MRD: 66%
- BFSI: 19%
- Alliance & Others: 10%
- Govt., H'care, Utilities: 5%

By Service Offering
- AMS: 71%
- IMS: 18%
- Products and Licenses: 11%

By Project Type
- Fixed Price: 42%
- Time & Material: 34%
- Support Services: 12%
- Product Sales: 12%

Onsite: Offshore
- Onsite: 66.0%
- Offshore: 34.0%

Onsite: Offshore (w/o MVS and Products)
- Onsite: 59.0%
- Offshore: 41.0%
## Client Profile Q3 FY16

### Number of million dollar clients – Q3 FY16

<table>
<thead>
<tr>
<th>20 Mn Dollar+</th>
<th>10 Mn Dollar+</th>
<th>5 Mn Dollar+</th>
<th>1 Mn Dollar+</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>4</td>
<td>4</td>
<td>65</td>
</tr>
</tbody>
</table>

### Revenue contribution – Q3 FY16

<table>
<thead>
<tr>
<th>Top 5 clients</th>
<th>Top 10 clients</th>
<th>Top 20 Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>35%</td>
<td>43%</td>
<td>52%</td>
</tr>
</tbody>
</table>
Employee Details

Employee Headcount

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>Q3 FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headcount</td>
<td>6,145</td>
<td>7,121</td>
<td>6,508</td>
<td>6,791</td>
<td>7,953</td>
<td>8,192</td>
</tr>
</tbody>
</table>

Utilization

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>Q3 FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilization</td>
<td>82%</td>
<td>83%</td>
<td>82%</td>
<td>79%</td>
<td>79%</td>
<td>82%</td>
</tr>
</tbody>
</table>
Stock price trend and Shareholding pattern

**Equity Share Information:**

- Share Price (15 Jan,16): INR 992 / share
- Market Cap (15 Jan,16): INR 4,418 Crs.
- Financial Year: April to March
- Face Value: INR 10 / share
- Listed on Indian Stock Exchanges:
  - Bombay Stock Exchange (code: 504067)
  - National Stock Exchange (code: ZENSARTECH)
- Bloomberg Code: ZENT.IN
- Reuters Code: ZENT.BOx

**Shareholding Pattern (as on 31st Dec 2015):**

- Promoter: 47.9%
- Apax Partners: 23.1%
- Fidelity: 16.5%
- FII: 9.7%
- DII, Banks and Others: 2.8%
End of Presentation