

zensar



Enabling
Enterprise Velocity

2021-22

ZENSAR TECHNOLOGIES LIMITED
INTEGRATED ANNUAL REPORT



About RPG

RPG Group is a global diversified conglomerate with businesses in the areas of infrastructure, tires, information technology, pharmaceuticals, energy, agribusiness and venture capital. Founded by the legendary industrialist Dr. R. P. Goenka, the Group's lineage dates to the early 19th century. Today, the group has several companies in core sectors of the economy, the most prominent being Zensar Technologies, CEAT, KEC International, RPG Life Sciences, and Harrisons Malayalam. Built on a solid foundation of trust and tradition, the RPG name is synonymous with stability, steady growth, high standards of corporate governance and a culture of respect for people and the environment.

hello happiness

"Hello Happiness" is RPG's giant step toward becoming a truly happy organization, where inspired employees take ownership and march toward their greater purpose.

Ever since we embraced the philosophy a few years ago, we are sparing no effort to promote a culture and environment of happiness as a way of life at RPG Group. Amongst a slew of people-first policies, we have continued to work on different initiatives that promote the happiness of our people, investors, customers, and the lesser privileged. Within this ecosystem, our people are happily committed to a high-performance culture, empathy, and customer delight.

The world of tomorrow needs to be taken care of today. That is our guiding philosophy for sustainable business growth, while our social initiatives across sectors such as education, health, and empowerment aim to create a better world for the communities we serve.

"Hello Happiness" is not just another tagline for us. It is action-oriented to finding and achieving our purpose in life, both organizational and personal. It is a proud proclamation that we are an organization where happy employees keep the interests of all our stakeholders ahead of themselves, leaving a legacy for generations to come.

Enabling Enterprise Velocity

Speed and velocity are not the same. Especially in the context of the agile, digital enterprise. While the distinction may not always be apparent, if you look closely, you will find it embedded in the idea of not just doing things fast but making progress in the right direction. Instead of aiming for raw speed, THINK VELOCITY.

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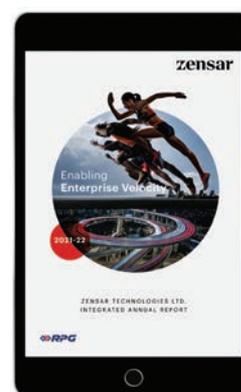
Financial Statements

- 193 Standalone Financial Statements
- 269 Consolidated Financial Statements

As enterprises work toward achieving their goals, the key lies in nurturing a long-term vision that serves as a guiding star and provides the enterprise with direction, clarity, and purpose. And achieving this vision will not be possible without delivering lasting outcomes for both people and the business. The key enabler for all transformation is access to the right tools and technology, architecture, and human capital.

This is where Zensar comes in. We conceptualize, build, and manage cutting-edge digital products for global enterprises by harnessing rich experience in design, data engineering, and advanced analytics. All so that they stay focused on delivering high human adoption and achieving business goals. Our solutions hinge on industry-leading platforms that help clients move with velocity and become more competitive, nimble, and focused.

As our clients grow and innovate, we continuously evolve as partners. Zensar is witnessing accelerated growth across key verticals and regions with an encouraging client mix.



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

About the Report



Overview

Zensar Technologies Limited, presents its 2nd Integrated Annual Report for Financial Year FY22.

The Integrated Report, covering financial and non-financial performance, is published annually and available on <https://www.zensar.com/>. The report covers annual Environment, Social and Governance (ESG) performance and the previous report was published in July 2021.

Reporting principles and framework

To ensure content and quality, the report is prepared in alignment with the principles and requirements of the Value Reporting Foundation's Integrated Reporting (IR) framework, the UN Global Compact (UNGC) principles, and the Global Reporting Initiative (GRI) standards - core option. The ESG disclosures in the Report are also aligned with the Sustainability Accounting Standards Board (SASB) and the UN Sustainable Development Goals (SDGs).

Scope and boundary

The report highlights our performance across six capitals — financial, intellectual, human, natural, manufactured, and social and relationship Capital:

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

Responsibility statement

The data and disclosures in the Report are reviewed internally through a review mechanism to ensure completeness and relevance. There has been no external assurance sought on non-financial data disclosed in the Report.

Feedback

We value the feedback received from stakeholders and strive hard to address their grievances and concerns. Any such feedback or suggestions or any stakeholder concerns can be communicated on our contact page: [Contact us | Zensar](#)

Introducing Zensar

We are a leading experience-driven engineering and technology solutions company with a keen focus on conceptualizing, designing, engineering, and managing digital products and experiences for high-growth companies. We aim to help our clients disrupt the status quo through human-centered innovation and velocity.

Headquartered in Pune, India, Zensar is a part of the USD 4 billion RPG Enterprises Group, serving 147 global clients. Our 11,500+ workforce is spread across 30+ locations worldwide, including Milpitas, Seattle, Princeton, Cape Town, London, Singapore, and Mexico City, to deliver advanced digital solutions, unlock growth, and empower our clients.

We design, engineer, and execute highly-adopted digital experiences into scale-ready cloud-native products that integrate seamlessly with evolving tech landscapes. Our unique full-life cycle capability of combining creative, consulting, and technology skills differentiates us from the crowd.

Our offerings promise engaging digital experiences, application landscape transformation, heightened data maturity, deep engineering, AI-led predictive analysis, enhanced applications services, and reimagined business processes.

Every day, we come together to make smart connections and future-ready solutions that embrace the diverse and the unexpected, unlocking new ideas and paving the way forward in fresh, innovative directions. For us, every breakthrough is another starting point, and behind every impossible challenge is another extraordinary step forward toward delivering solutions that positively impact human lives with enterprise velocity.



Our Vision

To be leaders in business transformation.



Our Mission

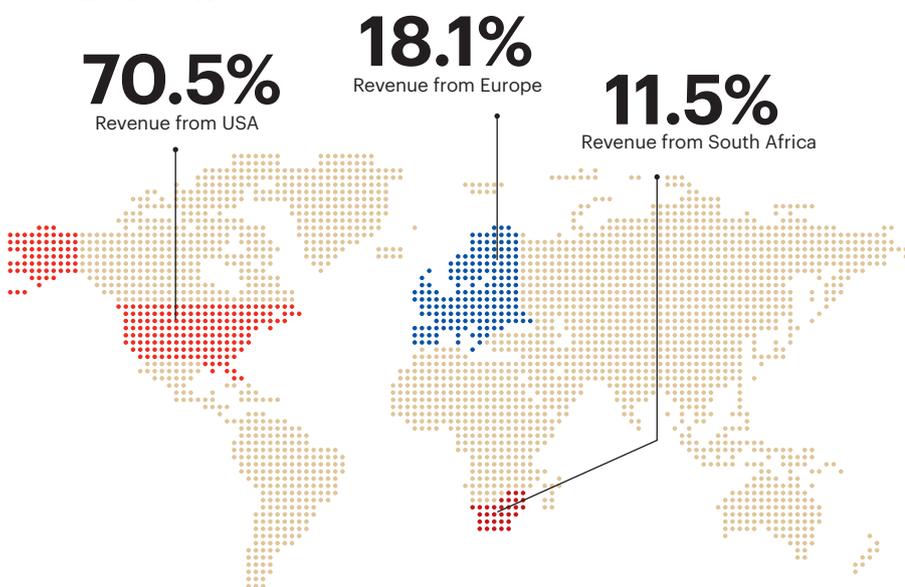
At Zensar, we exist for a singular purpose: making sure our clients thrive in a world of constant change. Our teams join every day to make smart connections that embrace the diverse and unexpected, unlocking new ideas that lead to fresh directions through impactful solutions.



Our Values

We believe technology exists to serve our evolving human needs, so we put people at the heart of everything we do. Always going above and beyond to deliver highly desirable and dependable technology and solutions, we ensure our clients are equipped to take on the challenges of today and tomorrow.

Our Presence *



*The numbers are rounded off to the closest decimal.

Our Services and Strategic Focus Areas

Experience services	Advanced engineering services	Data engineering and analytics	Application services	Digital foundation
Product/ experience research, strategy, and design	Digital engineering	Data engineering	Application management	Digital infrastructure
Experience engineering	Application transformation services	AI and ML	Quality engineering	Digital workplace
Creative, content, and brand campaign services	Cloud strategy and assessment	Automation	Oracle services	Digital experience management
Marketing technology services		Visualization and analytics	Salesforce services	Digital operations
			SAP services	Digital security

Our Industries



Hi-tech and manufacturing



Banking and financial services



Insurance



Retail and consumer services

KPIs

USD **569.4** Mn

Revenue

USD **55.9** Mn

PAT (profit after tax)

11,839

Employees (across all offices)

40+

Offices across the globe

4

Countries of market presence

25*

Awards won in FY22

USD **1,070.5** Mn

Market capitalization as of March 31, 2022

* Including Zensar group companies

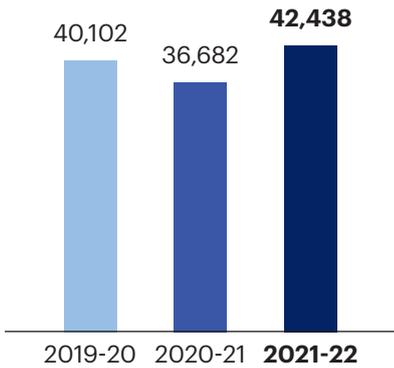


Performance Highlights

Revenue

INR Mn

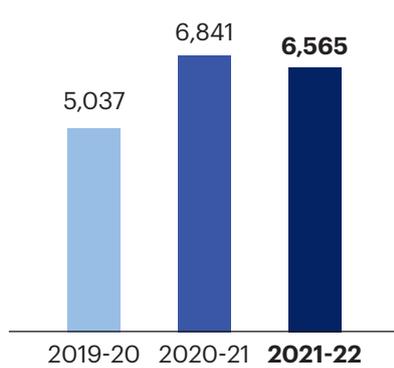
15.7% YoY



EBIDTA

INR Mn

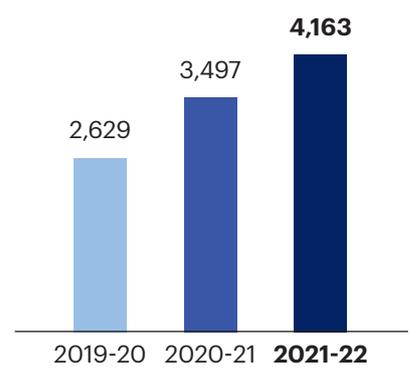
15.5% of revenue



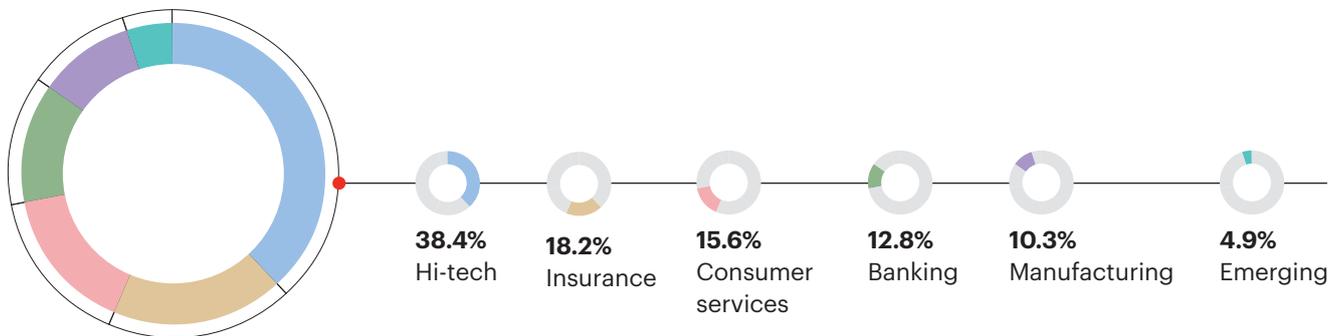
PAT

INR Mn

19.0% YoY



Revenue by industries (%)



Numbers that matter

147
Active clients

33.2 years
The average age of our employees

60+
Technology partners

USD 4.01k
Revenue per employee per month

31.7%
ROCE

60
Diverse nationalities in our workforce

USD 0.75 Mn
Spend on CSR programs

Strategic Highlights

Q1

- | | | |
|---|--|--|
| <p>1 Mentioned as a Niche Player in the Gartner Magic Quadrant for Managed Mobility Services, Global.</p> <p>2 Positioned as a Major Contender on the Application and Digital Services in Banking PEAK Matrix® Assessment 2021.</p> | <p>3 Won 2021 Artificial Intelligence Breakthrough Award for Best Use of Virtual Reality for Retail Applications.</p> <p>4 Entered into a definitive agreement to acquire M3bi, a Scottsdale, Arizona-based data engineering and digital engineering firm.</p> | <p>The acquisition will help concentrate organization resources, investments, and alliances to maximize business impact.</p> <p>5 Won AVA Digital Awards (Indigo Slate, a Zensar Company) for Digital Marketing, Web-Based, and Digital Video Creation.</p> |
|---|--|--|

Q2

- | | | |
|--|---|--|
| <p>1 Featured as a Disruptor in Avasant's Digital Talent Capability 2021 Radar View Report.</p> <p>2 Mentioned as Leader for Managed Services for Midmarket for Large Accounts and Product Challenger for Managed Services for Large Accounts in the ISG Provider Lens™ Quadrant Report for Next-Gen Private/Hybrid Cloud,</p> | <p>Data Center Services, and Solutions US 2021.</p> <p>3 Unveiled our new brand identity that reflects our new go-to-market strategy and vision.</p> <p>4 Foolproof, a Zensar Company, won Digital Agency of the Year and Design Agency of the Year at the UK Agency Awards.</p> <p>5 Named Tech Company of the Year at the Tech India Transformation Awards 2021.</p> | <p>6 Recognized as the first runner-up at the UN Women's Award for Transparency and Reporting on Gender Equality.</p> <p>7 Foolproof, a Zensar Company, was named one of the #BIMA10 (British Interactive Media Association) for its work with One Shot Immersive.</p> |
|--|---|--|

Q3

- | | | |
|--|--|--|
| <p>1 Mentioned as Leader and Rising Star in ISG Provider Lens™ Digital Business – Solutions and Services US 2021.</p> <p>2 Mentioned as Innovator in Avasant Digital Workplace Services 2021 RadarView™.</p> | <p>3 Mentioned as a Major Contender in Insurance Platforms IT Services PEAK Matrix® Assessment 2021.</p> <p>4 Foolproof, a Zensar Company and One Shot Immersive, won the Most Effective Use</p> | <p>of AR and VR category at the Drum Awards for the Digital Industries 2021.</p> <p>5 Mentioned as Disruptor in Avasant Oracle Cloud ERP Services 2021-2022 RadarView™.</p> |
|--|--|--|

Q4

- | | | |
|---|---|--|
| <p>1 Mentioned as Major Contender and Star Performer in Everest Group's Digital Interactive Experience (IX) Services PEAK Matrix® Assessment 2022.</p> <p>2 Mentioned as Major Contender and Star Performer in Everest Group Artificial Intelligence Services PEAK Matrix® Assessment 2021.</p> <p>3 Opened a global delivery center in Kolkata, our first in eastern India.</p> | <p>4 Recognized as a Top Employer in South Africa, showcasing the company's dedication to building a better workforce through excellent HR policies and people practices.</p> <p>5 Foolproof and Zensar won Best Experimentation Practice EMEA for their work with Sky and Creative CX.</p> <p>6 Received the Aegis Graham Bell Award at the 12th edition of the annual Aegis Graham Bell</p> | <p>Awards, for Innovative Digital Transformation for Banking and Finance.</p> <p>7 Won in multiple categories at the Top20 DivHERsity Awards 2021.</p> <p>8 Featured as one of the Top 100 leading organizations that excel in employee L&D in the 2022 Training APEX International Awards by Training Magazine.</p> |
|---|---|--|

Chairman's Message



H. V. Goenka
Chairman

Dear Shareholders,

As economic paradigms shift following a prolonged spell of the pandemic, digital and technology are taking prime positions as enablers for transforming the way we live and how we transact business. The world has swiftly pivoted to a digital economy from cross-border data flows and manufacturing to supply chain, business intelligence, and connectivity with clients and the workforce.

“Our partnership is focused on helping the city modernize its core systems and accelerate with higher velocity to become one of the leading smart cities of the future.”

Keeping abreast with fast-changing market dynamics, Zensar unveiled a new brand identity with Velocity — a promise to propel businesses to move forward.

Human capital is the bedrock of a high-performing organization. At Zensar, we have placed a premium on attracting the best talent to work toward our singular goal of customer delight. We are training the next generation of tech talent and building leaders of tomorrow with sizeable investments in capability building and reskilling. This year, Zensar was recognized as a Top Employer in South Africa for commitment to the local community and fostering talent in the country. Taking advantage of untapped potential across India, Zensar has expanded its footprint and opened a new global delivery center in Kolkata. To bolster our value proposition and offering for our clients, we acquired M3bi, a firm with proven expertise in digital engineering and data analytics, during the year.

In a significant achievement, we secured a four-year, multi-million-dollar contract for a smart city project where Zensar will drive a cloud-first strategy, accelerate the adoption of AI-enabled autonomies tools, and deliver a superior employee experience to the city's constituents. Our partnership is focused on helping the city modernize its core systems and accelerate with higher velocity to become one of the leading smart cities of the future. We are also working on exciting new engagements spanning UX, CX design, branding, core platform development, and ongoing support services for our digital technology clients.

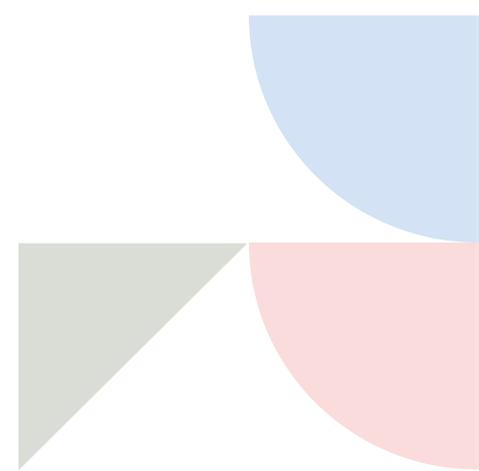
As the new wave of digital technology expands, Zensar continues to invest in experience-led AI, human experience-centric digital engineering, and data-enabled engineering to partner with the new logos and diverse pool of companies added to the roster.

Our long-term goal is to help empower the technology consulting and services industry by creating a sustainable ecosystem where our clients, partners, employees, investors, and communities can see value that endures. Climate change, carbon emissions, and water pollution continue to be responsibilities that stimulate us. We will continue to partner with businesses, organizations, and communities to drive meaningful action in these areas.

On the other hand, our technology solutions will strive to remain foundational, resilient, and scalable as we seek to drive Zensar forward with robust governance and long-lasting benefits to our clients and shareholders.

Thank you.

H. V. Goenka
Chairman



CEO's Message



Ajay S. Bhutoria
Chief Executive Officer and
Managing Director

Dear Shareholders,

The future is being shaped around data-driven, hyper-personalized experiences that focus on connection. Whether client-to-customer or colleague-to-colleague, enterprises that invest in connecting people will find themselves in the lead. At Zensar, we have tapped into this reality, successfully synergizing award-winning design, digital engineering, and technology capabilities to bring this future to enterprises — today.

As our clients undertake digital transformation with renewed urgency, our consistent focus has been to provide them with design, data, and engineering offerings that help them move quickly with clear direction. Likewise, the technology and digital capabilities we have built over the years have set the foundation for our own leap forward.

By the numbers: Our record revenue growth

Fiscal Year (FY) 2021-22 was one of record revenue growth — a year in which our offerings continued to win the trust of our clients across industry verticals and geographies. The year-over-year (YoY) growth percentages below signal our success in the last FY:

- Our banking vertical: 62.0%
- Our insurance vertical: 5.9%
- Our consumer services vertical: 26.4%
- Our hi-tech and manufacturing vertical: 8.3%
- United States: 12.7%
- Europe: 24.7%
- Africa: 17.4%

Think Velocity. Think Zensar.

We updated our brand identity to reflect our new go-to-market strategy and vision — our first brand refresh in two decades. While marking our new experience-led engineering strategy, our refreshed identity underscores our strong foundation of innovation, customer-centricity, and award-winning people-first culture.

Think Velocity is the cornerstone of our brand, and it acknowledges that change is complex. Transformation is about more than accelerating the adoption of digital solutions. In fact, speed and growth are not synonymous. A visionary enterprise needs velocity, which translates to speed with clear direction. When a business is thinking velocity, it can be both nimble and precise, applying speed with direction to create tangible, effective results.

Focusing on the future: Our enterprise velocity survey

As a part of our Think Velocity brand relaunch, we conducted our inaugural Enterprise Velocity Survey, capturing the thoughts of more than 300 business leaders of some of the best-recognized global brands across industries and geographies. The findings show that many leaders (97% of respondents) are thinking proactively in terms of velocity. They recognize that transformation requires more than quickly identifying and

launching the right digital capabilities. Rather, sustainable, future-forward business growth is built on a combination of people, process, and technology operating as one seamless ecosystem.

Connecting with our clients

We are now a company of more than 11,500+ people. As our numbers grow, so does the demand for our services. To meet this demand, we launched multiple initiatives to extend our reach with new offerings and skilled talent.

We established a near-shore delivery center in Colombia and inaugurated a global delivery center in Kolkata to widen the availability of Zensar talent. At the same time, we significantly expanded lateral hiring and brought on fresh graduates while also driving internal programs to upskill our existing workforce in niche and evolving technologies.

Recognizing the ever-evolving customer need for advanced engineering skills to develop new platforms and data analytics solutions, we expanded our offerings in this space. Our partnerships with FRISS and Claimatic, leaders in their respective capabilities in the insurance industry, represent some of our key efforts to accelerate innovation through shared knowledge and collaboration. These and other initiatives have helped us stay relevant and influential while constantly increasing our market presence.

Likewise, we have helped our clients anticipate market trends and achieve positive business outcomes through our digital capabilities. Once again, we earned a variety of accolades for our abilities and work in the digital space, some of which are included below:

- We were named Tech Company of the Year at the Tech India Transformation Awards 2021.
- We won the 2021 Artificial Intelligence Breakthrough Award for Best Use of Virtual Reality for Retail Applications.
- Our design studio, under our Foolproof banner, won in the Most Effective Use of AR and VR category at the Drum Awards for Digital Industries 2021.

- We received the Cloud Consultancy/MSP of the Year Award from the International Cloud Computing Awards program (the Cloud Awards) for delivering scalability and agility to our clients, along with our cloud-based solutions.
- We were recognized as a Leader and Rising Star by ISG (Information Services Group) in ISG Provider Lens™ Digital Business – Solutions and Services US 2021.
- We were recognized as a Disruptor in the Avasant Digital Talent Capability 2021 RadarView™ report.

Connecting with our employees

As a company, we continue to make strides toward a more diverse, inclusive, and equitable workforce. Diversity within Zensar is driven by our Diversity and Inclusion (D&I) Council, with participation and support from our top leadership. The D&I Council's mandate is to create an equal, inclusive, and gender-balanced workforce. Zensar's Enliven program focuses on hiring women after a career break, people with disabilities, and individuals from the LGBTQ+ community. Other benefits — equal pay and promotion, work flexibility, and wellness resources — support and enhance our commitment to inclusive practices.

Our commitment to employee wellbeing is producing a measurable, positive impact. Participants in our 2022 Happiness Survey awarded Zensar an 82% happiness score — a 7% uptick from 2021. In addition, the UN Council recognized Zensar as the first runner-up at the UN Women's Awards for transparency and reporting on gender equality.

Our strengths are evident in the results we have achieved, and I am deeply thankful to everyone at Zensar for the passion they bring every day to support our clients, uphold our ideals, and persist in growing our business. We are excited about the possibilities the future holds. In the coming years, we will continue to invest in connecting people — by providing exceptional solutions for our clients, a great place to work for our employees, and enduring value for our shareholders.

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



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

Chief Executive Officer and Managing Director, and Management Board Member, RPG Enterprises



Prameela Kalive

Chief Operating Officer



Sachin Zute

Senior Vice President and Chief Financial Officer



Vivek Ranjan

Senior Vice President and Chief Human Resources Officer



Sandy Sharma

Senior Vice President, Chief Digital Transformation Officer and Chief Marketing Officer



Harjott Atrii

Executive Vice President and Head, Hi-Tech and Manufacturing



Nachiketa Mitra

Executive Vice President and Head, Banking and Financial Services



Samir Gosavi

Senior Vice President and Head, Consumer Services



Chaitanya Rajebahadur

Executive Vice President and Head, Europe



Harish Lala

Senior Vice President and Head, Africa

Our Business Model

As a global enabler in business transformation, the Company emphasizes agility, velocity, and innovation to create value for customers and all the other stakeholders. We collaborate across teams, skillsets, and geographies to uncover innovative ideas that lead to various opportunities for clients, helping them build smart connections with fresh directions and thrive in a world of constant change. FY22 saw further sharpening of innovative capabilities and strengthened the Company's expertise in key technology areas such as artificial intelligence (AI) engineering and machine learning operations (ML ops), non-fungible tokens (NFT) on blockchain, metaverse, conversational AI, quantum computing, and applying AI to geographic information system (GIS).



At Zensar, we enable enterprise velocity by moving with speed, but progressing in the right direction with a long-term vision. We build and deliver technology services that empower our clients to be disruptive, lead with precision, and stay ahead of the curve. Our strategy to provide seamless experiences and solutions assures sustainable growth for our clients, enabling them to be future-ready.

Additionally, in a highly dynamic world, we passionately commit to creating sustainable technology and solutions that last for years. Hence, our business growth is inextricably linked to our environmental, social, and governance goals.

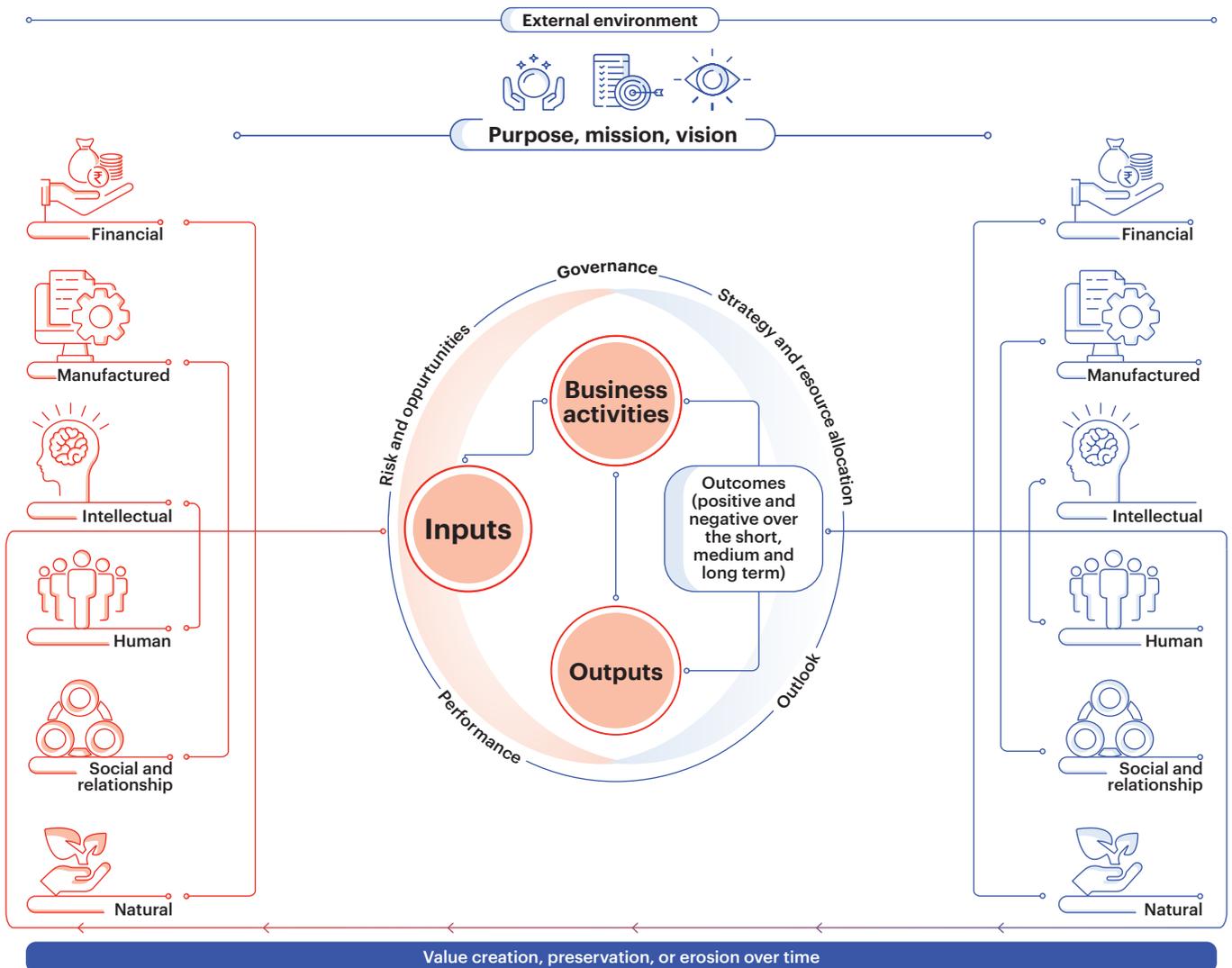
Our five strategic focus areas (SFAs) — advanced engineering services, experience services, foundation services, application services and data engineering, and analytics services — are clearly defined and attuned to the emerging needs of our clients and partners across diverse industries. Additionally we focus on building a highly skilled and diverse workforce by investing in our employees and attracting and retaining the right talent in the organization. Learning and development have been at the forefront of our efforts, with a combined focus on technical and leadership training. This helps enhance the skillsets of our employees and provides them with a comprehensive learning path.

Our business model is developed and represented using the globally recognized <IR> framework and guidelines. The model presents the inputs and outcomes that have a material influence on the value creation process. The output refers to the various service offerings that we provide to our clients. The six capitals of our business model are interconnected and work cohesively to create value while mitigating critical risks in our operations over the short, medium, and long term.





Our strategy for allocation of capitals is supervised by the leadership team and the board to safeguard the interests of all stakeholders.



01

Financial capital

This capital is used for provisioning of services and can be obtained through various financial instruments. We aim to generate returns on our operations and build capabilities that drive sustainable growth through this capital.

02

Human capital

This capital comprises people's competencies, capabilities, and experience as well as their motivation to innovate. It further aids in aligning the organization's frameworks and strategy. We focus on employee wellbeing and development and strive toward building a diverse and inclusive workforce.

03

Intellectual capital

This capital includes the organizational, knowledge-based intangibles. Our co-innovation model for research accelerates the propensity toward innovation that is aligned to our client's vision.

04

Natural capital

This capital comprises all the renewable and non-renewable environmental resources that provide services for an organization's prosperity. These include air, land, water, and other components of the natural ecosystem. We are taking steps and instituting numerous initiatives to effectively manage waste, water, and energy to reduce our environmental footprint.

05

Manufactured capital

This capital is inclusive of the physical objects like equipment, buildings, and infrastructure, that are available for use in provisioning of services. We work toward promoting green infrastructure and building a secure and conducive working environment for all our employees.

06

Social and relationship capital

This capital elaborates upon the institutions and relationships between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. We cultivate transparent and long-term relationships with our key stakeholders, including clients, communities, investors, suppliers, and vendors.



Enabling enterprise

INPUTS



Financial capital

- Shareholders' equity
- Retained earnings

Read more on Pg. 32



Human capital

- Happiness drivers
- Digitization of processes
- Investment in learning and development
- Inclusion of policies, programs and initiatives

Read more on Pg. 36



Intellectual capital

- Investment in research innovation
- Innovation portfolio
- New collaborations and memberships

Read more on Pg. 48



Natural capital

- Environmental investments
- Energy management initiatives
- Water management initiatives
- Waste management initiatives

Read more on Pg. 60



Manufactured capital

- Number of office locations and data centres
- Innovation hubs
- Global delivery centres

Read more on Pg. 66



Social and relationship capital

- Expenditure on community development projects
- Procurement spend
- Customer base
- Employee volunteers
- Strategic alliances and partnerships

Read more on Pg. 70

Vertical focus

- ▶ HTM
- CS
- BFSI
- Emerging

Smart connections



Vision

Leaders in business transformation



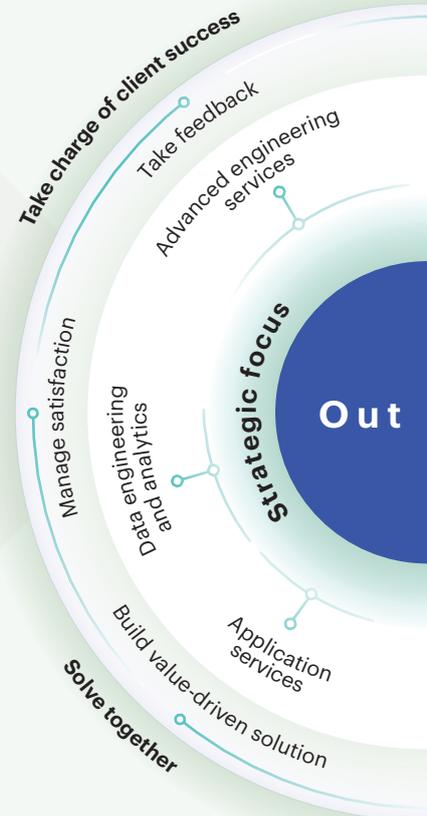
Mission

We exist for a singular purpose: making sure our clients thrive in a world of constant change. Our teams join together every day to make smart connections that embrace the diverse and unexpected, unlocking new ideas that lead to fresh directions through impactful solutions.



Values

We believe technology exists to serve our evolving human needs, so we put people at the heart of everything we do. Always going above and beyond to deliver dependable technology and solutions, we ensure our clients are equipped to take on the challenges of today and tomorrow.



Stakeholders



Customers

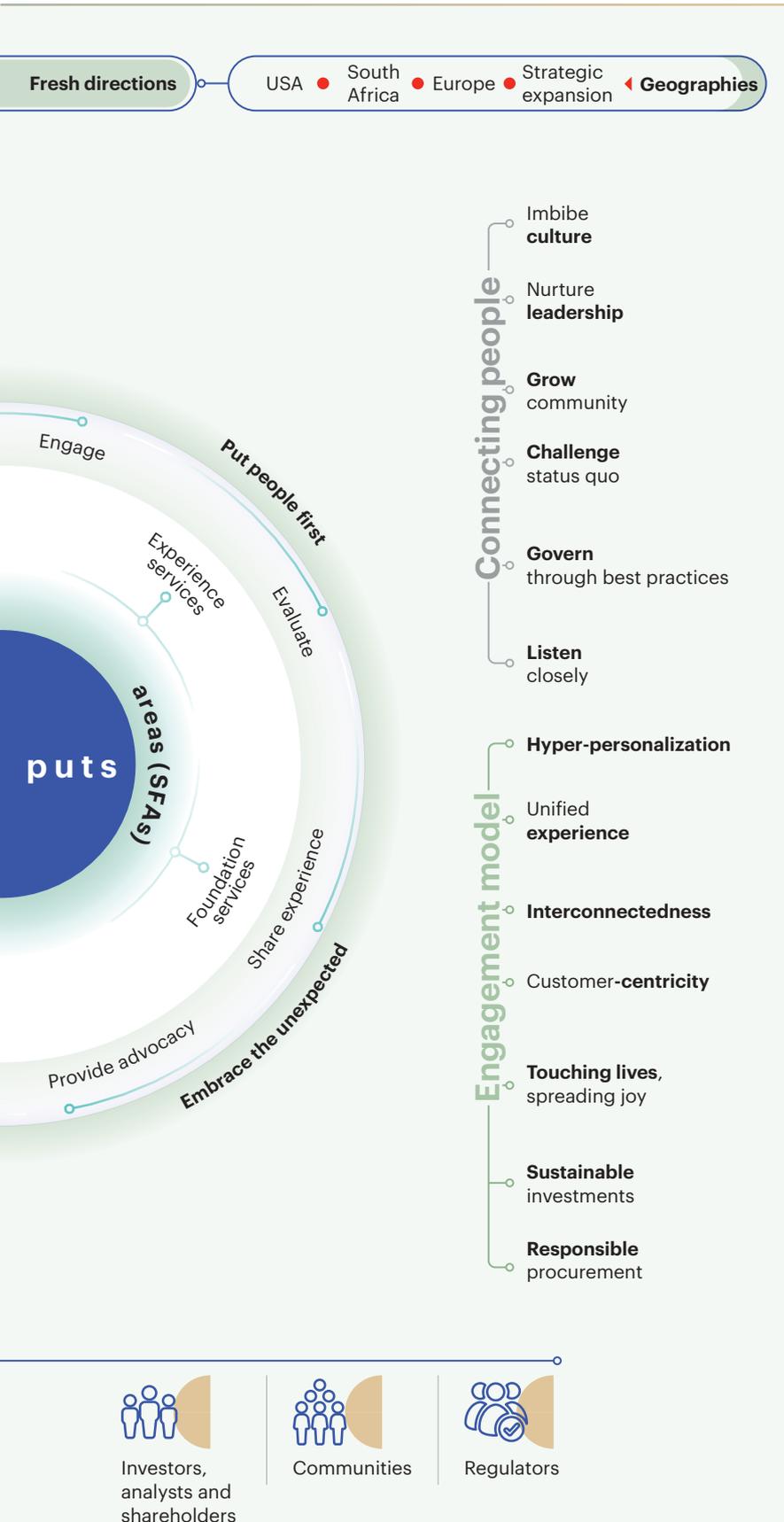


Employees



Vendors

velocity



OUTCOMES

Financial capital

- Revenue
- EBITDA
- PAT
- Operating cash flow
- EPS
- ROCE
- Dividend distribution

Human capital

- Productive and resilient workforce
- Agile employee experience
- Skilled and competent workforce providing exceptional client experience
- Employer of choice of top talent
- Inclusive and equitable environment

Intellectual capital

- Number of patents filed
- Recognition for innovation
- Number of people working at zenLabs
- 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

Our ESG Goals Are Well Articulated

Environment			
Topic	Goal	Current status (FY22)	Way forward
 Carbon reduction	Achieve net zero green house gas (GHG) emissions (Scope-1 + Scope-2) by FY40	Net GHG emissions (Scope-1 + Scope-2): 4,529 tCO₂e	<ul style="list-style-type: none"> We plan to focus on improving our energy efficiency and increasing the procurement of renewable energy, which constitutes 7% of our energy mix as of FY22.
 Water positivity	Become water positive by FY25	Net water withdrawal: 16,963 kl	<ul style="list-style-type: none"> We will focus both on supply and demand side on issues such as rainwater harvesting, developing watershed structures, and reducing water consumption so as to achieve water neutrality.
Social			
Topic	Goal	Current status (FY22)	Way forward
 Gender diversity	Achieve 40% gender diversity by FY35	Gender diversity: 30%	<ul style="list-style-type: none"> With initiatives like flexible work arrangements, women-oriented mentorship, and women recruitment programs to ensure gender parity, we are striving to promote diversity in our workforce.
 Happiness index	Increase happiness index score to 80 by FY30	Happiness score: 82	<ul style="list-style-type: none"> Our people-first policy is aimed at maintaining a happiness score of 80 or more, with a focus on work-life balance, healthy work culture, mental, physical, and financial wellbeing of our employees.
 Community development	Reaching 225k lives through community development initiatives by FY30	59,231 lives touched since baseline of FY20	<ul style="list-style-type: none"> We continue to leverage our expertise in technology to design community development initiatives and address critical social issues in areas such as education and employability.
 Training	Achieve 80 average hours of training per employee by FY30	Average training hours per employee: 61.8	<ul style="list-style-type: none"> We focus on people engagement initiatives, prioritize diverse learning and development plans, and promote attractive career growth options.

Governance			
Topic	Goal	Current status (FY22)	Way forward
 <p>Sustainable procurement</p>	Assess all suppliers based on sustainable procurement criteria by FY30.	Framework for sustainable procurement under development.	<ul style="list-style-type: none"> In our efforts to prioritize human rights across our supply chain, we focus on designing a supplier code of conduct and assessment framework, and providing feedback to value chain partners for continuous improvement.
 <p>Code of conduct</p>	Achieve 100% code of conduct training for employees.	Continued 100% compliance for code of conduct training.	<ul style="list-style-type: none"> In our endeavor to foster a culture of ethics and compliance, we disseminate information on best practices to our employees, and promote mandatory compliance and training.
 <p>Transparency and fairness</p>	Continue our commitment to sustaining a fair and transparent whistleblower process.		<ul style="list-style-type: none"> We believe in transparency and have instituted a robust reporting system. We are creating awareness of the ombuds process, and establishing an effective communication strategy with strong grievance redressal.
 <p>Data privacy</p>	Continue our commitment to data privacy compliance.		<ul style="list-style-type: none"> We will continue conducting impact assessments for new processes or changes in the existing process and annual staff awareness training programs on data privacy and cyber security.



Risks and Opportunities

In a volatile, uncertain, complex and ambiguous (VUCA) world, we strive hard to make smart connections and deliver impactful solutions to our clients. This means navigating risks and identifying opportunities to create value.

We are progressively evolving a robust risk management framework to provide guidance and governance toward systematic risk management including identifying, analyzing, managing, and reporting of risks.

The enterprise risk management (ERM) program aims at ensuring compliance with applicable government and regulatory requirements, and acts on

potential risks in various economic, environmental, social, sectoral, sustainability-related, and industrial environments Zensar operates in. Risk management at Zensar is governed by the risk management policy, which is reviewed periodically, by the Board /Risk Management Committee factoring the changing industry dynamics and evolving complexity. The key components of the risk

management framework along with key risks for FY22 have been further elaborated in the MD&A section on page number 160 of this report.

The risks identified have associated mitigation plans, and the effectiveness of every mitigation in the plan is measured using quantitative or qualitative key performance indicators (KPI).





Opportunities

At Zensar, we work together across teams, skillsets, and geographies to spark new ideas, which unveil unexplored opportunities for us and for our clients.

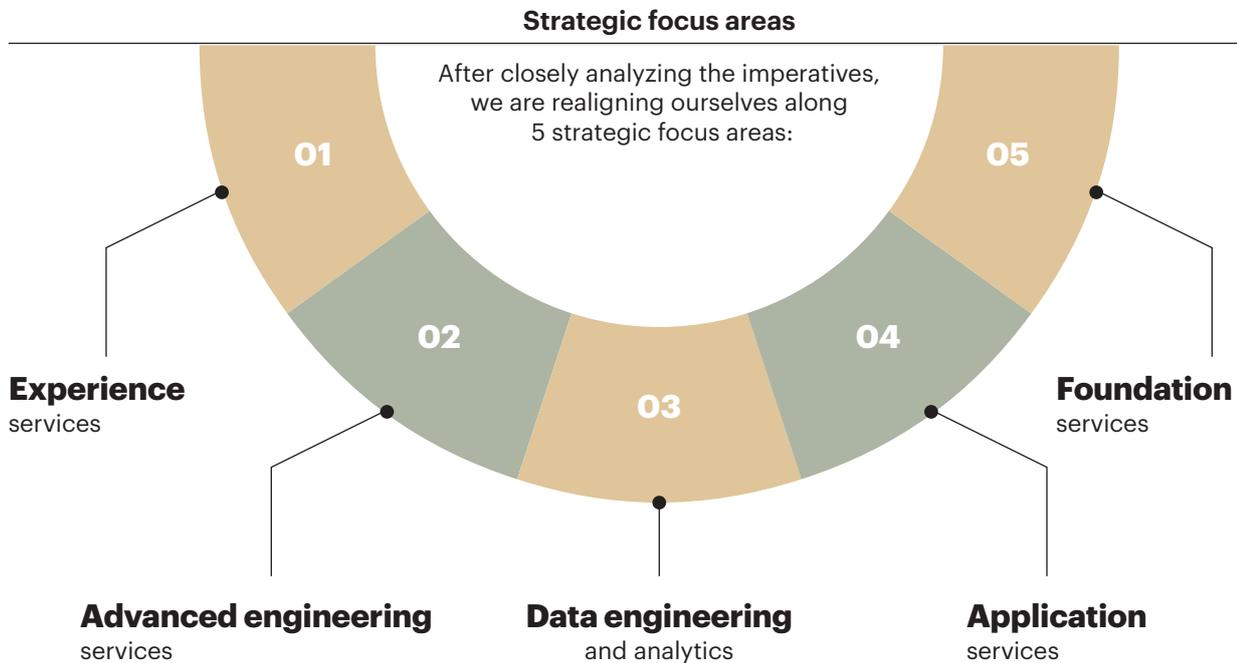
The rapidly evolving landscape:

The market ecosystem is continuously evolving. The pandemic has accelerated the digital transformation agendas of clients, opening new opportunities, software engineering and cloud-based transformation.

How we respond to opportunities

After a thorough analysis of market developments, interactions with investors and analysts, and identification of Zensar's strengths, we have identified five key imperatives for Zensar.

- 1 Sharper focus on experience-led engineering services and delivering high resolution services in experience-to-engineering-to-infrastructure
- 2 Drive speed, relevance, and efficiency for our clients
- 3 Strengthen experience strategy and design, bolted on Zensar's core capability for experience-led engineering
- 4 Strengthen our capabilities with hyperscalers (Microsoft, Amazon, and Google)
- 5 Expand and align our talent pool to the above imperatives and continue reskilling and upskilling of employees.



1. Experience services

- Seamless and integrated delivery of experience research, strategy, design, prototyping, and production. This applies to digital product/service design and to branding and marketing.
- Experience studios – Foolproof in the UK and IndigoSlate in the US – deliver best-of-breed services in this space.

2. Advanced engineering services

- Cloud-native, full stack advanced engineering services, delivered with velocity and impact.
- Bolts on to experience services and gives capability to work on cloud-native hyperscalers.
- Our recent acquisition - M3bi - will augment Zensar's digital engineering capability.

3. Data engineering and analytics

- Increasing demand for data, advanced analytics, AI/ML services with huge growth potential.
- M3bi's capabilities in data engineering and analytics, along with ZenLabs will enhance Zensar's existing service portfolio.

4. Application services

- Mature and growing area of our business application life cycle services to our clients, spanning key platform players such as Salesforce, Oracle, and SAP.

5. Foundation services

- Zensar's area of strength; part of the original core, but morphed in the past three years into experience-led infrastructure services.
- Differentiator in terms of delivering user experience metrics, which we track.

Each of the five strategic focus areas above were operationalized through a set of playbooks, which will structure and crystallize our offerings and sharpen our go-to-market strategy across all verticals and geographic markets.

There is a depth focus, investment, and readiness across the organization to align the five strategic focus areas and the vertical markets we serve. We intend to provide relevant vertical solutions that combine the power of all five strategic focus areas to help transform the business of our clients and human lives at large.

Hi-tech and manufacturing

- Focus - proliferating Industry 4.0 in manufacturing and helping tech leaders in implementing as-a-service models.
- As the manufacturing industry is driving faster and more flexible production, with increasing

customization levels, we will focus on the anything-as-a-service cloud computing model to help our clients transform digitally.

- We are focused on cloud-centric growth, scaling key relationships, and building new ones through experience-led engineering, data engineering, and applied AI/ ML.

Banking, financial services, and insurance (BFSI)

- Micro-vertical focus

- Target Tier 1 clients and lead with domain capabilities.
- New client acquisition led by experience, digital engineering, and analytics.
- Focus will be on partnership and competency development, team development, and market development.

Consumer services

- Focus - driving technology innovations and digital solutions

for organizations obsessed with the consumer.

- Leverage Foolproof and Indigo Slate for building integrated experience-led digital transformation, digital commerce, and digital supply chain solutions.
- Experience-led design consulting, industry solution capability.
- Scale with own + partner ecosystem – expand and leverage strategic alliance partnerships.

Our priority is to grow our primary markets



Deepening Engagements with All Stakeholders

At Zensar, we thrive on building relationships with our stakeholders and collaborating with them regularly, through which we recognize areas of key priorities/concerns and try to address them appropriately.

We have identified customers, employees, shareholders, investors and analysts, communities, vendors, and regulatory authorities as our stakeholder groups.

The table on the right summarizes the business impact, mode of engagement, and key priorities/concerns for identified stakeholder groups.



Stakeholder group



Customers



Employees

Business impact

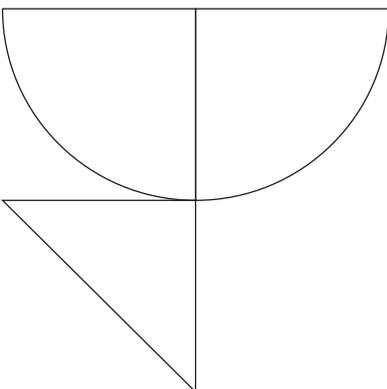
- | | |
|---|---|
| <ul style="list-style-type: none"> • Partners in customized solution development • Partners in innovation journey | <ul style="list-style-type: none"> • Critical to our business activities, solutions, and overall success |
|---|---|

Mode of engagement

- | | |
|--|--|
| <ul style="list-style-type: none"> • Strategic discussions on business success and outcome metrics • Operational customer feedback • Customer engagement surveys • Account reviews • Regular meetings | <ul style="list-style-type: none"> • ZenVerse- our real-time platform for employees • Happiness index survey • Other collaboration tools and methods such as workshops and team building • Emails/newsletters • Townhall sessions • Ombuds processes |
|--|--|

Key priorities/concerns

- | | |
|---|--|
| <ul style="list-style-type: none"> • Thought leadership and advisory • Integrated and seamless life cycle experience • Knowledge management and resource stability | <ul style="list-style-type: none"> • Safe, diverse, and inclusive culture • Mental wellbeing • Career advancement • Compensation at par with market • Hybrid work environment • Exposure to next-gen technologies and emerging business trends |
|---|--|





Investors and analysts

- Catalyst in growth and expansion

- Quarterly briefings
- Analysts meet

- Return on investment (ROI)
- Value creation



Shareholders

- Contributors to the capitals and governance

- Quarterly and annual financial results
- Annual reports
- Annual general meetings
- Investor presentations

- Return on investment and profitable growth
- Business outlook
- Adequacy of disclosure and communications
- Governance



Communities

- Partners in creating shared value

- Community wellbeing and development initiatives
- Grievance redressal mechanism

- Social impact measurement and ongoing governance



Vendors

- Suppliers of goods and services for business operations

- Vendor engagement interactions
- Workshops and training
- Grievance redressal mechanism

- Joint value creation
- Quality of work/ services and compliance with regulations
- Payment cycles
- Opportunities of engagement



Regulatory authorities

- Conformity with applicable laws, government directives and policies

- Meeting the directives of regulatory authorities
- Submissions of various returns and compliances with statutory authorities
- Partnerships with industry bodies and associations

- Policy advocacy
- Responsible corporate governance, developmental activities

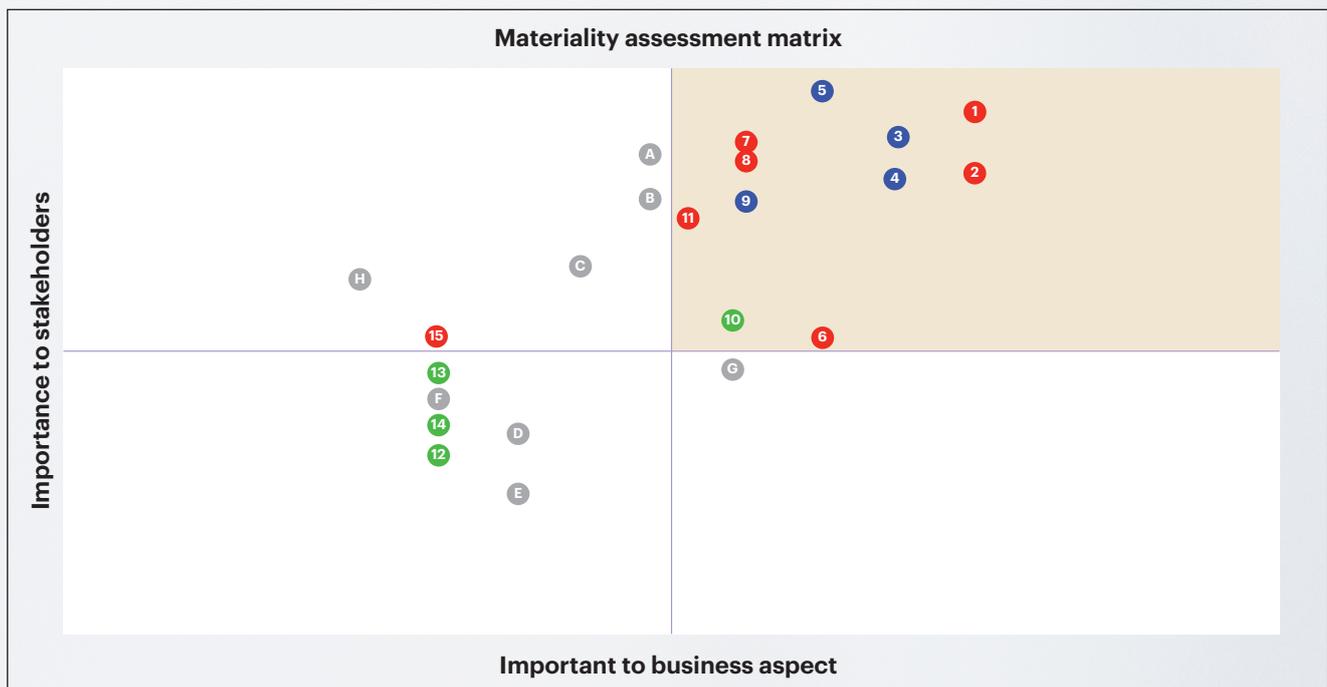
Assessing Our Material Topics

Materiality assessment helps disclose matters that substantively affect the organization’s ability to create value over the short, medium, and long term.

To appropriately define the environment, social, and governance (ESG) focus areas, we conducted a comprehensive materiality assessment exercise during FY21 which enabled us to gain a glimpse into our stakeholders’ expectations. Detailed information on the materiality assessment exercise and results of the assessment are available in our Integrated Report of FY21.

As part of the integrated reporting process for FY22, we reviewed the material topics from the perspective of relevance, applicability, and alignment with the business objectives. This included review from the perspective of changing global conditions, response to the pandemic, hybrid work model, increased focus on decarbonization, and rapid changes in the external environment.

Following this we have arrived at topics that are material to our business. Basis the analyses, we have added four topics to the existing list of material topics – emissions management, water management, waste management and community development. The materiality matrix is presented below:



- 1 Customer satisfaction and data security 2 Innovation and digital transformation 3 Delivery capabilities 4 Financial performance 5 Ethical governance and compliance 6 Digital infrastructure development 7 Talent retention and acquisition 8 Employee wellbeing 9 Business continuity 10 Energy management 11 Diversity and equal opportunity 12 Emissions management 13 Water management 14 Waste management 15 Community development
- A Skill management and upgradation B Human rights and grievances C Environmental compliance D Climate change vulnerability E Social impact of products F Opportunities in clean technology G Environmental impact/green infra H Policy advocacy

High-priority social material topics	High-priority governance material topics	High-priority environmental material topics	Other ESG material topics
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Sustainable development goals (SDGs) are a collection of 17 interlinked global goals. The following table represents KPIs linked to respective material topics and their alignment with respective SDGs:

Material topic	GRI topic	Alignment with SDGs	Key performance indicators	Linkage to sections
Environment				
Energy management	• Energy	 	<ul style="list-style-type: none"> • Energy consumption within the organization • Energy intensity • Reduction of energy consumption 	 Natural capital
Emissions management	• Emissions		<ul style="list-style-type: none"> • Direct (Scope 1) GHG emissions • Energy indirect (Scope 2) GHG emissions • Other indirect (Scope 3) GHG emissions • GHG emissions intensity • Reduction of GHG emissions 	 Natural capital
Water management	• Water and effluents		<ul style="list-style-type: none"> • Water withdrawal 	 Natural capital
Waste management	• Waste		<ul style="list-style-type: none"> • Waste generated • Waste diverted from disposal • Waste directed to disposal 	 Natural capital
Social				
Customer satisfaction and data security	• Customer privacy		<ul style="list-style-type: none"> • Substantiated complaints concerning breaches of customer privacy and losses of customer data 	 Social and relationship and manufactured capital
Innovation and digital transformation	• Non-GRI		<ul style="list-style-type: none"> • Patents filed • White paper published 	 Intellectual capital
Digital infrastructure development	• Non-GRI		<ul style="list-style-type: none"> • Number of global delivery centers 	 Manufactured capital

Material topic	GRI topic	Alignment with SDGs	Key performance indicators	Linkage to sections
Employee well being	<ul style="list-style-type: none"> • Employment 		<ul style="list-style-type: none"> • Comprehensive set of benefits provided to full-time employees to take care of their health, family, and death/disability • Parental leave 	 Human capital
Talent retention and acquisition	<ul style="list-style-type: none"> • Employment • Training and education 		<ul style="list-style-type: none"> • New employee hires and separations • Learning in emerging technologies captured through average hours of training undertaken 	 Human capital
Diversity and equal opportunity	<ul style="list-style-type: none"> • Diversity and equal opportunity 	 	<ul style="list-style-type: none"> • Diversity of governance bodies and employees 	 Human capital
Community development	<ul style="list-style-type: none"> • Local communities 	  	<ul style="list-style-type: none"> • Operations with local community engagement, impact assessments, and development programs 	 Social and relationship capital
Governance				
Ethical governance and compliance	<ul style="list-style-type: none"> • Anti-corruption • Anti-competitive behavior 		<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Economic performance 		<ul style="list-style-type: none"> • Direct economic value generated and distributed 	 Financial capital
Business continuity	<ul style="list-style-type: none"> • Non-GRI 		<ul style="list-style-type: none"> • Implementation of business continuity management standard (BCMS) 	 Manufactured capital
Delivery capabilities	<ul style="list-style-type: none"> • Non-GRI 		<ul style="list-style-type: none"> • Number of global delivery centers • Number of employees 	 Manufactured and human capital

Financial Capital

At Zensar, our financial capital plays a key role to drive our business ambitions forward worldwide, enabling enterprises to adopt purpose-driven velocity. The allocation of our financial resources is supervised by our leadership team and the Board. We aim to generate returns on our operations and build capabilities that drive sustainable growth.



Sachin Zute

Message from our Senior Vice President and Chief Financial Officer

"FY22 witnessed growth across sectors for Zensar, which helped the Company grow the top line by 15.7% on a YoY basis. On the margins side, the Company had to deal with supply side constraints due to a surge in hiring costs and wage hikes. However, we are confident that our revamped hiring strategy, nearshoring arrangements, and cost optimization programs will improve margins going forward. The integration of M3bi is on track and will help us strengthen our foothold in data engineering and analytics services. Given our strong deal wins in FY22 and current pipeline, we will continue to provide the best-in-class technology solutions that are resilient, scalable, and provide long-lasting benefits for our clients."

Key highlights

15.7%

Revenue growth (↑ YoY)

19.0%

Profit after tax (PAT) (↑ YoY)

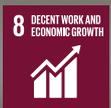
INR 18.43

Earnings per share (↑ EPS)

INR 11,800 Mn

Net cash and cash equivalents

Contribution to SDGs



Inputs	→	Outcomes
<ul style="list-style-type: none"> • Shareholder's equity • Retained earnings 		<ul style="list-style-type: none"> • Revenue • EBITDA • PAT • EPS • Operating cash flow • Return on capital employed • Dividend distribution



Key focus areas

- Sustained margin improvement
- Prudent capital allocation and a healthy balance sheet
- Develop cutting-edge capabilities to accelerate growth, identify the white spaces, and to bridge those spaces

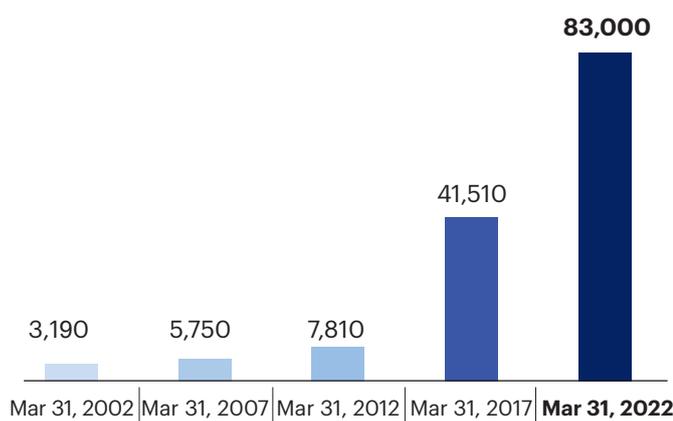
Economic value creation (in INR Mn)

Particulars	FY 2021-22	FY 2020-21
DIRECT ECONOMIC VALUE GENERATED	42,438	37,814
Revenues from operations	42,438	37,814
ECONOMIC VALUE DISTRIBUTED	39,244	33,552
Operating costs	10,650	9,840
Employee benefits	25,750	21,526
Payment to providers of capital	1,247	683
Payments to government	1,526	1,421
Community investments	71	82
ECONOMIC VALUE RETAINED	3,194	4,262

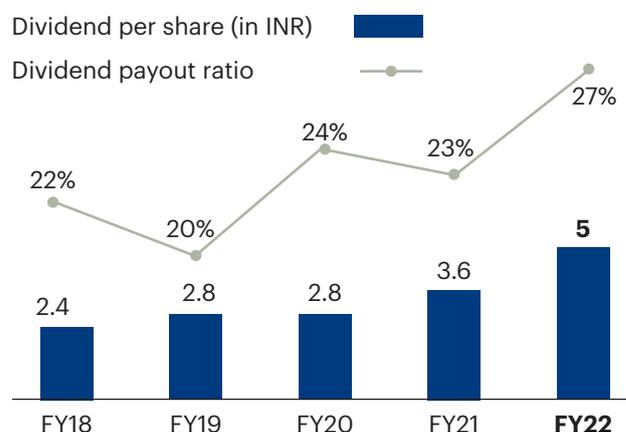
Shareholder value creation

The Company's market capitalization has grown from INR 3,190 Mn as on March 31, 2002, to INR 83,000 Mn on March 31, 2022, indicating a compound annual growth rate (CAGR) of 17.7% over the last two decades. An investment of INR 1 lac on March 31, 2002, would be INR 26.0 lacs as of March 31, 2022, excluding dividend pay-outs (adjusted to bonus issue and stock split).

Market Cap (in INR Mn)



The company has been consistently paying dividend over the years. The average dividend pay-out ratio for the last five years has been 23.3%, reflecting Zensar's commitment toward creating wealth for its shareholders.



Note: Stock split from INR 10 per share to INR 2 per share in September 2018

Revenue enhancement

At Zensar, our strategy refresh was introduced with defined five SFAs in Q1FY22. The focused approach has led to a better operating structure with dedicated sales and delivery units to service the verticals and geographies.

The SFAs have been evolving steadily according to our plan, allowing us to customize the

offerings for clients as they undergo digital transformation with renewed urgency. The results of operationalizing the five SFAs are visible in the Company's topline growth. The revenues for FY22 were 42,438 Mn in INR and 569.4 Mn in USD, registering a growth of 15.7% (INR) and 15.3% (USD) respectively over FY21. The current order book stands at USD 165.6 Mn as of March 2022.

USD 569.4 Mn

Revenue in FY22

70.5%

Proportion of revenue from the US in FY22

On the geographical segment front, the US and Europe witnessed consistent growth throughout the year, while the hi-tech and financial services segments delivered on the verticals front. In addition to our core services, our emphasis continues to remain on experience services, data analytics, and advanced engineering, as the drivers of revenue growth over the medium term.

The Company has signed multi-SFA deals with distinguished clients in the banking, financial services, and insurance (BFSI) segment in Africa and a large retailer in the US showcasing the success of the strategy refresh exercise.

During the year, our counts of USD 10 Mn+ and USD 20 Mn+ clients increased by 2 and 2, respectively. The number of clients contributing more than USD 10 Mn revenue increased by 4 during the year, thereby contributing to the overall revenue growth recorded by the Company.

M3bi acquisition

SFA-driven M&A is one of the identified growth pillars of Zensar. The acquisition of M3bi, Arizona (USA) -based IT service company was driven with the objective of enhancing capabilities in data engineering and analytics and advanced engineering services. The total consideration paid for the acquisition was USD 21.6 million along with performance-based payment of USD 7 million spread over 36 months, fully funded via internal accruals.

Cost optimization measures

During the year, Zensar's EBITDA margin contracted by 322 basis points (bps) YoY, primarily due to challenges in the availability of skills, rise in input costs, surge in employee salaries, retention costs, and attrition.

To address the operating headwinds, the Company implemented the following measures to gradually recover and subsequently improve the margin over the short-to-medium term.

- Revamped hiring strategy with emphasis on campus/graduate hiring alongside adequate emphasis on their training and development requirements. We continue to invest in fresh talent.

- Repositioning of delivery locations within India, to satellite centers and expanding footprint in nearshore locations like Latin and South America along with Eastern Europe.
- Active conversations with our clients for selective revision in rate.
- Improving utilization and volume mix.

Increase in DSO

In FY22, our direct sales outstanding (DSO) increased by 13 days, compared to the previous year, due to inadvertent one-time delay in billings for a few clients in Q4 FY22. We expect the situation to normalize in coming quarters. We will continue to undertake initiatives such as operational levers, tactical



compression, structural changes, and implementation of new-age information technology (IT) tools to keep the receivables cycle range-bound and stabilize it in the future.

Capital allocation

The cash and cash equivalent of INR 11,800 Mn as at the end of the year, reflects robust liquidity on the books of our Company. We continue to scout for potential value-accretive acquisition opportunities that will enhance the Company's value proposition in the market and strengthen our capabilities. On the pay-out front, during the meeting on January 24, 2022, the Board recommended payment of an interim dividend at the rate of INR 1.5 per equity share for FY22. The company also announced a final dividend of INR 3.5 per equity share in the Board meeting on May

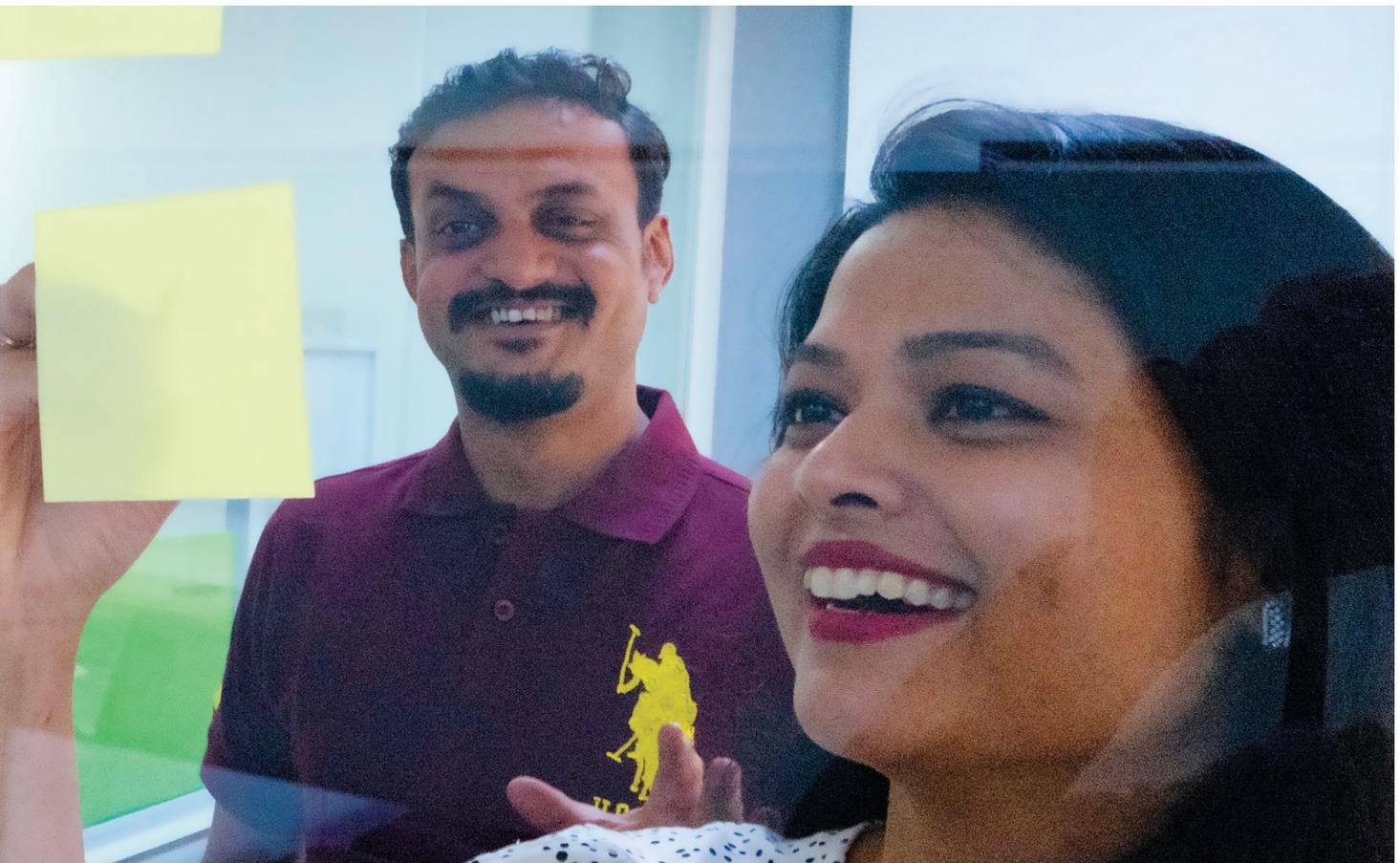
10, 2022, to be approved by the shareholders in the ensuing AGM. With this total dividend pay-out including interim dividend for FY22 will be 250% (INR 5 per equity share).

Accelerating digitization to enhance efficiency

At Zensar, we believe that leveraging the use of technology can transform our business operations and bring efficiency in the decision-making process. Improving productivity, accuracy, and cost optimization are a few objectives achieved through digital transformation of our finance function. Our endeavor is to continuously improve our processes to develop unique solutions.

Following are the select digital initiatives undertaken during the year:

- Implemented the use of BOTS in intercompany invoice accounting and the US payroll accounting processes
- Upgraded to ZenAccurate 2.0 - Improved from tactical pricing management involving semi-integrated processes to strategic pricing management with end-to-end integration of the quote to cash system enabling advanced analysis dashboards, valuable business insights, and efficient project management.
- Introduced ZenFulcrum - a digital platform which governs the project definition and resource management part of process and provides necessary data to finance for efficient revenue and project management.



Human Capital

Empathetic and agile, innovative and bold, our teams at Zensar collaborate every day to help clients Think Velocity and make smart wins. Our teams embrace the diverse and the unexpected, unlocking new ideas that unveil fresh insights, innovations, and lead to new directions.

Guided by our people- first and inclusive culture, we transform these ideas into impactful solutions for our clients and communities. We invest to enhance our people’s competencies and capabilities, empowering them to innovate and take on more responsibilities.



Vivek Ranjan

Message from our Senior Vice President and Chief Human Resources Officer

“Employee wellbeing, happiness, learning, and diversity form the core pillars of our human resource endeavors. With lessons on connectedness and wellbeing acquired from the pandemic, we have adopted a hybrid work model with a healthy mix of work-from-office and work-from-anywhere. Through our happiness framework we periodically gauge the happiness and satisfaction of our employees. We also design policies and take initiatives to ensure that our teams stay motivated and well connected to perform better. Our aim is to deliver excellence while upholding employee wellbeing and ensuring learning and constant growth. A happy, resilient, and agile ecosystem can encourage our teams to upskill, engage and respond with high velocity”

Key highlights

11,839

Global headcount (temporary + permanent)

30%

Percentage of permanent women in workforce

61.8 hours

Average training hours per employee (temporary + permanent)

1,696

Freshers hired

60

Diverse nationalities

A dedicated **diversity and inclusion (D&I) council**, comprising 60% women representation

Inputs

- Happiness drivers
- Digitization of processes
- Investment in learning and development
- Inclusion policies, programs, and initiatives

→ Outcomes

- Productive and resilient workforce
- Agile employee experience
- Skilled and competent workforce, providing exceptional client experience
- Employer of choice for top talent
- Inclusive and equitable environment



Contribution to SDGs

Our goals



Gender diversity

Achieve 40% gender diversity by FY35



Training

Achieve 80 average hours of training per employee by FY30



Code of conduct

Achieve 100% code of conduct training for employees



Transparency and fairness

Continue our commitment towards sustaining a fair and transparent whistle-blower policy

Grow, Own, Achieve, Learn

As a leading experience engineering and technology solutions company, we put significant emphasis on employee learning, happiness, and agile practices. With an overarching focus on happiness, we envision an unparalleled and positive working environment with improved performance. We focus on onboarding and nurturing talent who can align with and strengthen our mission to enable enterprise velocity.

At Zensar, we create experiences and solutions that cherish people, performance, and the planet. Be it in the value we create for our clients, or the growth we envisage for our employees, we follow a people-first approach. There are four pillars that define our value proposition: Grow, Own, Achieve, and Learn. These pillars enable the employees to respond with velocity rather than reacting with speed.

In view of making our employees future-ready, we have rolled out several leadership programs. We conducted a global immersive learning bootcamp on people leadership, for our front-line people managers. The bootcamp, conducted for 500+ managers, strengthened their understanding on leading teams and elements of connectedness as well as covered solutions to people-related challenges.

In FY22, we launched a next-generation learning platform for employees to create an individual development action plan (DAP 2.0). This AI-enabled platform maps the learning needs to the learning offerings within the organization and makes fitting recommendations. Moreover, the programs – FIT LeAP and ACE LeAP – continue to enhance the leadership skills of our employees. For senior leadership we have programs in partnership with premier MBA colleges across the globe.

Happiness creates a more productive workforce

Happiness lies at the core of life at Rama Prasad Goenka (RPG) Group. We are on a constant mission toward employee happiness and wellbeing. In this regard, we have designed policies, built processes, and adopted initiatives that align with our happiness framework. We go beyond gauging employee satisfaction; we conduct holistic happiness surveys to measure our employees' contentment, happiness, growth, and passion to be a part of Zensar.

Our work-from-anywhere flexibility, customized wellness programs, inclusion initiatives, and focus on advanced skills up-gradation are aligned with the vision to create a happy workforce. A diverse Happiness Global Council constituted at Zensar took charge

to continuously review existing programs, policies, and initiatives to cater to increased happiness and engagement at the workplace.

82%

Happiness survey score, up from 75% in previous year

Some of the high-impact, employee-driven innovations include auto-setting for meetings to be shorter by 5-10 minutes to allow a break between meetings and reduce burn-out, informal connect and meet culture to strengthen working relationships, and virtual tea connect with teams. There are also initiatives supporting Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ+) individuals and a gender sensitization program for all people managers, guilds and communities to develop tech talent, managerial effectiveness training, and an Engagement Playbook for managers to drive the happiness journey.

Harnessing talent, empowering lives

We hire the right talent and nurture them to achieve excellence. We have a strong focus on campus hiring and it provides a platform for many engineering graduates to enter the world of information technology services. In addition to technology graduates, we hire

from premier B-schools across the country. We induct fresh as well as experienced talent in our offices across the US, the UK, South Africa, and India.

We ensure that no candidate is discriminated against, based on their race, creed, caste, color,

ancestry, religion, age, sexual orientation, gender identity, disability, marital status, or any such distinguishing factors during recruitment. We identify under-represented demographics in our global employee population and address it through comprehensive talent sourcing strategies.

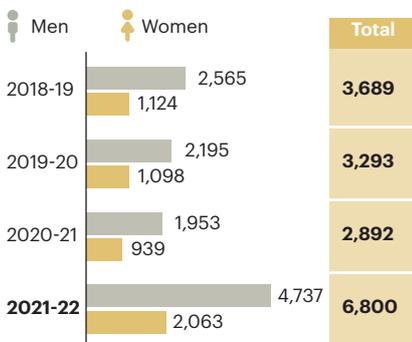
Joining the Zensar family

We have a 100% digital onboarding process, and all hiring-related procedures are completed remotely. Our hiring procedures and related documentation are driven through an internally developed application called Talent@Zensar. After onboarding, the candidates undergo various induction and training programs like the Lateral Induction, Campus to Corporate induction, special training in technologies, and so on. These are intended to help the employees adapt well in to our Zensar culture and be equipped to deliver with excellence.

Employees hired by age group

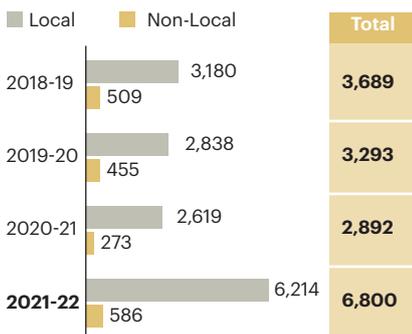
Age Group	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
<30 years	4,024	1,698	1,961	2,105
30-50 Years	2,573	1,063	1,181	1,439
>50 Years	203	131	151	145
Total	6,800	2,892	3,293	3,689

Employees hired by gender*



*The data does not display LGBTQ+ numbers separately

Employees hired by residential status**



**Employees who have been hired in the country of their nationality



CLADeTHON – the velocity thinkers

The CLADeTHON is an initiative to integrate our freshers into the Zensar vision and focus on velocity. It gives young people an experience of real-life project milestones through a coding competition, making it a confluence of innovation, coding, and fun. This initiative is designed for all the freshers joining throughout the year for SFA, VBU leaders, and SMEs.

The participants are divided into batches with a heterogenous mix of

developers, testers, and business analysts. The problem statements are based on their domain and the participants are assigned mentors to guide them throughout this program. The program comprises a three-day hands-on coding activity with defined milestones such as BRD, feature prioritization, and solution approach.

Apart from coding, several activities are planned for the teams, including interaction with leaders, entertainment activities, sunset meetings, and quizzes at midnight. The objective is to bolster the morale of participants. They have the opportunity to present their work to the leadership team of our business units during the evaluation

rounds conducted during these three days. The Chief Technology Officer (CTO), Chief Operating Officer (COO) and SFA Heads are invited to view the teams' work during the final judging round and declare winners during the grand finale.

The event of FY22 was a remarkable success, and various solutions were built and presented by freshers who joined between November and December 2021.

The initiative succeeded in embedding the importance of thinking through the prism of velocity, when agility and purpose matter.

Human assets, our core strengths

As an equal opportunity employer, our policies, compensation, and rewards uphold these values. We offer competitive compensation in the market and our pay-mix, incentives, recognition policies, and benefit schemes are aligned with our company's vision. We have robust systems and processes to ensure that there are no human rights violations. These processes also ensure that there is no forced or compulsory labor and no child labor as part of our operations. Further, none of our operations is at risk for incidents of child labor and forced or compulsory labor.

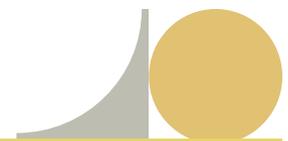
Celebrating diversity, enabling inclusion

Our philosophy on diversity and inclusion rests on two factors - include and impact. We take pride in having built a culture of inclusivity in our company and it encourages collaboration and mutual respect.

We are an equal opportunity employer with a focus on hiring a diverse workforce. Our focus on increasing the share of women employees in the workforce resulted in 29.3% of women hires in FY22 across permanent and temporary employees and 30% across the permanent employees in the workforce. Being a signatory member of the UNGC Network, we cater to its sustainability principles. We also have a CEO

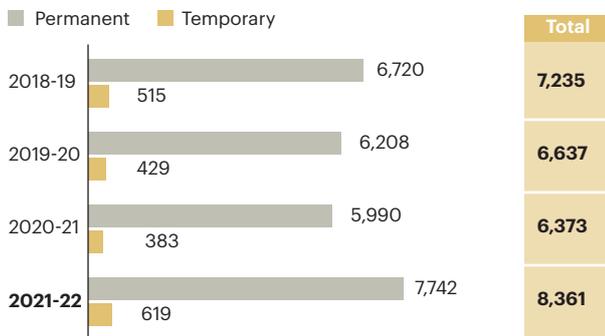
statement issued to support Women Empowerment Principles with UN WEPs. Further, a Global D&I Council has been specially constituted along with the Diversity and Inclusion Center of Excellence to drive the inclusion agenda.

Our policies that support inclusion consist of special referral bonus for hiring women candidates, flexible working hours, sabbatical for handling personal critical situations like maternity complications, bereavement leave, surrogacy leaves, and adoption leaves for single parents. Furthermore, owing to our dedicated and continuous efforts toward inclusion, we have successfully reduced the gender pay gap at some levels in the company. We also introduced insurance for same sex partners to address the needs of the LGBTQ+ employees.



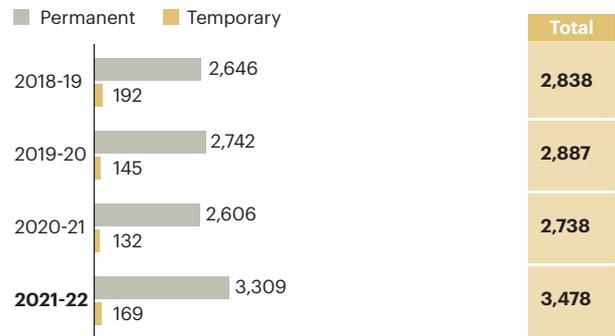
Our human assets*

Men



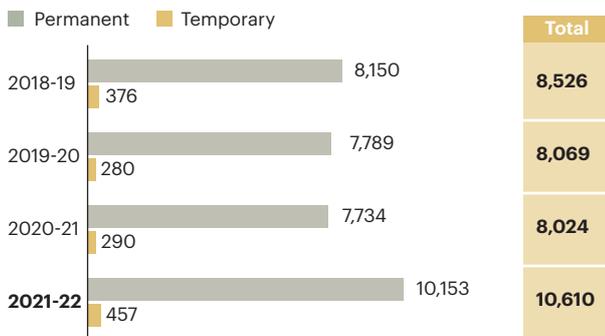
*The data does not display LGBTQ+ numbers separately

Women



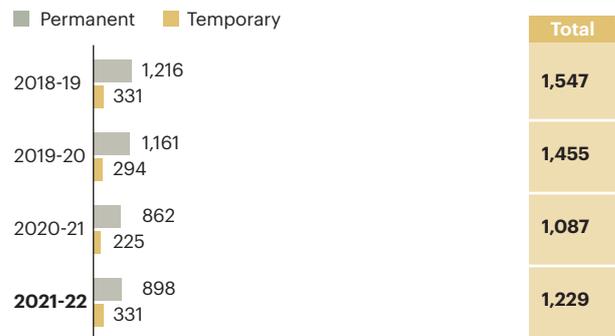
Total employees by region**

Local



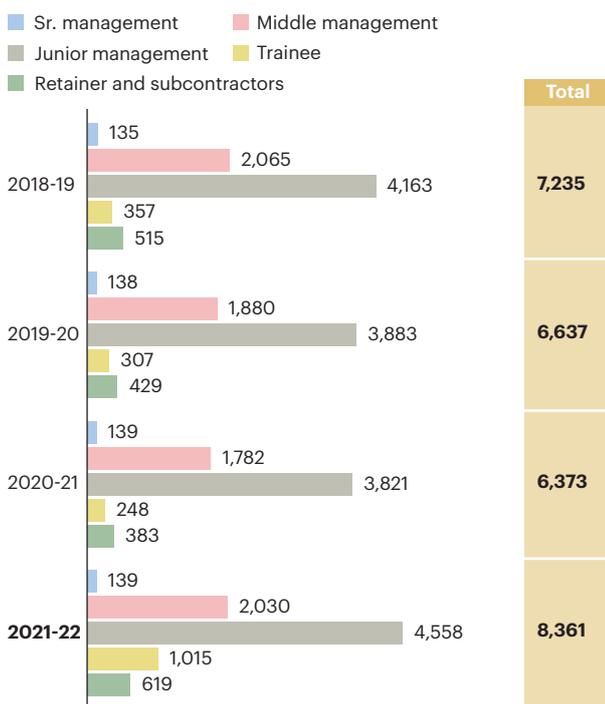
**Employees who have been hired in the country of their nationality

Non-Local

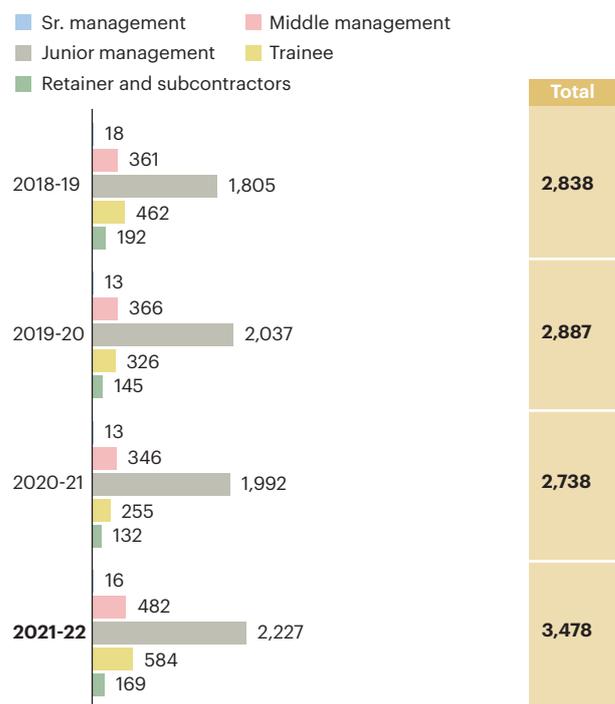


Total employees by designation

Men



Women



Total employees by age group

Permanent

Age Group	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
<30 years	5,028	3,483	3,751	3,990
30-50 Years	5,668	4,857	4,918	5,134
>50 Years	355	256	281	242
Total	11,051	8,596	8,950	9,366

Temporary

Age Group	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
<30 years	192	114	156	208
30-50 Years	500	334	363	447
>50 Years	96	67	55	52
Total	788	515	574	707

Empowering initiatives

We have adopted manifold measures to boost diversity and inclusion at Zensar. There are initiatives like partnerships with day-care centers near the workplace, pregnancy care

program, virtual support groups, and parenting workshops. We have initiated the Enliven program to bring women back to the workforce, post a sabbatical.

Further, Womentoring, our special mentoring initiative ensures women top talent and leaders support balanced leadership and focus on nurturing women leaders. We regularly host communication campaigns to build awareness around days and themes like World Autism Day, World Health Day, World Day for Cultural Diversity, International Day for Biodiversity, Global Day of Parents, and so on.

We also launched an ally group for the LGBTQ+ community called PRISM, and another ally group – who attended a sign language program – for people with disabilities. Our veteran hiring program in the US has been well received and work-from-anywhere model for engineering freshers has given opportunity to young talent from Tier 2, Tier 3 cities in India.

Launched

PRISM

an ally group for the LGBTQ+ community

Enlivening our women workforce

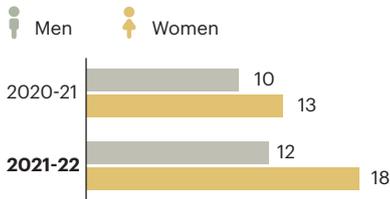
Enliven is one of our key D&I initiatives, as we expand our vision to create gender balance and bring in more inclusive practices, creating a progressive culture. We have been consistent in our pursuit of creating an ecosystem designed to help women professionals take the right strides in their career re-launch.

We believe that a gender-balanced workforce is crucial to an organization's success. Women bring skill, experience, perspective, and diversity to Zensar. The Enliven initiative facilitates the reintegration of women into our workforce.

We embarked on this journey by doing a pilot in one of our SFA

units. We onboarded 14 women candidates as interns and trained them on SFDC technology for various roles that were open by considering their previous work experience. As per our standard process, post the evaluation, we offered the deserving candidates full time roles with us and onboarded them.

Diversity in governance bodies - D&I Council*



*The data does not display LGBTQ+ numbers separately

Accolades for our diversity and inclusion feats

We have won several accolades for our diversity and inclusion initiatives. The recognition we got heralds our efforts and their positive outcomes.

Awards in FY22

- **1st Runner-Up of the 2021 UN Women India WEPs Awards** (Transparency and Reporting Category)
- **Recognized in Blogathon contest organized by WiT, ACE** – in Top 21 at India level 2021
- **WEQUITY Tech Beacon Award** to our seniormost leader
- **Recognized in Top 5 for Most Innovative Practices** – Women Leadership Development and Top 20 for Most Innovative Practices – DivHERSity Policies, Most Innovative Practices – DivHERSity Programs and Companies in Diversity (Large Enterprises) and DivHERSity Champions (Large Enterprises) to our D&I Leader in 2022
- **Recognized in Top 20 for Women Leadership Development, Diversity Programs, and Companies in Diversity** (Large Enterprises) in 2021

Learning and development

In today's dynamic business environment, learning is the key to remaining relevant. The mantra of learn-disrupt-grow guides our efforts in building next-generation capabilities of our employees. Our initiatives support our employees to take ownership of their own learning and growth. We have integrated technical, behavioral, and managerial learning into our training programs. In technical learning, we focus on technical capacity building of our employees. Other training focuses on imparting managerial skills, leadership aspects, and soft skills.

Additionally, to strengthen our learning initiatives, we have launched a next-generation learning platform, to help employees create their individual development action plan (DAP 2.0) in discussion with their managers. It is designed in alignment with our happiness tenet – I am growing – and a key aspect that sets it apart is the possibility to personalize one's learning journey.

Among behavioral learning needs, employees identified **17,727** learning needs and completed courses to fulfil **14,244** learning needs. In FY22, employees completed **81,000+** learning items resulting in **80%** completion of courses assigned in behavioral DAP.



Our key learning and development (L&D) initiatives

- **TECHTONIC** - for digital skills upskilling
- **Digital academy** - focused on online training and certifications for AI and advanced analytics, blockchain, cloud, cybersecurity, intelligent automation, and Internet of Things (IoT)
- **eLearning adoption** - Total learning adoption was over 95% with achievement of 2,27,086 skill completion badges
- Freshers high-speed training and deployment with strong internal assessment framework
- Individual DAP
- Career architecture programs and certifications
- Learning enablement policies like training/certifications reimbursement
- Career counselling through mentorship and coaching as part of individual development program
- Communication excellence or ComEx Repository
- Leadership development through LeAP program

Hire, train, deploy (HTD) and experiential learning

The experiential learning initiative was launched to meet the expectations of the delivery units for resources with a wide repertoire of skills. The program concentrates on training freshers.

At Zensar, freshers are hired and trained either through the HTD (hire, train, and deploy) model or directly selected off-campus and given relevant training. We partner with various institutions in the HTD model and train the selected candidates with in-demand market skills as per our requirements.

8-10

 weeks

Time to bill (TTB) reduction of new graduates from 12 weeks

559

Freshers trained successfully

Award/recognition

Zensar won the 2022 Training APEX international Awards by Training Magazine. We have been featured as one of the Top 100 of the leading organizations that excel in employee L&D in the year 2021-22. The award ranks companies based on myriad factors like training budget, scope of training programs, business outcomes from the training and evaluation framework amongst others. The award showcases and lauds the value we attach to the growth and development of our employees.

Zensar won the 2022 Training

APEX

International Awards by Training magazine



Average hours of technical training per employee per year

Employee seniority	FY 2021-22		FY 2020-21		FY 2019-20	FY 2018-19
	Men	Women	Men	Women		
Senior management	7.5	8.3	11	14	Overall average learning hours for all levels – 51 hrs.	Overall average learning hours for all levels – 56 hrs.
Middle management	28	27	21	19		
Junior management	41	44	43	46		
Trainee	91	126	282	269		
Contractual (FTA/consultant/advisor)	7.5	21	12	14		

Average hours of behavioral training per employee per year

Employee seniority	FY 2021-22 (hrs.)		FY 2020-21(hrs.)		FY 2019-20 (hrs.)		FY 2018-19 (hrs.)	
	Men	Women	Men	Women	Men	Women	Men	Women
Senior management	21.81	19.08	24.33	27.28	22.15	23.61	13.82	15.74
Middle management	25.64	28.89	15.27	20.08	20.00	22.16	18.03	21.73
Junior management	27.68	30.33	17.94	19.38	27.19	28.32	17.07	16.23
Trainee	22.59	29.67	50.42	51.76	51.54	52.31	22.69	26.31
Contractual (FTA/consultant/advisor)	0.69	1.58	0.39	1.31	0.13	0.55	0.23	0.61

Engaging with our employees

Strong employee engagement and nurturing connections between employees helps ensure psychological and emotional wellbeing of employees, thereby enabling them to realize and contribute to their full potential. We believe in celebrating life and work, which can lead to realizing excellence.

Our communication channels include the following

ZenLounge

Our intranet, enabling employees to stay updated about all organizational initiatives, activities, and express their views

ZenVerse

An exclusive app for employees to directly connect and interact with the CEO and the leadership

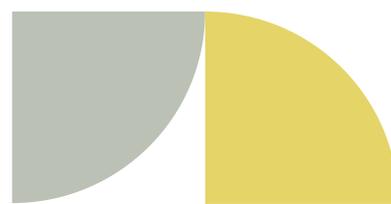
Talent@Zensar

A one-stop digital platform for employees to manage all talent related processes/ interactions

Deeply cherished culture of listening

We encourage the culture of listening through diverse channels such as skip-level meetings, leadership-connect sessions, employee pulse surveys, group-level meetings, everybody meeting, and focus group discussions.

We have designed an easy-to-use and inclusive grievance redressal mechanism as well as an escalation matrix that provides platforms for the employees to raise their concerns.



Retaining Zensar’s talent

The pandemic has intensified the war for talent. We, at Zensar, realize the immense importance of retaining our existing talent as well as attracting fresh talent. People managers play a key role in this endeavor by creating industry-leading employee experience and building a happy workforce. To address this critical need, we embarked on a voyage to equip our people managers with the right mindset, skills, and tools on people leadership.

Through an immersive learning bootcamp, we trained our front-line managers in people leadership skills. The bootcamp discussed the nuances of leadership and people related challenges in a hybrid work environment. In FY22, 500+ people managers participated in the intervention.

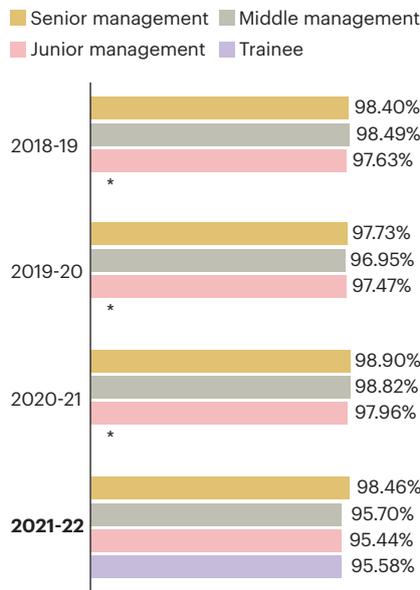
We have several monetary and non-monetary awards and a continuous recognition mechanism to recognize talent at various levels. These include Quarterly and Annual Excellence Awards, CEO Club Awards, RPG Top Gear Awards, and Spot Awards.



Ensuring the wellbeing of our teams

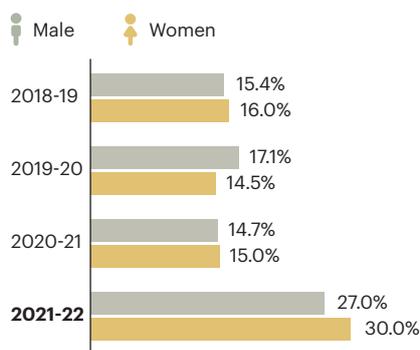
The wellbeing of our employees is of utmost priority to us, and we have undertaken several measures to support our employees to remain healthy and recover from illnesses (if any). During the turbulent times of COVID-19, we supported

Employee performance appraisal



*GO trainee go through MT confirmation process, which is outside annual appraisal, and is done 100% for all MTs

Employee turnover by gender*

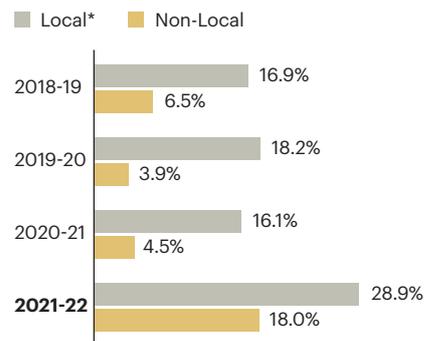


*The data does not display LGBTQ+ numbers separately

Employee turnover by age group



Employee turnover by residential status**



**Employees who have been hired in the country of their nationality

our employees in getting the right care, testing, homecare packages, emergency response, and information.

We take several measures to safeguard the good health and wellbeing of our employees. We provide health insurance, accident insurance, term life benefits,

annual health care check-ups, pregnancy care program, and employee assistance programs. We conducted 150+ sessions on holistic wellness including mental wellbeing summits. In addition to these, we have other benefits for employees such as a global work-from-anywhere policy, voluntary car insurance, car lease benefits,

national pension scheme, leave travel allowance, telephone reimbursement, fuel reimbursement, relocation allowance, and gratuity. Approximately 62% employees who availed of parental leave during the previous reporting period are currently employed with us after 12 months of return to work.

Parental leave status

No. of employees who took parental leave

	FY 2021-22		FY 2020-21		FY 2019-20		FY 2018-19	
	Men	Women	Men	Women	Men	Women	Men	Women
India	178	122	158	99	261	87	266	74
USA	0	0	21	7	17	3	32	4
UK	0	0	2	0	12	0	3	0
SA	3	0	3	0	1	0	0	0

No. of employees who returned to work after parental leave

	FY 2021-22		FY 2020-21		FY 2019-20		FY 2018-19	
	Men	Women	Men	Women	Men	Women	Men	Women
India	178	120	158	96	261	84	266	72
USA	0	0	21	7	17	3	32	4
UK	0	0	2	0	10	0	3	0
SA	3	0	3	0	1	0	0	0

Number of employees who returned to work after parental leave ended who were still employed 12 months after their return

	FY 2021-22		FY 2020-21		FY 2019-20		FY 2018-19	
	Men	Women	Men	Women	Men	Women	Men	Women
India	153	108	146	92	214	63	189	54
USA	0	0	0	0	14	2	30	4
UK	0	0	0	0	4	0	1	0
SA	2	0	2	0	0	0	0	0

Employee wellbeing during the pandemic

We organize periodic wellness sessions for our employees on physical, financial, mental, and social wellness. We conducted 32 online awareness sessions on COVID-19 with help of the Marsh team during FY22. We also enhanced the sum insured amount under the employee insurance policy in the FY22.

Further, COVID-19 vaccination drives were organized for employees and their family members at Pune, Bangalore, and Hyderabad locations. A total of 3,453 employees got vaccinated through the Company's vaccination drive. Doctors were made available for COVID-19 consultation and emergency support, and the facility witnessed an average of 15+ calls daily.

The TAZ mobile application was enabled with a special COVID-19 tab to capture vaccine details, medical support, and the location of employees. To help employees receive support via counselling, we have the Zensar Associate Assistance Program (ZAAP) which is a free and confidential service. It offers a platform to speak up and share one's worries with professional counsellors.

Occupational health and safety

Our priority is to ensure the health and safety of our people. We assess activities in our workspace to identify the health and safety related risks. Post the assessment, mitigation and contingency plans are established to minimize the risks recognized. These are further communicated to our employees to create awareness.

Awareness is created via visual aids like display of safety signages, dos and don'ts across office premises

and at equipment level to ensure safe use of given facilities.

Furthermore, the internal and external domain experts conduct training/ programs to ensure that health and safety aspects for the employees are prioritized. In FY22, a total of 124 occupational health and safety training programs were conducted, out of which 25 were for employees working from office and 99 were for the support staff.

The EHS team is involved in the identification and selection process of our service providers. EHS requirements are inspected and recorded monthly. We have a policy to cover all employees, workers (permanent and contractual), service providers and visitors coming to the unit under EHS induction programs. Besides, the EHS team provides training on systems improvement, environment impact aspect assessment, and ISO 14001 and 45001 compliance standards. Specific training for material handling, material storage,

and chemical safety are provided to relevant category staff and workers depending on their job profiles.

Disaster and incident management

We conduct half-yearly training related to disaster and incident management including fire, natural calamities, accidents' response and First Aid, environmental emergency, chemical spillage, snake and animal bites, terrorism, and mob violence. All our premises have emergency response plan with roadmap and incident reporting flowchart at appropriate locations. Additionally, safety during travel is considered of utmost importance in our EHS practices.

In FY22, there were zero work related injuries reported from our operations. FY22 witnessed zero instances of work-related ill health among our employees.



Intellectual Capital



We enable clients to achieve purpose-led velocity on the strength of our intellectual capital. Our intellectual capital comprises our knowledge-based intangibles, which provides us with the core competitive advantage. Our co-innovation model for research accelerates the propensity toward innovation that is aligned to our client’s vision.



Prameela Kalive
 Message from our Chief Operating Officer

“We strive to unlock opportunities for our clients to thrive and tackle the challenges of tomorrow through innovative technology solutions. Fostering smart connections and enabling continuous knowledge exchange are core to our innovation ecosystem, which is focused on driving velocity and enterprise agility. Our guilds and communities are an integral part of this innovation ecosystem and together, with other cross-organizational initiatives, they are driving our goal of embracing velocity.”

42

Number of guilds and communities formed

1,500

Number of employees engaged in our guilds and communities program

7

Patents granted (FY 2021-22)

Key highlights

3 from ZenLabs

White papers published (FY22)

46

Number of people at ZenLabs

61

Number of people at SFA



Contribution to SDGs

Inputs	→	Outcomes
<ul style="list-style-type: none"> Investment in research and innovation Innovation portfolio New collaborations and memberships 		<ul style="list-style-type: none"> Number of patents filed Recognition for innovation Number of people working at ZenLabs Thought leadership and point-of-view papers



Awards AI Breakthrough Award

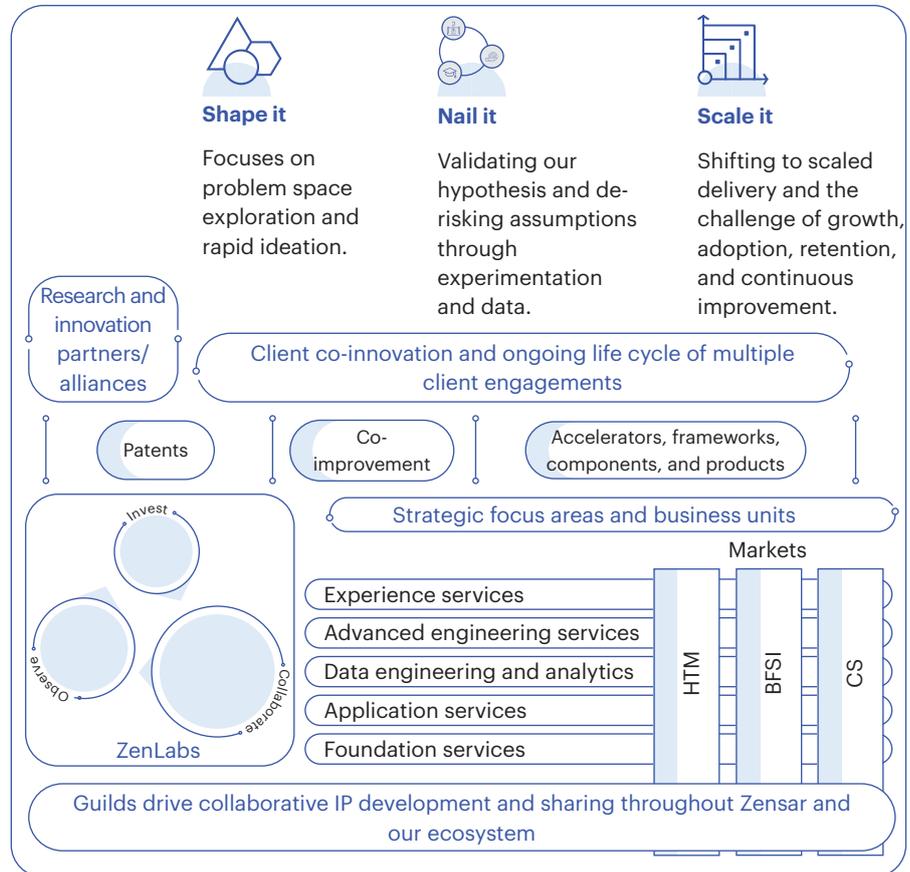
June 2021

Our clients' success is deeply aligned to our innovation and IP development ecosystem. Following the principles of human design-led engineering, we follow the shape it, nail-it, and scale-it phases to ensure that the intended human audience is getting the most value and adoption from innovation. During the early stages of the shape-it phase, our ZenLabs team collectively focuses on bringing the best-of-breed technology concepts and capabilities to emerging applications to deliver enterprise value to clients.

These collaborations, formal and informal, lead to validation and new IP generation that often results in patents. As we see the technology application patterns validate the hypothesis, we are in our nail-it phase. During this phase, our guilds and strategic focus area teams engage to further develop the IP into various forms, including accelerators, frameworks, components, and sometimes, complete products.

This IP subsequently helps our clients through the nail-it and scale-it phases to accelerate time to value and reduce risk. The feedback loop continues throughout the life cycle, via our guilds, connecting all our horizontal and vertical teams to deliver impact to our clients and also build IP efficiently and effectively. This integrated innovation ecosystem helps us stay relevant to our clients and be future-ready.

Client success aligned - innovation and IP framework



As one of the global leaders in business transformation, our rigorous research and innovation capabilities represent our cornerstones. We build our innovative capacities using our OIC strategy of observing, investing, and collaborating.

We strive to accelerate innovation through our partnerships and collaborations with clients, academia, and other stakeholders. We proactively innovate on identified technological focus areas such as NFT on blockchain, metaverse, and conversational AI to upgrade technology horizons and build cutting-edge solutions. Our acclaimed intellectual property is a testament to the innovative mindset and creativity that drives our organizational culture toward new directions.

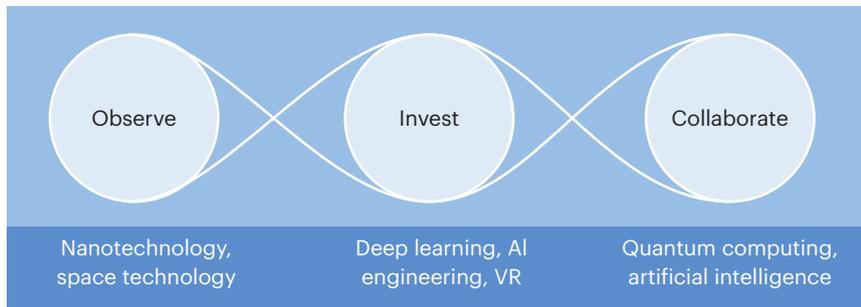
We at Zensar continuously strive toward achieving velocity and design new initiatives to power the spirit of innovation and curiosity. The guilds and communities initiative was launched to build connections among employees working in niche areas, create a community of architects in a technology domain, and foster cross-pollination of ideas.

These innovative practices further aid in embedding innovation, creativity, and curiosity into the organizational culture at Zensar. Our innovation drive is intricately linked to our stakeholders as we adopt a co-innovation approach at ZenLabs. We work with both internal and external stakeholders, following the inside-out and outside-in approach, to explore uncharted territory in the industry and pioneer modern technologies.

Innovation strategy

Our OIC — observing, investing, and collaborating — approach drives our innovation strategy within the leading-edge technological space. Technology such as quantum computing moved to collaborate from the observed category in FY22. As an additional layer to our OIC approach, we follow the categorization of technology into horizons 1, 2, and 3.

Through our investments and collaboration, we strategize to advance innovation by bringing technology from horizon 3 to horizon 2, and horizon 2 to horizon 1. At Zensar, we diligently explore and survey the latest technological trends under the observe category



Fostering academic partnerships and facilitating knowledge exchange between the classroom and industry is the key to further research and technological progress. Collaboration with various stakeholders on upcoming technologies such as artificial intelligence and quantum computing would enable us to catalyze the creative capacities and expertise of a wide range of individuals. In FY22, we introduced the following service offerings: AI engineering and ML ops, NFT on blockchain, metaverse, conversational AI, and applying AI to GIS.

such as deoxyribose nucleic acid (DNA) computing, space technology, and nanotechnology., through various research work, publications, and white papers.

We partner and invest in the development of our intellectual property through an open model of engagement with our key clients and stakeholders. We assess the market demand and technological progress in the field to explore and discover new avenues and potential partners for innovation projects. Some of the key technological domains for the partnership include cloud computing, deep learning, augmented reality, AI engineering, and blockchain. Our state-of-the-art algorithms further enhance our intellectual capital.



New service offerings

AI engineering and ML ops

We at ZenLabs, Zensar's innovation and technology group, have conceptualized a life cycle view for AI engineering that weaves salient aspects of AI development and ML ops together, to implement end-to-end AI projects at speed and scale.

NFT on blockchain

NFTs help claim or assign ownership, track provenance, and check the authenticity of any unique data/physical article by using blockchain technology. As an example, one of the oldest luxury fashion brand uses this solution for its collections trading in secondary NFT marketplaces such as the open sea.



Intellectual property

Our intellectual property emanates from the innovation-driven mindset and culture of learning innovative technologies across the organization. This requires us to dedicate time and effort to foster and enhance the capabilities of our people.

At Zensar, we strive to further strengthen our innovative and creative capabilities through working on various patent projects. We have been granted seven patents this year, including a patent on blockchain and AI, relating to organization-level information extraction, knowledge management, and analytics. The patents focus on areas such as AI-enabled meeting management, employee engagement analysis, and information flow management.

The RPG Innovation Festival is one of the flagship initiatives of the RPG Group, where the entire organization comes together to present innovative ideas and a few shortlisted ideas at the group level. This Festival has witnessed around 130 entries from Zensar in FY 2021-22, almost a four-fold increase vis-à-vis FY 2020-21. In addition to the RPG Innovation Festival, we encourage our employees to participate in hackathons and ideathons, organized at regular intervals. This helps foster team spirit and enhances the ability to understand and resolve complex problems with dynamic and sustainable solutions.

ZenLabs is the epicenter of our research and development efforts. A one-on-one connect program was initiated at ZenLabs, wherein the top-tier talent pool interacted with the CTO. We have multiple such initiatives which serve as platforms and tools for employees to enhance their abilities to think innovatively.

Conversational AI

Organizations are strongly adopting conversational AI to improve their operational efficiencies and user experience. We have a dedicated division that delivers projects based on various best practices derived from our experience in conversational AI. Furthermore, our assets like OmniCon and Zeva help us in swift, high-quality project execution.

Applying AI to GIS

GIS and automated processing of maps are one of our major focus areas. We leverage advanced algorithms of deep learning, computer vision, and hyper-automation for automated processing and understanding of maps, and to gain insights on improving business processes.

The paradigm of collaboration and connectedness is embedded in these initiatives. One such initiative connects the employees pursuing PhDs to at least one live project at ZenLabs. This enhances their skillsets in engaging with clients and integrating theory and practice.

Our co-innovation model of engagement enables us to stay attuned to industry demands and helps position us as a preferred technology enabler to our valued clients. Through our strategic focus areas, we go beyond the provision of technical solutions to working on co-innovation projects with clients. We endeavor to be the frontrunners in technology through emphasis on continuous learning and development. It is critical for

our growth that we effectively manage our intellectual property throughout our projects. We create products and platforms that have the potential to generate non-linear revenue and new revenue streams.

The strategy of supplying IP-based services to our clients allow us to capitalize on the white spaces for accelerated expansion, improve our credibility, and build the confidence of clients. Additionally, we connect with our esteemed clients through customer innovation days to explore the art of possibilities and demonstrate thought leadership.

The M3bi acquisition has further broadened our client portfolio with the addition of marquee names and widened the array of services at

the disposal of the combined client base with the aid of our global reach, presence, and network. M3bi has also enhanced our current horizontal service offerings that drive digital transformation for our BFSI segment clients alongside other verticals. The acquisition is likely to drive the following synergistic benefits:

- M3bi to augment our data engineering and analytics capabilities
- M3bi to bolster our digital engineering capability
- Extending the entire range of our services to M3bi's client base

S. No.	SFA	Unique solutions
1	Experience services	<ol style="list-style-type: none"> 1 Digital onboarding accelerator: Zensar's digital onboarding accelerator is a plug-and-play solution to accelerate customer journey digitization for insurers. Awarded the best solution under Adobe's Fly Towards Amplify Program, it is built on top of Adobe Experience Cloud and Adobe Document Cloud. It digitally enables intermediaries/agents with features, including: <ul style="list-style-type: none"> • Prioritization of the implementation of modules in the insurer's existing ecosystem • Omnichannel capabilities with a mobile-first approach, catering to intermediaries' requirements • Resolution of customer onboarding and service processes • An integrated conversational platform • AI-based automated form conversion, mobile-first, and modular architecture driving reuse, forms as-a-service 2 Customer centricity accelerator: Our customer-centricity framework helps our clients' C-suite measure organizational performance on customer-focused learning, and provides actionable insights to drive change and develop a customer-focused learning culture.
2	Advanced engineering services	<ol style="list-style-type: none"> 1 Velocity stack: Velocity stack is a ready-to-deploy, full-software stack that accelerates business initiatives. It delivers a domain-centric, experience-led, engineering-driven approach for cloud-native transformation at velocity. It is a full stack comprising plug-and-play frameworks and future-state reference architectures, intelligent automation and reusable components, technology platforms, and domain-oriented solutions.

S. No.	SFA	Unique solutions
3	Data and analytics	<ol style="list-style-type: none"> 1 Intent identification and anomaly detection: Intent modeling and sentiment analysis for client service requests, resulting in easier identification of emerging trends/anomalies to take strategic actions. 2 Assist financial advisors via conversational AI: Platform to enable financial advisors to take quick decisions produced by churning market and news data. 3 Immersive reality accelerator: Expedites the manual process of exporting 3D models by predicting the material and texture information of a product using videos/images. 4 Mint digital art on blockchain platform: Platform for minting NFTs for digital art on behalf of a renowned auction house for its clients. 5 Channel partner analytics: Analyzing partner's behavior/pulse and driving DMC adoption on external mediums – partner's social media, blogs, and websites. 6 Data harvesting and continuous learning: Supports the selection of a smaller number of tuples, from user logs in production, to be added in training data for high impact on accuracy.
4	Foundation services	<p>Digital security</p> <ol style="list-style-type: none"> 1 Zensar's MDR (managed detection and response) platform: An automated investigation and response service to provide end-to-end security to enterprises. 2 KeyCert: A mature and tested framework that provides a 360-degree view of PKI and certificate management and automation, reducing time-consuming certificate processes. 3 IAM (identify and access management) solution with AaaS (automation-as-a-service) capability: Based on zero-trust IAM framework and spans any architectural boundaries, including on-premise, cloud-first, multi-cloud, or any combination of these. 4 Threat prevention services: We perform as-is cloud security assessments by identifying vulnerabilities and threats in cloud workloads. We help clients secure their perimeter from known, disclosed, and unknown threats through the next-gen firewall-as-a-service. <p>Digital infrastructure</p> <ol style="list-style-type: none"> 1 ZeRP™ (Zensar enterprise resiliency platform): Provided a one-click disaster recovery to ensure seamless failover and failback of SAP HANA and interdependent systems across on-premises, hybrid cloud, or any combination of public clouds delivered at customer terms. 2 ZenEngauge, ZenBaaS, and ZenTCO: These accelerators can help in 100% accuracy in cloud workload profiling with up to 30% faster cloud adoption and 3x reduction in TCO for workload hosting. 3 ZenShield accelerator: Can protect the client's environment from ransomware and help in creating immutable backups.
5	Enterprise SaaS and application services	<ol style="list-style-type: none"> 1 Prescient solutions: It is a comprehensive suite of proprietary solutions on the Salesforce platform. Prescient helps organizations have complete control and visibility into business decisions. It has different modules in the field service industry, automotive finance industry, among others, and solves multiple industry-specific problems. 2 Cloud RAFT: Our intelligent cloud adoption platform — Cloud RAFT (rapid action for cloud transformation) — is a proprietary platform that provides end-to-end cloud services, spanning strategy and assessment, SaaS implementation and rollouts, cloud migrations, managed services and integration services, and modern app development.

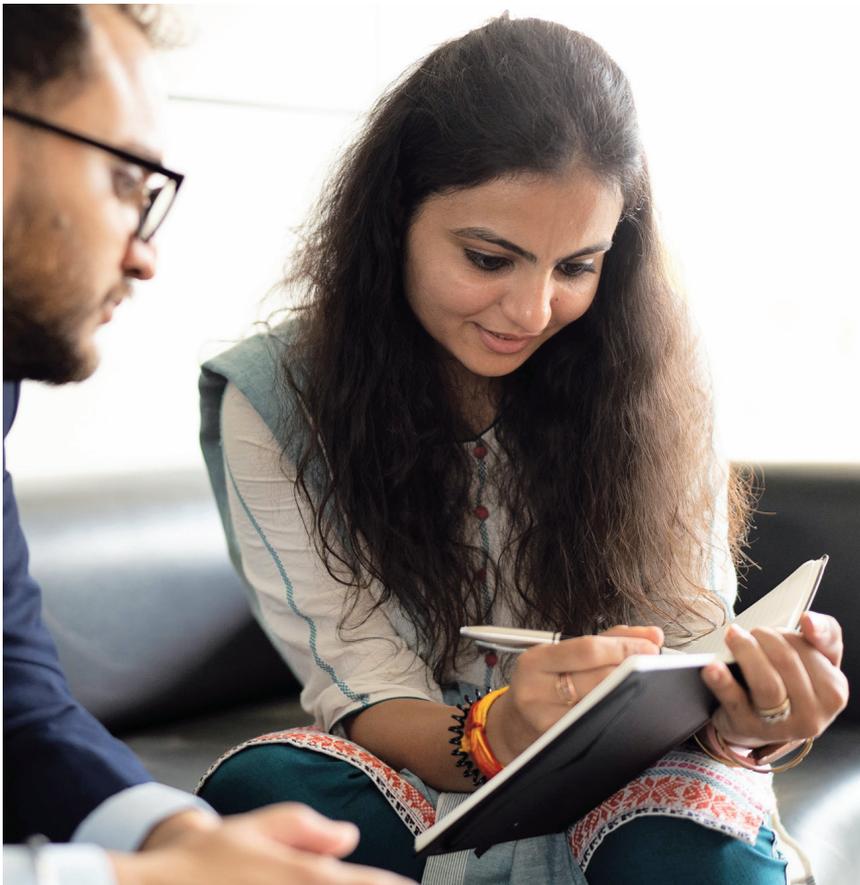
Success stories

Client overview	Solutions and business benefits
<p>Our client is an American multinational technology company whose partner network plays an integral role in the sales of its offerings.</p> <p>Our client must channel its energy toward finding and working with the right set of partners.</p>	<p>We engaged with our client in a consulting activity and implemented channel partner analytics to develop recommendations to improve the client's partner engagement program. We analyzed the partner's behavior/pulse to drive DMC adoption on external mediums — the partner's social media pages, blogs, and websites.</p> <p>Benefits achieved: Increased partner intelligence and partner engagement, identified partners that are active with minimum handholding, and improved qualified leads and license revenue.</p>
<p>We created a one-click disaster recovery solution to solve multiple application failure issues.</p>	<p>To solve the challenge of a less than optimal disaster recovery system, we deployed ZeRP™ (Zensar enterprise resiliency platform), a one-click disaster recovery (DR) platform that ensures our client's applications keep running across the ecosystem. We performed a holistic IT discovery and assessment across the client's locations to optimize the on-premises deployment of an SAP ecosystem. Our client achieved approx 50-55% reduction in operation costs, with an 80% improvement in process efficiency.</p>
<p>A US-based pharmaceutical company reimaged experience through total workplace transformation with Zensar.</p>	<p>During the peak of the pandemic, the client faced challenges due to non-compatible hardware and software on service transitions.</p> <p>The overall ecosystem was a high-touch environment. Within 12 weeks, we automated workplace endpoint management with zero touch support and self-reporting. Also, we leveraged ZenDUX, our unique solution for accelerated migration of the on-premise data to Android Virtual Device (AVD). Through technology simplification in the first year of engagement, our client witnessed improvements by up to 15-20% in both costs and productivity.</p>
<p>Giving a global medical aesthetic device company a face-lift with OCI.</p>	<p>As with most large organizations, bigger operations mean more systems that don't necessarily work together. Our client faced a similar challenge with multiple disparate systems that needed to be upgraded and integrated to tackle the challenge of low operational efficiency.</p> <p>We helped the client solve its problems with our state-of-the-art proprietary cloud migration platform — Cloud RAFT (rapid action for cloud transformation). Leveraging Cloud RAFT, we remotely moved multiple modules to cloud such as Oracle Financials Cloud, Oracle Supply Chain Cloud, and so on, with an SLA adherence of 99.99%. Our implementation resulted in multiple benefits for the client, including an 8-10% increase in operational efficiency and approx. 12-15% reduction in IT manpower costs.</p>
<p>How we transformed the way our client, a leading utility services provider, managed work orders using Prescient solutions.</p>	<p>We helped the client streamline field servicing, improve customer experience, and resolve customer queries 30% faster. Zensar's Prescient solutions for field service was the primary solution that provided end-to-end business IT support. Through intelligent reports that provide a 360-degree holistic view, we have augmented transparency and visibility in the client's ecosystem.</p>

Partnerships and alliances

At Zensar, we build partnerships for delivering quality and cutting-edge solutions for our clients. We are a Gold partner at Amazon Web Services (AWS), providing services to its clients in the UK, US, and South Africa.

There are over 700 certified cloud architects and engineers and 900+ global cloud professionals. We have also been recognized by Gartner, Avasant, and ISG as a niche player in cloud and data center services. We have built 15+ cloud-native proprietary solutions and have also designed the solution for ZenAnalytica™, which runs on AWS. ZenAnalytica™, a big data-enabled and integrated platform for end-to-end information management, offers a blend of automation, process orchestration, and easy integration to deliver analytics value by uncovering meaningful insights.



We have designed frameworks and methodologies leveraging deep domain expertise in migrating on-premise Guidewire to AWS Guidewire. We supported one of the largest cities in the US for cloud onboarding and migration expertise, and enabled them to migrate from on-premise to cloud.

The customized solutions built through AWS Control Tower provided the city with dynamic security, 100% compliance, governance for any new AWS account, as well as a fully automated account creation. We work with clients across industries and geographies to facilitate their migration to the AWS cloud and help them improve performance and scalability, integrate systems, reduce deployment time, and achieve better flexibility for reconfiguration.

Innovation centers

ZenLabs, the hub of our intellectual capital augmentation, is an applied research center recognized by the Government of India's Department of Scientific and Industrial Research (DSIR), through which we uncover innovation opportunities. It is the source of many patents resulting from ongoing research. It was first set up in our Pune campus in FY18, followed by centers in Hyderabad and Bangalore.

Unique talent at ZenLabs

ZenLabs' talent pool comprises graduates from top universities all around the world spanning a diverse range of backgrounds. The brightest minds, researchers with PhDs and extensive experience, and solution architects, bring their collective expertise to allow us to reach new milestones in technical excellence. We value our employees' creative processes and ensure that they have access to the resources they need to conduct their research efficiently.

Innovative solutions

We empower enterprises on their digital transformation journeys through our human experience-centric approach, AI-enabled solutions, and propriety platforms. This has helped us emerge as the preferred choice for various mid-size and large organizations in their digital transition towards being agile and responsive.

700

Certified cloud architects and engineers

900+

Global cloud professionals

Below are our key industry solutions introduced during FY22:



Intent identification and anomaly detection

Intent modeling and sentiment analysis for client service requests that resulted in easier identification of new trends/anomalies to take strategic actions.



Channel partner analytics

Analyzing partner's behavior/pulse and driving DMC adoption on external mediums — partner's social media, blogs, and websites.



Data harvesting and continuous learning

The solution supports the selection of a smaller number of tuples, from user logs in production, to be added in training data for high impact on accuracy.



Assist financial advisors via conversational AI

Platform to enable financial advisors to take quick decisions produced by churning market and news data.



Immersive reality accelerator

The accelerator expedites the manual process of exporting 3D models by predicting the material and texture information of a product using videos/images.



Mint digital art on blockchain platform

Platform for minting NFTs for digital art on behalf of a renowned auction house for its clients.



We have invested in key research and development (R&D) projects in FY22, including demandnova, ZAIRA/metaverse, smartassist, and white papers on distributed ledger technology – based on blockchain, among others. Details of these projects are presented in the table below.

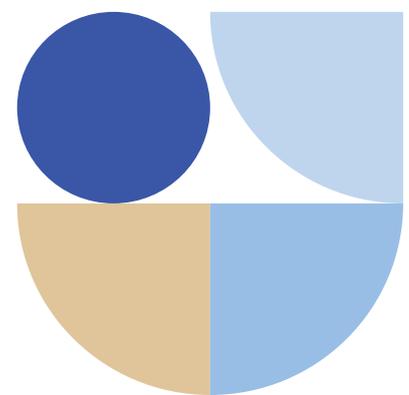
Our R&D project details

 <p>ZAIRA/ metaverse</p>	<p>We have been investing in virtual reality, augmented reality, and mixed reality for a few years already in ZenLabs. We have carried out interesting projects in this space such as the acceleration of 3D object creation via the use of computer vision and deep learning algorithms, and the creation of metaverse spaces.</p>
 <p>GUIGAN</p>	<p>The industry is exploring different applications of generative AI. At ZenLabs, we have explored the use of this form of AI for hyper-personalization and provided contextual recommendations to clients. In the e-commerce business, such recommendations are expected to be more pervasive.</p>
 <p>Lending risk</p>	<p>NoRisk™ is a multimodal lending risk assessment platform based on advanced deep learning algorithms. It aims to identify the lending risk of an active loan account. The platform can be used and customized to detect defaults and delays for active loan accounts.</p>
 <p>Distributed ledger technology</p>	<p>We are investing significantly in distributed ledger technology – based on blockchain, and have developed a white paper on the same. One of our solutions – distributed intelligent contract enforcement system (DICES™) – facilitates the conversion and deployment of plain text legal agreements into blockchain-based smart contracts.</p>
 <p>Quantum computing</p>	<p>With the adoption of artificial intelligence and machine learning, industry leaders have realized that computationally complex problems such as multi-objective optimization are hard to crack with the use of traditional and modern AI. We have started to provide training to some of our people on quantum computing and plan to take up exploration projects in this space in the next year.</p>

Way forward

For us to grow into new domains and discover white spaces, intellectual capital becomes our key pillar in developing our solutions and offerings. We can realign the core of our client delivery by better understanding and refining this capital. As a future goal, we want to increase the number of co-innovation projects and partnerships with prestigious academic and research institutions. Through these collaborations, we would further explore new technologies and position ourselves firmly as dominant leaders of technological innovation.

As opposed to a solely quantitative strategy, we would continue to focus on qualitative results in strengthening our organization and improving our value proposition. We are eager to continue our engagement in top-tier global conferences and exhibit our research publications. This helps us stay ahead of the curve and ensures long-term value creation for our stakeholders.



Guilds and communities

We at Zensar strongly believe in building relationships and being the catalyst for each other's growth. We understand the value of the human element in training and development and strive to move beyond skills and competencies. The key to success of any organization is managing its people and relationships effectively, which is the foundation of our recently launched initiative — guilds and communities.

- **Zensar guild** is a closed group of specialists and leaders of a domain, technology, or role. Entry to this group is restricted to certain members who share some pre-defined credentials.
- **Communities** refer to the open group of individuals that share a common interest in a specific domain, technology, or role. This group is open to anybody who is interested in the domain/technology space.

These platforms will help augment cross-functional knowledge and cross-unit perspectives to provide a more effective concept development. These have well-defined roles

and responsibilities in terms of knowledge sharing, co-creation, innovation, mentoring, setting standards and best practices, and representing Zensar in industry forums and events.

We now have 20 guilds and 22 communities engaging with 1,500+ employees. We are already working on having more guilds and communities identified, and gradually inculcating this practice as a culture in the organization.

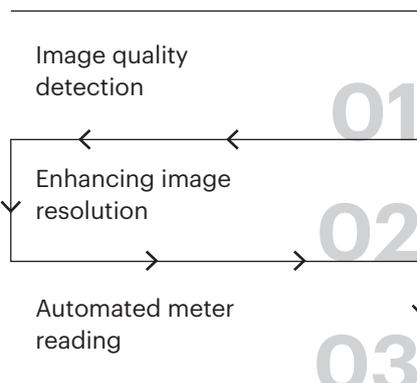
Automated billing solution

We enabled one of our clients, a leading utility service provider in the UK, to automate its billing process and minimize manual interventions. The client had followed a manual process for bill collection, where agents were deployed to capture meter readings from the customers' houses as images. These images were sent to the client, where the data was gathered for further billing.

The process required a significant amount of manual effort for the verification and billing of meter readings. Sorting these images into good or bad based on their quality and extracting readings out of these

images required the maximum amount of time and effort. Also, there were higher chances of error in classifying and reading the images due to human involvement.

To address our client's challenges, we proposed an entire process transformation solution by automating the client's end-to-end billing process. The process is divided into three phases:



We developed an image processing engine for computer vision-based identification to detect the quality of uploaded images, based on features like blurriness, darkness, and brightness. This enabled the user to focus on the images labelled as good by the automated process instead of sifting through all the images manually. The image processing engine made the process efficient with minimal manual efforts.

The solution resulted in a 70% reduction in time and workforce required for image processing during the billing process. The image processing engine improved the efficiency and accuracy of the billing process, as it can process a larger number of images with fewer errors as compared to the former manual process.



Global capacity management

One of our clients, a global development network of countries, wanted to optimize its resourcing value chain with a global capacity mapping system. The client operates across multiple countries and supports these countries in achieving their sustainable economic growth and human development. This client managed its large pool of skilled human resources through multiple systems and processes across geographies.

The presence of multiple different systems for the management of the global capacity pool posed challenges and led to an unclear view of utilization and traceability, along with auditory issues and compliance problems. The client wanted a system that could create various levels of discoverability for both local and global pools.

We designed the blockchain distributed ledger technology (DLT)-based system that allows individual country offices to have control over local skill capacities, while having discoverability for specific global capacities across the world pool. This will help de-silo the local capacity pools, while maintaining

the privacy of individual pools. The system implements smart contracts to verify and capture any unauthorized activities. Also, real-time audit trails of critical actions will be maintained in a distributed ledger.

The solution will be deployed across 182 countries and will impact the onboarding of an 8,000+ workforce and 27,000 contractors. The solution will result in a savings of USD 2 million worth of effort in skill normalization. It will also lead to a 60% reduction in audit time and cost.

Natural Capital

This capital encompasses renewable and non-renewable environmental resources that support our value creation process and enable enterprise velocity. These resources include air, land, water, and other components of the natural ecosystem. We are taking steps and instituting numerous initiatives to effectively manage waste, water, and energy to reduce our environmental footprint.



Harjott Atrii

Message from our Executive Vice President and Head, Hi-tech and Manufacturing

“The pandemic has tested the resilience of humanity and businesses over the last two years. While Zensar’s focus in FY22 was on enabling enterprise velocity to promote business growth, sustainability has remained at the core of our business practices.

Our operations span multiple office locations worldwide, and in line with our environmental goals, we are minimizing our environmental footprint at all our facilities. We have taken the ambitious goal of Net Zero GHG emissions by 2040, and have already declared our carbon reduction plan in alignment with the goal.

We continue to improve our initiatives on energy and water conservation and responsible waste management. We believe that these steps are critical to mitigate the contemporary climate crises. On our sustainability journey, we ensure that we are aligned with our stakeholders and community to contribute toward making Zensar a greener enterprise.”

Key highlights

100%
Single use plastic (SUP)-free workplace

3
Indian Green Building Council (IGBC)-certified facilities

2.16 GJ/employee
Specific energy consumption

1.32 m³/employee
Specific water consumption



Contribution to SDGs

Inputs	→	Outcomes
<ul style="list-style-type: none"> • Environmental investments • Energy management initiatives • Water management initiatives • Waste management initiatives 		<ul style="list-style-type: none"> • Renewable energy • Energy savings • Water efficiency • Reduction in emissions • Reduction in waste generated

Our goals

Carbon reduction

Achieve Net Zero GHG emissions by FY40

We are a technology and services consulting company, headquartered in India with a global presence. As part of our daily operations, we use electricity for powering office operations, data centers, local transportation for employee commuting, and air travel for visiting our global offices and client support. All these activities have an impact on the environment. Therefore, we have taken dedicated measures to mitigate the same.

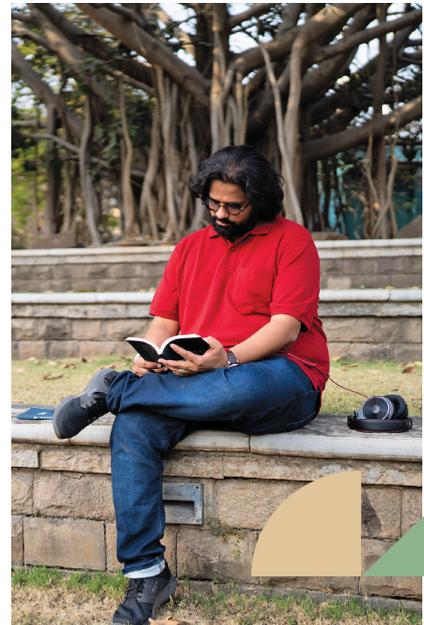
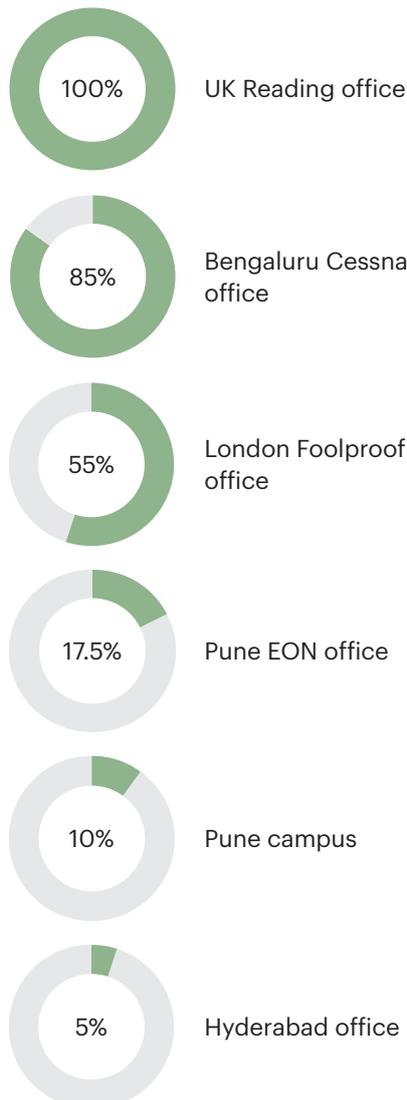
Our team across geographies closely monitor the environmental impact of our operations and drive sustainability initiatives through technological innovation such as cloud computing, energy management software, and promote sustainable infrastructure. The environment, health, safety, and energy (EHSEn) policy demonstrates our commitment to protecting the environment as well as providing a safe and healthy workplace for our employees. Moreover, all our office locations in India are ISO 14001: 2015 (environment management system)- and ISO 50001: 2018 (energy management system)-certified.

We have undertaken several measures at our premises, primarily for reducing greenhouse gas (GHG) emissions, energy and water conservation, and responsible waste management. Through our e-learning modules, we are creating awareness, sensitizing, and educating our employees about environmental protection.

Water positivity

Become water positive by FY25

Our global operations are focused on minimizing our environmental footprint through resource optimization. **As part of our global ESG strategy, we are committed to achieving Net Zero greenhouse gas (GHG) emissions by 2040.** Currently, at our India and overseas office locations, the renewable energy mix comprises:



Moreover, we have continued our investment in the procurement of renewable energy by commissioning a solar power plant of **350 kWp** at our Pune campus. We aim to increase the share of renewable energy every year across all our premises in India and globally, through leased and owned models.

We at Zensar promote technology to reduce the high emission-based employee travel. We have implemented a hybrid working model for our employees and encourage collaboration through online meeting tools to reduce our carbon footprint.

We are aware of the risks related to climate change and continue our efforts to minimize those. Our interventions aim at estimating the severity and assess the impact of climate-related crises. All our facilities located in India fall under low-impact category. To mitigate climate-related risks, we focus on mobilizing resource availability and simultaneously catering to its impact on IT infrastructure with the earliest recovery mechanism.

Energy management

Energy management is the process of monitoring, controlling, and conserving energy through implementation of energy-saving initiatives. Taking cognizance of energy conservation, we have adopted several initiatives as part of our energy management strategy such as:

- Increasing renewable energy share for our Corporate office at Pune, year-on-year
- Leasing new facilities with green building benefits
- Assessing current energy efficiency in operations and implementing energy efficiency projects

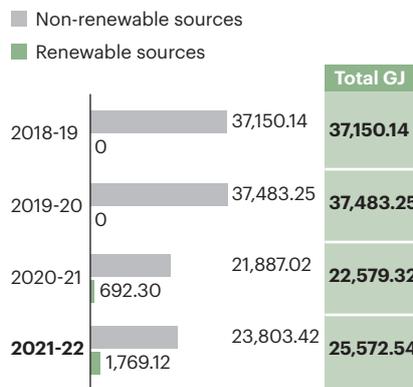
During this reporting period, our energy consumption across our operations was **25,572.54 GJ**. This comprises imported electricity from the grid, electricity consumed from renewable sources, and diesel consumed for running DG sets. We always promote energy efficiency and set targets for saving energy.

- We have implemented a mechanism to assess the real-time energy consumption at our office locations in India and installed the chiller visualization system (CVS) to monitor the energy waste at our Pune campus. As part of our energy management system, we are also identifying energy wastage by conducting internal and external audits. We have upgraded our conventional lighting with energy-efficient LED fittings and motion and daylight sensors. We have also saved energy on air conditioning by optimizing fresh air during low-ambient temperatures and improving our cross-ventilation techniques. We are optimizing the UPS

footprint at all our locations by reducing the number of UPS systems followed by the process of phasing them out as well. We have also replaced 95% desktop computers with laptops, enabling significant reduction in energy consumption and minimization of carbon footprint.

The year-on-year trend of energy consumption for our operations is as follows:

Sources of energy



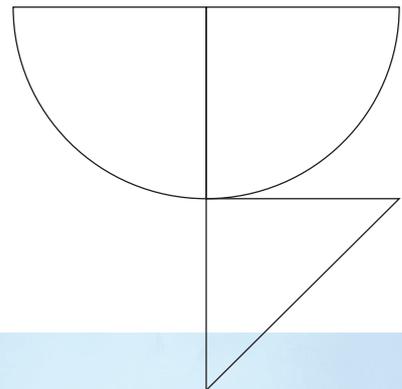
With a focus on energy saving initiatives during the year, we have been able to achieve a 2.16 GJ energy consumption per employee.

2.16 GJ

Energy consumption per employee

95%

Of desktop computers replaced with laptops



Roof top solar plant

For us at Zensar, the adoption of focused green initiatives is a step toward replacing conventional energy sources within our operations. As part of the initiative, we have commissioned the rooftop solar plant of 350 kWp at our Pune campus with a service life of 25 years.

Our futuristic step toward green and clean energy will generate approximately 4,95,052 units (kWh) per year, contributing toward reduction of 391.09 tCO₂e carbon footprint per year. This is approximately 20% of our total power consumption at our Pune campus during FY2020-21 (work from anywhere) and 10% of FY20 consumption (work from office).



Green infrastructure

Sustainability is an integral part of our company and deep rooted in our organizational culture. It is an important factor of our decision-making process. We focus on efficient use of energy, water, and other natural resources. As an outcome of our endeavors, the Indian Green Building Council (IGBC) has certified our Bengaluru (Bangalore) (in 2018 and 2020)

and Pune facility (in 2021) with the IGBC Platinum Rating Certificate for Green Interiors. Due to our continuous efforts, we expect that our other facilities in India would be certified from IGBC soon.

Emissions management

Climate change has become a serious concern across the globe. We at Zensar are committed to reducing our greenhouse gas

(GHG) emissions. As part of our ESG strategy, we have committed to reducing absolute scope 1 and 2 GHG emissions.



The following table explains the details of our GHG emissions as a result of our operations:

Scope of GHG emissions	Unit	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018 -19
Scope 1	tCO ₂ e	26.26	32.70	78.31	78.12
Scope 2	tCO ₂ e	4,503.11	4,301.03	7,966.30	7,921.56
Total emissions (Scope 1 and 2)	tCO ₂ e	4,529.37	4,333.74	8,044.61	7,999.68
GHG emissions intensity (Scope 1 and 2)	tCO ₂ e/Employee	0.38	0.48	0.84	0.79
Scope 3	tCO ₂ e	816.29	283.13	4,696.51	4,332.43

Further, we monitor the stack of our backup diesel generators (DG) set at our Pune facility for sulphur oxides (Sox), nitrogen oxides (NOx), and particulate matter (PM) emissions. During the reporting period, the emissions due to ozone depleting substances (ODS) is 2.05 kg of chloro fluoro carbons (CFC)-11 equivalent.

Water management

Water is an essential and scarce resource. Therefore, we promote judicious use of water at all our premises. It is primarily used for internal consumption in all our facilities. We aim to achieve water positivity by FY25 and make concerted efforts by implementing water conservation measures and initiatives across all our campuses. During the year, our specific water consumption was 1.32 m3/employee. The fire tank capacity of 465 KL has been excluded while estimating the water consumption.

Some of our water conservation initiatives in India include:

- Ground water recharge at Pune** - Our campus consists of 13 recharge pits located at strategic points and connected through a complex network of pipes. We do not collect and store the water received from surface run-offs. However, we recharge the ground water through these recharge pits, which improves the ground water table. **Since its inception, we have recharged an average of 28.19 lakh liters of water annually.**
- Drip irrigation** - The drip irrigation method allows nutrients and water to drip slowly into the plant roots. This minimizes evaporation and eliminates surface run-offs resulting in conservation of water. Through this method, soil aeration is maintained, leaving the soil well hydrated and conducive to plant growth, driving water conservation by up to 70%.
- Kitchen garden** - We have been utilizing the benefits of our kitchen garden since 2021. It has helped in growing fresh vegetables, which has saved the cost of purchasing them at market rates. As a sample, fenugreek and coriander leaves have been put to use in the canteen. In addition, the kitchen garden helps in collecting wastewater, thereby focusing on water conservation in our Pune premises.

Achieving net water positivity remains our priority

We embarked upon the journey to achieve net water positivity through the implementation of water-efficient technologies to optimize consumption. To implement them in our facilities, we installed sensor-based taps in the washrooms. The taps were usually left running post usage, leading to the dripping and wastage of water across our offices.

The installation of sensor-based taps were carried out by the in-house plumbing team and the task

was completed within a month. The newly installed taps operate on AC/DC supply, which does not affect the water supply in case of power failure. The taps are also equipped with an auto shut-off mechanism, which closes the water supply automatically after one minute.

This initiative led to:

- Zero wastage of water
- A 30% increase in water conservation, compared to traditional taps
- Improved confidence among users as washing hands became a touchless activity
- 80% reduction in complaints from users regarding improper functioning of taps

Water withdrawal by source (in kiloliters)

Parameters	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Freshwater	58.82	66.36	641.35	615.68
Water supply from authorities	16,448.00	13,760.00	24,261.00	43,719.00
Any other sources (Tanker)	456.00	0	25,098.00	10,240.00
Total water withdrawal	16,962.82	13,826.36	50,000.35	54,754.68

Wastewater management

Sewage treatment plant (STP) is responsible for the elimination of all impurities from the water before it is released into the drains or reused in the premises. The daily water requirement at our Pune campus is around 1.86 lakh liters with approximately 100 thousand liters of water requirement for our green cover. **To meet the landscape requirement, we have installed an in-house STP, which recycles around 80% of the consumed water (freshwater and flushing water) daily.**

As no water is discharged into the municipal drains, we are a zero

waste water discharge facility that recycles and reuses water consumed in our daily operations.

Waste management

We have a well-managed waste segregation system, which separates waste at the source. Our waste management approach is based on the philosophy of 4Rs (reduce, reuse, recycle, and refuse) for all types of waste to prevent pollution and minimize waste generation. Hazardous waste is collected, segregated, stored, treated, and disposed of as per our waste management policy to an authorized recycler.

We strive to augment our waste reduction efforts in line with our EMS. The municipal solid waste is segregated as dry and wet waste. The dry waste is sent out to authorized recyclers whereas, the wet waste is used for on-site biogas generation. The green waste at our sites is collected, shredded, and decomposed through vermicomposting pits.

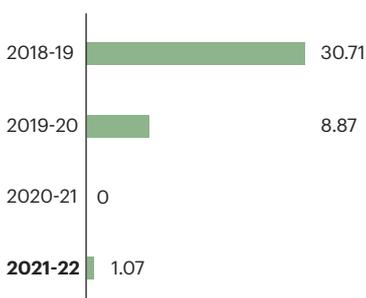
Additionally, the composted waste is used as manure for enriching the soil. Being an IT firm, we generate a huge amount of electronic waste (e-waste), which is disposed with the help of authorized recyclers.

During the reporting period, the total waste generated was 10.21 MT, out of which 1.07 MT was hazardous and 9.14 MT was non-hazardous in nature.

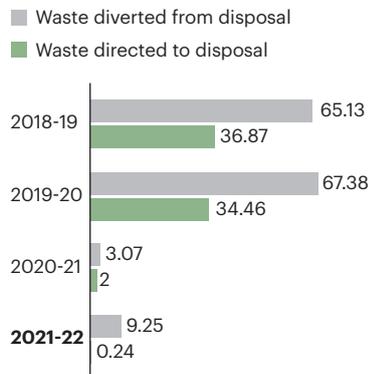
Total waste generated (in MT)



Hazardous waste diverted from disposal (in MT)



Non-hazardous waste disposal (in MT)



During the reporting period, our reporting boundary has been enhanced by the inclusion of global operations in our scope and our estimation methodology has been changed for energy, emissions (Scope 1, 2, and 3), water, and waste data. We have recalculated and restated the data for these aspects.

Biodiversity management

Effective biodiversity management ensures stability of life systems and the health of ecosystems. We abide by a strong commitment to protect and preserve biodiversity. This commitment is reflected in our initiative of adopting the biodiversity park in Pune (in collaboration with the Pune Municipal Corporation) and its maintenance.

The Park is home to **2,287 floral and 79 faunal species**. We have also managed to improve our indoor air quality by using a scientific approach toward indoor and outdoor plantations in our office spaces.

To ensure that the significance of environment protection is well understood throughout the organization, we also host campaigns, celebrate specific days of environmental significance, and organize several competitions around environmental consciousness.

Bird feeder

Our Pune campus consists of 15 bird feeders, which are refilled daily. This practice was consistently followed even during the lockdown. A number of sparrows, pigeons, squirrels, and other migratory birds are fed through these feeders.

Adopted highway cleanup

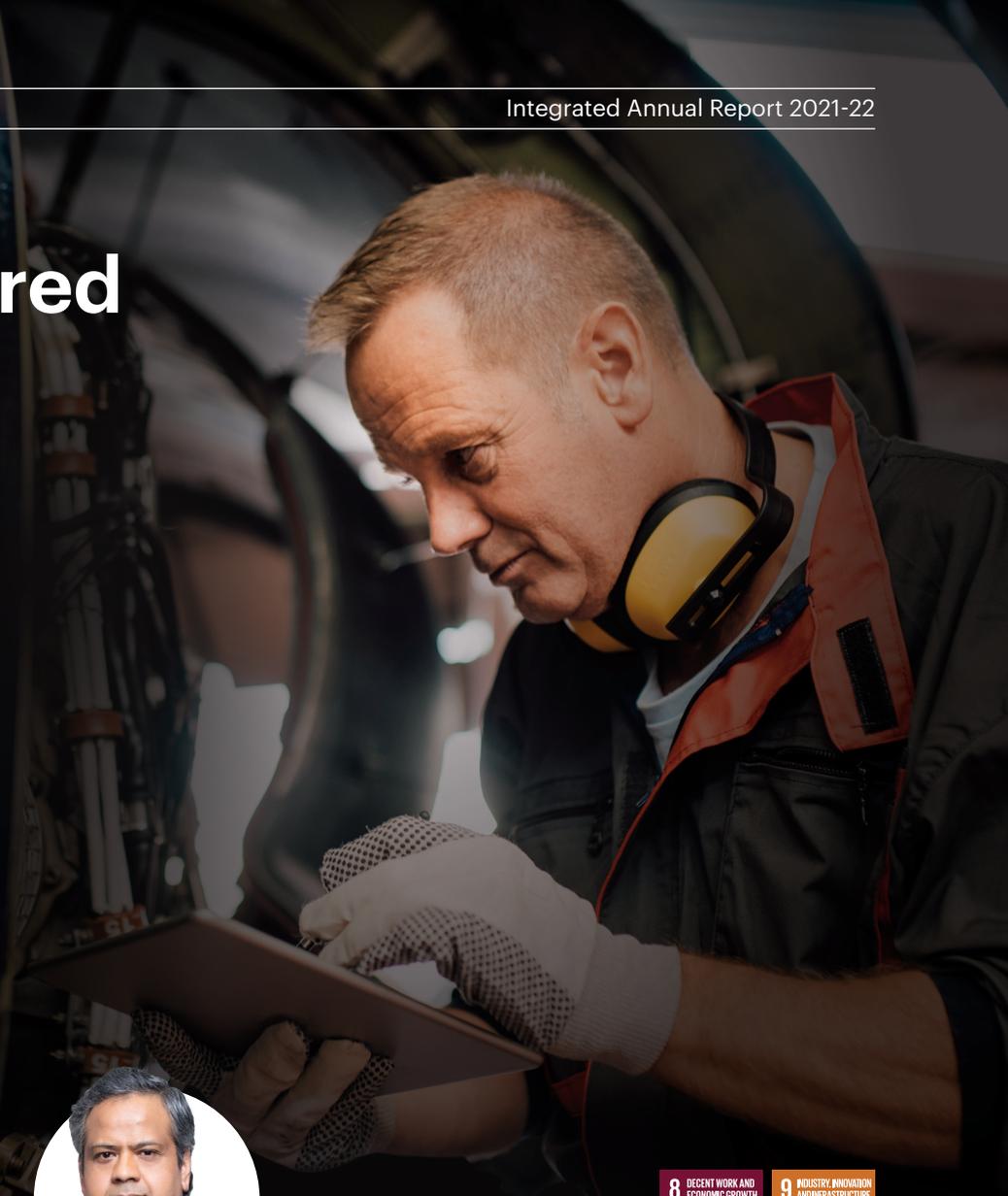
On October 24, 2019, our US team adopted a neighborhood highway in the city of Morrisville, North Carolina. As part of this initiative, we organize a cleanliness drive in which our employees participate every year. We were excited to pick this particular highway because it leads to a large cricket field which hosts a series of recreational cricket games and events, where even our RTP team has played on several occasions. We have been conducting the cleanliness drive for the past two years and we plan to schedule the next cleanup in this current year.

Environmental compliance

At Zensar, we adhere to the statutory compliance requirements in alignment with the applicable jurisdictions where we operate. We have a compliance management solution in place which helps in automating our compliance monitoring and reporting activities. It is equipped with providing instant alerts for upcoming compliance-related due dates, enabling us to submit all the relevant documents on time to the concerned authorities.

Manufactured Capital

Our manufactured capital comprising our physical and digital infrastructure is critical for us to enhance our capabilities and help our clients move forward in the right direction with a long-term vision.



Key highlights

40+

Number of offices

75

Square feet of area per employee

- ISO 27001:2013
- ISO 22301:2019
- ISO 9001:2015
- ISO 20000:2015
- ISO 14001:2015
- ISO 45001:2018
- ISO 50001:2018

Key certifications

5+

Number of global delivery centers

3

Number of client experience centers

2

Number of data centers

3

Offices as IGBC Platinum-certified buildings



Nachiketa Mitra

Message from our Executive Vice President and Head, Banking and Financial Services

“We take immense care in designing our offices with world-class physical and digital infrastructure, focused on the wellbeing of our employees, and helping them maintain high-quality solutions delivery to clients. Our campuses are designed and customized to foster collaboration, creativity, and innovation. We focus on creating agile workspaces and have implemented measures to enhance efficiency and productivity in our offices.

We have adopted a mix of work from office and work from anywhere, post the COVID-19 pandemic. We have supported our employees in this transition and have proactively invested in our digital infrastructure for emerging and hybrid work scenarios.”



Contribution to SDGs

Inputs	→ Outcomes
<ul style="list-style-type: none"> • Offices and data centers • Innovation hubs • Global delivery centers 	<ul style="list-style-type: none"> • Delivery excellence • Agile workspaces • Reduction in downtime

Our goals



Data privacy

Continue our commitment toward data privacy compliance

We are on a mission to be one of the global leaders in the technology consulting and services sector. In this journey, it is vital to create the best-in-class workspace infrastructure and allied facilities for sustaining quality and enabling a good pace of delivery.

Our facilities are ISO 27001:2013 (information security management system) certified. Our primary delivery centers in India are certified for ISO 22301:2019 (business continuity management system), ISO 9001:2015 (quality management system); ISO 20000:2015 (IT service management), ISO 14001:2015 (environmental management system), ISO 45001:2018 (occupational health and safety management system), and ISO 50001:2018 (energy management system). This underlines the importance of quality infrastructure and facilities for our stakeholders.

Data privacy is of utmost importance to our operations and services. Aligning with our goal of commitment to data privacy compliance, we undertake impact assessment and ensure corrective actions prior to the release of new as well as redefined processes. Additionally, annual awareness trainings pertaining to data privacy and cybersecurity are mandatory for all employees.

Resilient and nimble at every step

At Zensar, we are at the forefront of adopting innovative, advanced, and employee-friendly workspaces. We make significant investments toward scaling up our infrastructure to ensure a comfortable work environment for our employees, which leads to improved work practices. We have built state-of-the-art workspaces designed to maximize flexibility and create a cohesive workforce.

With the nature of workspaces changing worldwide due to the pandemic, we have embraced a hybrid work model that allows our employees to work from office or work from anywhere. This strategy has reduced commuting time and cost for our teams, while reducing real estate expenses.

Following the gradual unlocking of the economy in India and worldwide, and existing workspaces moving to conventional desks, our teams now have more options than one assigned seat.

Our dual workspace option has improved the work-life balance of employees, offering them time to take care of family requirements and personal wellbeing. The hybrid model has thus helped us optimize our office premises, while improving employee productivity and creativity. It has led to the decision to forego part of the office space in Bangalore and Hyderabad. Although being in the IT services and consulting space, our carbon

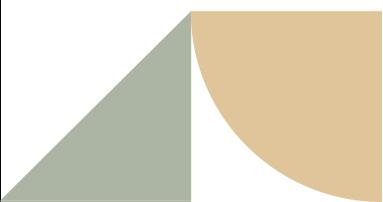
footprint is minimal. Our hybrid model will help us reduce our carbon footprint further, because of lower consumption of electricity, water, and transport.

We supported our teams in setting up workspaces at their homes during the first and second waves of the pandemic. As we empowered our employees with the tools and technologies to carry out remote work, we were able to minimize the downtime and ensure sustained performance throughout the year.

A step toward a greener tomorrow

Our workspaces comprise of industry-leading infrastructure with contemporary designs and a flexible environment that promotes collaborative and agile ecosystems for employees to interact and build solutions. The highlights of the workspaces include features like collaboration spaces, focus rooms, standing workspaces, wellness rooms, phone booths, couches, recreation areas, lounges, dry pantry, and a multi-cuisine cafeteria as well as tuck shops to offer healthier food options to our teams.

We have taken special effort to make our campuses green and environment friendly. Over 60% of our Pune campus is under green cover, which aids in creating a stress-free and productive work environment for our employees. Our focus is directed toward improving air quality and making workspaces more attractive.



We at Zensar also conduct regular programs to improve the ecological awareness of our employees. Our sustainability team received trainings on the ESG framework and metrics in FY22. The team has been a part of several workshops and sessions arranged by GRI, CII, and IGBC.

We have undertaken several initiatives toward enhancing the green cover at our campuses. Some of these initiatives include the installation of a rooftop solar plant, vermicompost system, STP, and sensor water taps. Additionally, our offices in Pune and Bangalore are IGBC Green Interiors Platinum certified by the Indian Green Building Council.

We have installed a 350 kWp capacity rooftop solar facility at our Pune campus. The initiative which costed INR 1.24 crores can generate approximately 495,052 units of electricity per year and can further reduce 391.09 tonnes of CO_{2e} annually. We extended the real-time energy management technology to our Bengaluru and Hyderabad offices in FY22.

391.09 tonnes

Expected reduction in annual CO₂ emissions with rooftop solar energy



We have developed an internal standard that defines the process and criteria for the selection of new offices that we onboard and refurbishment of our existing offices. Some of the key criteria for selecting our offices include the availability of building certifications, access to transport hubs, and safety. Our data centers in Pune and Hyderabad are integral to our infrastructure framework.

At Zensar, we have implemented significant energy conservation measures. These initiatives commenced in 2020 and include the replacing of end-of-life network hardware, server, and storage devices with power-efficient devices. It has resulted in 40% reduction in power consumption. The cloud migration and 95% instance virtualization has further helped reduce hardware footprint in our data centers.

During FY22, we were certified for BCMS, another addition to our long list of certifications. The ISO 22301 certification prepares the organization to handle unexpected business disruptions and ensures service continuity for our clients. The BCMS implementation enables the organization to build, update, control, and implement effective plans that also align with organizational operations, contingencies, and business requirements.

Robust and responsive delivery centers

Our delivery centers are primarily located in the US, India, UK, and South Africa, all of which have state-of-the-art hardware and software infrastructure, high-speed communication networks, and robust security infrastructure. Our offshore development centers (ODCs) work as extended work locations with employees working on a network, architecture, and security akin to client locations.

Key highlights of our infrastructure at these ODCs are

- Connected to the network or server room and the entire floor set-up, ODCs are equipped with safety and security measures (access-controlled entry, fire alarm system, PA system, sprinkler system, CCTV, and occupancy sensors to control lighting).

- Our systems are monitored and controlled by a BMS system for efficient-energy savings.
- Our equipment is up-to-date and energy efficient.
- The furniture we provide in workspaces are ergonomically designed and made from eco-friendly, green certified, or recycled material.
- Connectivity to the offshore delivery facility is established depending on the client's infrastructure and security software deployed.
- ISO 27001 security framework and guidelines are followed at our delivery centers.
- Corporate security policy covers personnel security, physical and environmental security, infrastructure security and systems, and data security.

Building inclusive workspaces

Our leadership ardently drives inclusion in the organization, with sharper focus on adequate representation of women and persons with disabilities (PwD) in the workforce, along with building multi-cultural and multi-generational teams.

We have committed to the Valuable 500 campaign through the World Economic Forum. As a part of our commitment to ensuring an inclusive infrastructure, our SEZ offices (Hyderabad, Bangalore, and Eon IT Park) and all onsite locations (the US, UK, and SA) are accessibility compliant.

Accessibility in our facilities include

- Access to elevators
- Washrooms designed for differently-abled employees and guests
- Ramps and handrails along the ramps

- Wheelchair access
- Priority evacuation during emergencies
- In-person support on request
- Dedicated parking lot for persons with disabilities for four wheelers and two wheelers in the parking area
- Healing rooms, doctors' rooms, and lactation rooms

People-first in letter and spirit

We are a people-first organization, and in this regard, we take an all-inclusive approach toward our efforts to ensure security of all our infrastructure assets and safety of employees. The office infrastructure, equipment, information resources, computer systems, network resources, and human assets are of vital importance to us.

It is imperative that effective and efficient security procedures are followed within the Company's

facilities, and in its operations to ensure that information and resources are available to only users, who require them.

At Zensar, we have deployed 'ZenWelcome,' a visitor management system that provides restricted and card-based access pass to office premises.

We continuously monitor our premises via CCTVs and track authorized movement of employees and visitors inside the building premises and entry/exit points, including the emergency exits.

COVID-19 protocols and other relevant procedures are strictly followed at all Zensar campuses. Our employees and external visitors are briefed to follow COVID-19 appropriate behavior when in office premises, and full vaccination (both doses) is mandatory to gain access inside the premises. Temperature checks and hand sanitization facilities are maintained at entry points and all common locations.

Enhancing overall productivity and performance

With increasing demand for talent and the need for improvement in fulfilment, we have chosen our satellite centers as one of the key measures to accomplish our skill and resource requirements. This approach has been influenced by the acceptance of work from anywhere (WFA) as a viable sourcing option.

Our satellite office in Kolkata is a pioneering step in this direction. Apart from being the biggest IT Hub in the eastern region of India, Kolkata is home to renowned educational institutions and universities, providing access to a large pool of quality human resources.

The presence of around 500 IT and ITeS companies operating in the state, along with the support of the State Government are key drivers for the selection of Kolkata for our first satellite office.

Moreover, Kolkata has one of the lowest attrition rates across all metros, and the availability of talent

is consistent with our demand identified in the areas of core engineering, data management, analytics, and testing.

The office is housed in an Indian Green Building Council (IGBC) Platinum-rated green building and has all adequate facilities, including parking. We undertake adequate initiatives for waste, water, and energy management. The building complies with NBC 2005 for planning and adheres to all conditions set by the SPCB. It also implements the 3Rs (reduce, reuse, and recycle) policy in diverse ways.

Social and Relationship Capital

Key highlights

15,650

Lives touched through community development initiatives

92,356

Lives touched through COVID-response initiative of fever clinics

1,125

Total volunteering hours

99%

Procurement budget spent on local suppliers

INR 584.65 lacs

Total CSR spend



Chaitanya Rajebahadur

Message from our Executive Vice President and Head, Europe

“Zensar continued to support communities impacted by the pandemic globally through FY22. As the world slowly recovered from the pandemic, we initiated the revival of resilient and smart connections with all our other stakeholders, including clients and partners. We believe in the principle of a human-centric approach combined with the power of leveraging technology to build relationships with our stakeholders. Aligning with our focus on driving action with a purpose, we strive to solve key challenges around employment, education, and healthcare, thereby enabling equitable and sustainable development in communities. We actively collaborate across teams and geographies to work toward our goal of impacting 225 thousand lives through our community development initiatives by FY30. Through our community programs in FY22, we expanded our outreach to reach one step nearer to our goal.”

This capital elaborates upon the institutions and relationships between communities, groups of stakeholders, and other networks, and the ability to share information to enhance individual and collective wellbeing. To drive collective action with a purpose, we cultivate transparent and long-term relationships with our key stakeholders, including clients, communities, investors, suppliers, and vendors.



Contribution to SDGs

Inputs	→ Outcomes
<ul style="list-style-type: none"> Expenditure on community development projects Procurement spend Customer base Employee volunteers Strategic alliances and partnerships 	<ul style="list-style-type: none"> Impact of community development projects Client engagement survey scores

Our goals

Community development

Reaching 225 thousand lives through community development initiatives by FY30

At Zensar, our priority is to nurture transparent communication with our clients, communities, investors, suppliers, and vendors to gather their valuable perspectives and derive actionable insights. A long-standing relationship is created with stakeholders with an active partnership in activities like generating local employment and creating a positive impact in the local community through development projects. Through our stakeholder interactions and other communications, we strive toward

Sustainable procurement

Assess all suppliers based on a sustainable procurement criteria by FY30

inculcating and promoting the value of happiness.



Communities

Our cultural ethos of happiness is interconnected with and extends to the communities and environment around us. We strive to identify and address key socio-economic problems locally and globally. We have been involved in driving various initiatives that work toward

building resilient communities through innovative solutions.

In India, these initiatives are driven and implemented by the RPG Foundation, which manages CSR initiatives across our group companies. Furthermore, we have been engaged in multiple educational initiatives in the US and South Africa as well. We continue to strategize and strive toward our short-term outreach target of 1.15 lac individuals as well as our long-term goal of impacting 2.25 lac lives by FY30.

Key initiatives in FY 2021-22



South Africa

SHIFT program

We at Zensar have supported Tomorrow Trust in its SHIFT (digital skills, holism, and innovation for tomorrow) program. We enabled e-learning for high school students in the Western Cape. We bought 63 laptops and sponsored students' data for 12 months.

As part of the program, we have also sponsored the education of two students at the Wits University.

60

High school students supported



US

Ocean Discovery Institute

We were able to raise more than USD 430,000 this year through our Matching Gift campaign to support educational initiatives at the Ocean Discovery Institute. The program creates learning experiences for youth traditionally excluded from science due to race, income status, and educational opportunity. This funding is critical in ensuring that our programs remain 100% tuition-free, and will enable us to reach out to 6,500 students this school year.

6,500

High school students supported



India

Pehlay Akshar Schooling

One of our key flagship programs in education is Pehlay Akshar where we work with teachers and students to provide quality education in schools.

The initiative equips teachers to create safe spaces in the classroom and use innovative teaching methodologies for effective learning outcomes. At Zensar, we use our interactive learning methodologies to empower teachers to connect with their students and make the learning process fun and effective.

Teacher training

352

Teachers undergoing training

47

Training sessions conducted

221

Saathi sessions conducted

Star teacher training

432

Teachers undergoing star teacher training

186

Training sessions conducted

595

Saathi sessions conducted

Pehlay Akshar app

5,931

Total users

4,276

Active users

Swayam employability and ESD

Our employability programs under Swayam work toward providing skill development training and employment opportunities to the economically weaker and marginalized sections of society. Swayam programs span three locations - Pune, Hyderabad, and Bengaluru (Bangalore), and cover the following initiatives:

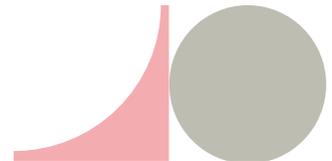
- **Swayam Health:** We provide various skill development training courses to young women to enter the healthcare industry such as general duty assistant, pharmacy, and lab assistant. The two-month-long course provides them with the necessary technical and soft skills that would enable them to work in private hospitals, nursing centers, and maternity homes.
- **Swayam Drive:** Driven by financial constraints and the need to be independent, several young women opt for opportunities to

become professional drivers. The Swayam Drive initiative provides training in driving as well as necessary skills such as communication and self-defense to young women embarking on this profession. Candidates find employment opportunities with various courier companies and delivery agencies like Zomato and Swiggy. In some cases, the trained women invest in their own vehicles and become entrepreneurs through the support of their spouses/families.

- **Swayam Micro-entrepreneurship:** The program offers mentorship and support for small entrepreneurs to help them understand their business position in the market and evaluate their potential outreach. We provide networking opportunities to the beneficiaries to help them create business visibility. Additionally, financial support and access to institutions and government

schemes are provided along with improved market linkages through platforms like exhibitions, public events, flea markets, and entrepreneur forums.

- **Swayam Digital (ESD):** The program provides training to engineering graduates on industry readiness. The course provides training on the latest technologies such as AI, machine learning, and design thinking, as well as soft skills training, career counseling, and placement support.
- **Swayam Skills - Manufacturing:** This program aims to reduce gender gap and encourage women's participation in the male-dominated field of manufacturing. The course provides women with training on the shop floor to inculcate relevant skills and improve their competence in operating machines. This ensures they become self-reliant and enables them to pursue their own businesses in the future.



Swayam Health

1,296

Trained

1,237

Employed

Swayam Drive

219

Trained

144

Employed

Swayam Digital

680

Trained

552

Placed

**Swayam Skills
(Manufacturing)**

401

Women trained

217

Business/
Entrepreneurs
supported

390

Candidates trained

**Swayam
Construction**

160

Trained

122

Placed

**Swayam Digital
(ESD)**

2,960

Students trained

1,753

Placed

**Total candidates
trained**

6,106

Total candidates placed

4,354

Stories that inspire

Swayam Health



Zareena Sultana

Perseverance shines even in the darkest hour

Zareena lost her husband to COVID-19 and was left without any means to support her five kids. Through her training as General Duty Assistant at Swayam Health, she now works as an assistant staff nurse and earns a livelihood that helps sustain her family. Her daily five kilometers walk to work and double shifts are a testament to her determination and courage.

Swayam Digital



Arbin

Giving wings to aspirations

As a single parent, it was becoming increasingly difficult for Arbin to manage her household and invest in her own skill development. After her course completion at Swayam Digital, she was placed with a reputed organization, helping her become financially independent. The opportunity helped her in repaying loans, managing household expenses, and investing in new learning opportunities.

Swayam Construction



Qazi Siddique

An inspiring tale of transformation

Qazi struggled to support his family in the village as a daily wage laborer when he first came to the city looking for livelihood opportunities. As a trained electrician now, he works with a well-known company, and has been able to earn a decent living for himself and his family. With his savings, he has planned to build his own house.

Micro-entrepreneurship



Shantamma

Strength in face of adversity

After losing her job owing to the pandemic, Shantamma being the beneficiary of micro-entrepreneurship trainings, initiated her idli batter business with a meagre investment of INR 100. With this enterprise, she has been able to support her family and improve her savings for the future. Through her entrepreneurship skills, Shantamma has inspired her eight daughters, among several others.



Nagamani

Endurance despite overwhelming obstacles

Nagamani has faced many challenges in her life as a person with disability. Fortunately, after completion of her training, she started her own beauty parlor. This business has helped Nagamani become financially independent, support her household, and live a life of dignity.

Supporting the community during the pandemic

We at Zensar extended continuous support to our stakeholders throughout the pandemic. We focused on building resilient communities and established fever clinics across 21 villages in Maharashtra to improve access to basic healthcare services and COVID-19 testing. The project was implemented in partnership with the National Health Mission (NHM), Public Health Department, and the Government of Maharashtra. **The project installed 100 fever clinics, out of which 21 are funded by our CSR budget.** These fever clinics are

made from corrugated sheets which can be assembled with ease and have adequate space for an outdoor patient department (OPD), swab collection, and medicine storage.

The National Health Mission and RPG Foundation (RPGF) drafted the guidelines for using the fever clinic. The fever clinic serves as the first checkpoint for symptoms related to COVID-19. Every clinic is linked to a hospital and would continue to be used as an OPD and provide basic healthcare services. Along with establishing fever clinics, 21 fever clinic operators were hired and trained. **In FY 2021-22, around 92,356 patients visited the fever clinics for COVID-19 testing services. Additionally, about 12,080 people were vaccinated at the fever clinic linked to Gandhinagar hospital in Kolhapur, Maharashtra.**

Community development initiatives in Maharashtra

We have undertaken the following two community development initiatives:

- Enabling two communities in Pune to avail the government health schemes and public distribution system (PDS)
- Maintaining the Udaan Biodiversity Park in partnership with the Pune Municipal Corporation

Availing of government schemes and ration

2,175

Beneficiaries

Udaan Biodiversity Park

The biodiversity park in Pune is home to

2,287

flora and

79

fauna species

Employee volunteering

199

Total volunteers

1,125

Number of hours contributed

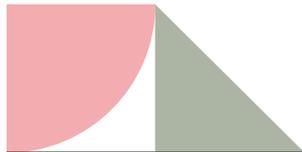
4.48

Average hours/volunteer

58

Volunteers donated Diwali gift vouchers to the housekeeping staff in Bengaluru (Bangalore)

- Online training on job readiness conducted for digital candidates at Hyderabad
- Volunteers conducted yoga sessions at Pune
- Blankets donated to the poor and homeless people on the streets of Bengaluru (Bangalore)



Clients

Our information security management systems (ISMS) are ISO 27001-certified, and all our employees undergo mandatory awareness sessions on key issues in IT security, including phishing, malware, and endpoint security to ensure the safety and privacy of client information. In the shift toward a hybrid model in FY22, we implemented focused measures to guide our employees on the prevention of data security breaches and enabling a secure work-from-anywhere environment. **During the reporting year, there have been no complaints concerning breach of client privacy and loss of client data.**

At Zensar, the Quality Assurance team plays a significant role in enhancing the client experience. The team is responsible for establishing the quality management framework and



processes, and ensuring the effectiveness of quality control procedures. The Quality Assurance team also identifies improvement areas using insights from customer feedback surveys to drive corrective and preventive actions for the same. The team ensures that the business-enabling functions are aligned to support our Delivery teams for improving client satisfaction. Our initiative Client Connect is designed to understand our clients' needs, support the Project team in course correction, and seek any interventions required from the Leadership team.

Feedback and grievances

We promote feedback and communication from our clients through the annual client

engagement survey, which enables us to stay attuned to the emerging needs of our clients. This annual survey is designed to provide tactical and strategic insights on the engagement and is administered by a third party. The survey framework captures insights on the key expectations from clients, satisfaction with our capabilities, value offerings that delight clients, future business priorities of clients, and the differentiators for Zensar.

Additionally, our Customer Feedback Cell administers the continuous listening customer feedback survey to seek project-level feedback from the client's operational level manager(s). The survey focuses on critical aspects of the engagement such as project management, quality of

deliverables, resource competency, and management responsiveness. After completion of the survey, the Quality team at Zensar leads the process of detailed action planning and execution, which is monitored through periodic progress reviews with the delivery leaders.

At Zensar, we have a robust process for client grievances redressal. The systematic approach includes the recording of grievances, an action plan to address them, and tracking the progress to closure. While the Delivery teams are equipped to handle the escalations at the operational level, the Quality team partners with the Delivery Managers to formulate the Go-Green plan and tracks the identified actions to closure.





Investors

We believe in promoting clear communication and transparency

with all our stakeholders, especially our investor community. We engage with our investors on a quarterly basis to provide information on key business performance indicators. Moreover, in FY 2021-22, we organized around 85 investor

meetings covering more than 1,000 participants, providing an interface for our investors to interact with us.



Vendors

We at Zensar recognize the significant role of value chain partners – suppliers and vendors in delivering cutting-edge solutions to clients. The unwavering support of our suppliers and vendors enables us to deliver our solutions and build sustainable client relationships across geographies.

Our structured techno-commercial evaluation methodology underpinning the onboarding mechanism ensures a transparent and competitive process. Compliance with local government legislation and labor laws is a key factor in selecting the value chain partners, along with quality, delivery, and cost – constituting the three key pillars of our procurement process.



Glossary

List of key abbreviations

Abbreviation	Full form
AC	Air Conditioner
ACE LeAP	ACE Leadership Acceleration Program
AI	Artificial Intelligence
AWS	Amazon Web Services
BCMS	Business Continuity Management Standard
BEAT	Base Erosion and Anti-abuse Tax
BFSI	Banking, Financial Services, and Insurance
BPS	Basis Point
BU	Business Unit
CAGR	Compound Annual Growth Rate
CCTV	Closed Circuit Television
CD	Compact Disc
CEO	Chief Executive Officer
CFC	Chloro Fluoro Carbon
CFO	Chief Financial Officer
CHRO	Chief Human Resources Officer
CII	Confederation of Indian Industries
COO	Chief Operating Officer
CTO	Chief Technology Officer
CVS	Chiller Visualization System
DAP	Development Action Plan
DFS	Digital Foundation Services
DG	Diesel Generator
DICES	Distributed Intelligent Contract Enforcement System
DLT	Distributed Ledger Technology
DNA	Deoxyribose Nucleic Acid
DSIR	Department of Scientific and Industrial Research
DSO	Days Sales Outstanding
D&I	Diversity and Inclusion

Abbreviation	Full form
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EHS	Environment Health and Safety
EHSEn	Environment, Health, Safety, and Energy
EMS	Electronic Manufacturing Services
EPS	Earnings Per Share
ERM	Enterprise Risk Management
ESG	Environmental Social Governance
ExCom	Executive Committee
EVP	Earned Value Professional
FIT LeAP	First Time Leaders - Leadership Acceleration Program
FTA	Free Trade Area
FY	Financial Year
GCP	Google Cloud Platform
GHG	Greenhouse Gas
GIS	Geographic Information System
GJ	Giga Joules
GRI	Global Reporting Initiative
HDD	Hard Disk Drive
HTD	Hire Train Deploy
HVAC	Heating, Ventilation, and Air Conditioning
ID	Identity Card
IGBC	Indian Green Building Council
IoT	Internet of Things
IR	Integrated Reporting
ISMS	Information Security Management System
ISO	International Organization for Standardization
IT	Information Technology
KPI	Key Performance Indicator

Abbreviation	Full form
kWh	Kilo Watt Hour
kWp	Kilo Watt Peak
LED	Light Emitting Diode
LGBTQ+	Lesbian, Gay, Bisexual, Transgender, and Queer
L&D	Learning and Development
ML Ops	Machine Learning Operations
MT	Metric Ton
M&A	Mergers and Acquisitions
NBC	National Building Code
NHM	National Health Mission
NFT	Non-Fungible Tokens
NOx	Nitrogen Oxides
ODC	Offshore Development Center
ODS	Ozone Depleting Substances
OIC	Observing, Investing, and Collaborating
OPD	Outdoor Patient Department
OpCom	Operating Committee
OWC	Organic Waste Converter
PAS	Power Assisted Steering
PAT	Profit After Tax
PDS	Public Distribution System
PM	Particulate Matter
POSH	Policy for Prevention of Sexual Harassment
PwD	Persons with Disabilities
P&L	Profit and Loss
RFID	Radio Frequency Identification
RoI	Return on Investment
RPA	Robotic Process Automation
RPG Group	Rama Prasad Goenka Group
RTP	Rapid Thermal Processing

Abbreviation	Full form
R&D	Research and Development
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goals (Additional information is available at https://www.undp.org/sustainable-development-goals)
SEZ	Special Economic Zones
SFA	Strategic Focus Area
SFDC	Salesforce Dot Com
SME	Small and Medium Enterprises
SOx	Sulphur Oxides
SPCB	State Pollution Control Board
STP	Sewage Treatment Plant
SUP	Single Use Plastic
TAZ	Talent @ Zensar App
tCO2e	Tonnes of Carbon Dioxide Equivalent
TCV	Total Contract Value
TOD	Time of Day
TTG	Technological Transformation Group
VBU	Vertical Business Unit
VR	Virtual Reality
UNGC	United Nations Global Compact
UNGCN	United Nations Global Compact Network
UNWEP	United Nations Women Empowerment Principles (Additional information is available at Endorse the Women's Empowerment Principles UN Global Compact)
UPS	Uninterrupted Power Supply
WiT	Women in Technology
YoY	Year on Year
ZAAP	Zensar Associate Assistance Program
ZAIRA	Zensar's AI-enabled Immersive Reality Accelerator

GRI Content Index

GRI standard	Disclosure number	Disclosure title	Page number	Omissions
GRI 101: Foundation 2016 (GRI 101 does not include any disclosures)				
GRI 102: General disclosures 2016				
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	102-3	Location of headquarters	04	
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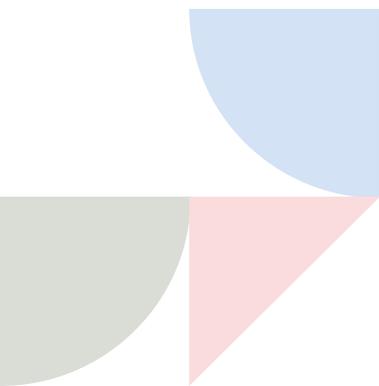
GRI standard	Disclosure number	Disclosure title	Page number	Omissions
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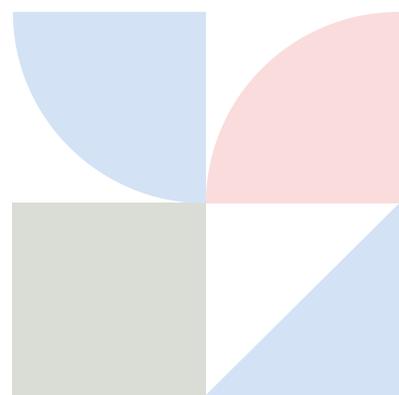
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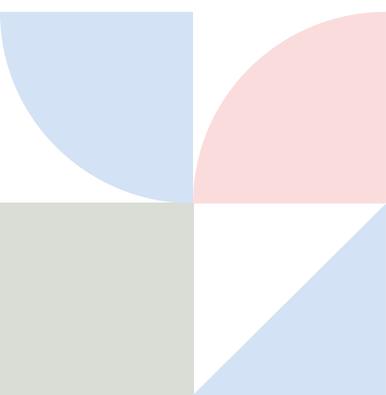
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SDG 5: Gender equality – Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> Human Capital 	39
SDG 6: Clean water and sanitation – Ensure availability and sustainable management of water and provide sanitation for all	<ul style="list-style-type: none"> Natural Capital 	64
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SDG 12: Responsible production and consumption – Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> Natural Capital 	61
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NOTICE

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTY-NINTH ANNUAL GENERAL MEETING (“AGM”) OF MEMBERS OF ZENSAR TECHNOLOGIES LIMITED WILL BE HELD ON WEDNESDAY, JULY 27, 2022 AT 3:30 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, 2022 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, 2022 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 declared during FY 2021-22 at the rate of INR 1.50 (Rupee One and Fifty Paise only) per equity share of face value of INR 2 each, declared on January 24, 2022 and to declare Final Dividend of INR 3.50 (Rupees Three and Fifty Paise only) per equity share of face value of INR 2 each, of the Company for the Financial Year ended March 31, 2022.

Item No. 3 – Re - appointment of Harsh Vardhan Goenka (DIN: 00026726)

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

Item No. 4 – Appointment of Statutory Auditors

To appoint M/s. S R B C & CO LLP, Chartered Accountants as Statutory Auditors of the Company, to hold office from conclusion of this AGM until the conclusion of the 64th AGM. The Members are requested to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution(s):

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 (“Act”), and the Rules made thereunder as amended from time to time, and recommendation of the Board of Directors, approval of the Members of the Company be and is hereby accorded for appointment of M/s. S R B C & CO LLP, Chartered Accountants, (ICAI Firm Registration No. FRN 324982E/E300003), Ground Floor, Panchshil Tech Park, Yerwada, (Near Don Bosco School), Pune-411006, Maharashtra, India as Statutory Auditors of the Company to hold office from conclusion of this AGM till conclusion of the Sixty-Fourth (64th) AGM for conducting audit of financial statements of the Company for a period of 5 (five) years from FY 2022-23 to FY 2026-27 on such remuneration as may be determined by the Audit Committee and/or Board of Directors in consultation with the Auditors.

FURTHER RESOLVED THAT, the Board of Directors (including any Committee thereof) be and is hereby authorised 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 Audit Committee, or to any of the Director(s), Officer(s), Authorised Representative(s) etc. of the Company.”

SPECIAL BUSINESS:

Item No. 5 – Re-appointment of Ketan Arvind Dalal (DIN: 00003236) as Non-Executive Independent Director of the Company, not liable to retire by rotation.

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

“RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, read with the applicable Rules and Schedule IV of Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Ketan Arvind Dalal (DIN: 00003236), whose appointment as an Independent Director of the Company was approved at the 55th Annual General Meeting of the Company and holds office up to November 2, 2022, being eligible for re-appointment and who meets the criteria of independence as provided *inter-alia*, in Section 149 of the Act along with the rules framed thereunder and Regulation 16 of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director and based on the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors in this behalf, approval of the Members, be and is hereby accorded towards re-appointment of Ketan Arvind Dalal (DIN:00003236), as Non-Executive, Independent Director of the Company, for the second term of 5 (five) consecutive years, with effect from November 3, 2022 till November 2, 2027 (both days inclusive), not liable to retire by rotation.

FURTHER RESOLVED THAT, any of the Directors of the Company (including Committee thereof), Chief Financial Officer and/or Global Finance Controller and/or Vice President, Business Finance and/or Head Treasury, Taxation and Commercials and/or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as deemed necessary, desirable and/or expedient to give effect to the foregoing resolution(s), including but not limited to filing of necessary e-forms with the Registrar of Companies.”

Item No. 6 – Re-appointment of Ben Edward Druskin (DIN: 07935711) as Non-Executive, Independent Director of the Company, not liable to retire by rotation.

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

“RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, read with the applicable Rules and Schedule IV of Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Ben Edward Druskin (DIN: 07935711), whose appointment as an Independent Director of the Company was approved at the 55th Annual General Meeting of the Company and holds office up to November 2, 2022, being eligible for re-appointment and who meets the criteria of independence as provided *inter-alia*, in Section 149 of the Act along with the rules framed thereunder and Regulation 16 of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director and based on the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors in this behalf, approval of the Members, be and is hereby accorded towards re-appointment of Ben Edward Druskin (DIN: 07935711), as Non-Executive, Independent Director of the Company, for the second term of 5 (five) consecutive years, with effect from November 3, 2022 till November 2, 2027 (both days inclusive), not liable to retire by rotation.

FURTHER RESOLVED THAT, any of the Directors of the Company (including Committee thereof), Chief Financial Officer and/or Global Finance Controller and/or Vice President, Business Finance and/or Head Treasury, Taxation and Commercials and/or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as deemed necessary, desirable and/or expedient to give effect to the foregoing resolution(s), including but not limited to filing of necessary e-forms with the Registrar of Companies.”

Item No. 7 – Re-appointment of Harsh Charandas Mariwala (DIN: 00210342) as Non-Executive, Independent Director of the Company, not liable to retire by rotation.

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

“RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, read with the applicable Rules and Schedule IV of Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Harsh Charandas Mariwala (DIN:00210342), whose appointment as an Independent Director of the Company was

approved at the 55th Annual General Meeting of the Company and holds office up to January 17, 2023, being eligible for re-appointment and who meets the criteria of independence as provided *inter-alia*, in Section 149 of the Act along with the rules framed thereunder and Regulation 16 of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director and based on the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors in this behalf, approval of the Members, be and is hereby accorded towards re-appointment of Harsh Charandas Mariwala (DIN:00210342), as Non-Executive, Independent Director of the Company, for the second term of 3 (three) years and 3 (three) months, with effect from January 18, 2023 till April 17, 2026 (both days inclusive), not liable to retire by rotation.

FURTHER RESOLVED THAT, any of the Directors of the Company (including Committee thereof), Chief Financial Officer and/or Global Finance Controller and/or Vice President, Business Finance and/or Head Treasury, Taxation and Commercials and/or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as deemed necessary, desirable and/or expedient to give effect to the foregoing resolution(s), including but not limited to filing of necessary e-forms with the Registrar of Companies.”

Item No. 8- 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 Special Resolution(s):

“RESOLVED THAT, pursuant to *inter-alia* the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time and subject to other applicable provisions of the Companies Act, 2013 (“the Act”) and 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 of INR 31,900,000 (Rupees Three Crores Nineteen Lakhs only) for the FY 2021-22 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 of the Company, within the overall limit of 3% (Three percent) of net profits of the Company for FY 2021-22, as earlier approved by the members of the Company, at its meeting held on August 8, 2018.

FURTHER RESOLVED THAT, the Board of Directors (including any Committee thereof) be and is hereby authorised 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), Authorised Representative(s) etc. of the Company.”

By Order of the Board of Directors

Gaurav Tongia
Company Secretary
(M. No. F5955)

Mumbai, June 27, 2022

Registered Office:

Zensar Knowledge Park,
Plot # 4, MIDC, Kharadi,
Off Nagar Road, Pune - 411014
CIN: L72200PN1963PLCO12621

NOTES

1. 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 January 13, 2021, December 8, 2021, December 14, 2021 and 02/2022 dated May 5, 2022 respectively ("MCA Circulars"), allowed companies whose AGMs were due to be held in the year 2022 to conduct their AGMs on or before December 31, 2022, in accordance with the requirements provided *inter-alia* in paragraphs 3 and 4 of the General Circular No. 20/2020 dated May 5, 2020. Accordingly, the AGM of the Company is being held through 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 Integrated Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories as on Friday, June 24, 2022. Members may note that the Notice and Annual Report 2021-22 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 ("the Act").
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("Listing Regulations") (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.
5. Pursuant to aforesaid MCA 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.
6. 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 Listing Regulations, in respect of Directors seeking appointment/re-appointment at the AGM, forms part of the Notice and/or Annual Report.

Dividend-related information

7. The Board of Directors has recommended a Final Dividend of INR 3.50 per equity share of INR 2.00 each for the Financial Year ended March 31, 2022, that is proposed to be paid within a period of 30 days from the date of declaration, subject to approval of the shareholders at the 59th AGM. During the Financial Year 2021-22, an Interim Dividend of INR 1.50 per equity share was paid on February 18, 2022.
8. The Company has fixed Friday, July 15, 2022 as the record date for determination of entitlement for payment of Final Dividend.
9. Pursuant to 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 as per the rates prescribed in 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 ("DP") or in case shares are held in physical form, with Company's Registrar and Transfer Agents viz., KFin Technologies Limited ("RTA"). 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 the Company's website www.zensar.com.
10. Further, in order to receive dividend(s) in a seamless manner, Members holding shares 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 Form ISR-1 along with supporting documents to Company's RTA. For the Members holding shares in DEMAT form, please update your Electronic Bank Mandate through your DPs.

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 or otherwise, the Company shall dispatch the dividend warrant/Bankers' cheque/demand draft or any other permitted instrument(s), to such Member, as soon as possible.

A. INSTRUCTION FOR MEMBERS FOR REMOTE E-VOTING AND ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

The remote e-voting period begins on Sunday, July 24, 2022 at 9:00 A.M. (IST) and ends on Tuesday, July 26, 2022 at 5:00 P.M. (IST). 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. Wednesday, July 20, 2022 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	<ol style="list-style-type: none"> 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. 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 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 hold 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.

	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 No. 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 ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>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.</p>

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 use 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.nsd.com.
 - b) "[Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsd.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.

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 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 authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to cs@svdandassociates.com with a copy marked to evoting@nsdl.co.in . Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on " Upload Board Resolution/Authority Letter " displayed under " e-Voting " tab in their login. |
| 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.nsd.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.nsd.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Soni Singh, Assistant Manager, NSDL at evoting@nsdl.co.in . |

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email 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 casted 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 at 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.

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 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 can join the AGM in the VC/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 by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.

4. 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.
5. Shareholders 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 a.m. (IST) on Thursday, July 21, 2022 to 5:00 p.m. (IST) Saturday, July 23, 2022. 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. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Members who do not wish to speak during the AGM but have queries, may send the same latest by Thursday, July 21, 2022, mentioning their names, DP ID and Client ID/Folio Number, email ID and mobile number at investor@zensar.com. The same will be replied suitably at the AGM or by email.
7. Members who need assistance before or during the AGM with use of technology, can send a request at evoting@nsdl.co.in or use a Toll-free No. (helpline): 1800 1020 990 or connect with Soni Singh, Assistant Manager, NSDL.
8. Further instructions, if any, regarding this AGM and related matters, shall be available on the website of the Company, under Investors section.

Other information

1. Sridhar Mudaliar (FCS 6156), Partner, SVD & Associates, Company Secretaries and failing him Sheetal Joshi (FCS 10480), has been appointed as the Scrutiniser to scrutinise the e-Voting process and to conduct the same in a fair and transparent manner.
2. The Scrutiniser shall within the prescribed period from conclusion of the AGM, unblock the votes in the presence of at least two (2) witnesses not in employment of the Company and make a consolidated Scrutiniser's Report for the votes cast during the AGM & votes cast through remote e-Voting and submit his report to the Chairman and/or authorised person of the Company. The results will be announced on or before 5:00 p.m. IST on Friday, July 29, 2022. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and Certificate from the Secretarial auditor of the Company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection without any fee, up to the date of AGM. Members seeking to inspect such documents may send a request on the email ID investor@zensar.com.
4. The results declared along with the Scrutiniser's report will be placed on the website of the Company i.e. www.zensar.com under Investors section and on the website of NSDL i.e. <https://evoting.nsdl.com>. The results shall also be communicated to the Stock Exchanges.
5. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of Bank and branch details, bank account number, MICR code, IFSC code etc.

Type of holder	Process to be followed	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited either by email to einward.ris@kfintech.com or by post to Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rule 19(1) of Companies (Share Capital and Debenture) Rules, 2014	Form SH-13
	Cancellation of nomination by the holder(s) (along with ISR-3)/Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares held in physical form	Form ISR- 4
	Members may download all the forms from website of the Company or RTA i.e. www.zensar.com or www.kfintech.com	

- i. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form.
 - ii. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialised form and to RTA in case the shares are held in physical form.
6. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by March 31, 2023 and linking PAN with Aadhaar by March 31, 2022 vide its circular dated November 3, 2021 and December 15, 2021. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's registrars KFin Technologies Limited at einward.ris@kfintech.com. The forms for updating the same are available at www.zensar.com
 7. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.
 8. Members are requested to address all correspondence, including dividend related matters, to (RTA):

Balaji Reddy S, Manager,
KFin Technologies Limited,
Unit: Zensar Technologies Limited,
Selenium Tower B, Plot 31-32, Financial District,
Nanakramguda Serilingampally
Mandal, Hyderabad 500 032, India.

9. To support the Green initiatives taken by the MCA, Members are requested to register their email ID(s) (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 email ID(s) may get their email ID's registered with the RTA, by sending an email to enward.ris@kfintech.com. Members are requested to provide details such as name, folio number, certificate number, PAN, mobile number, and email ID and attach image of share certificate in PDF or JPEG format.

In respect of DEMAT holdings, for registration of email- ID, the members are requested to register the same with the respective DP by following the procedure prescribed by their DP.

STATEMENT EXPLAINING MATERIAL FACTS PURSUANT TO SECTION 102 OF THE ACT

Item No. 4 – Appointment of Statutory Auditors

The Members of the Company at the 54th Annual General Meeting (“AGM”) held on July 19, 2017 approved appointment of M/s. Deloitte Haskins & Sells, LLP, Chartered Accountants (“Deloitte”), as Auditors of the Company for a period of five years from conclusion of the said AGM till conclusion of 59th AGM of the Company. Deloitte will complete the extant term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company (“the Board”), upon recommendation of the Audit Committee (“the Committee”), recommended for approval of Members, the appointment of M/s. S R B C & CO LLP, Chartered Accountants (“SRBC”), having ICAI Firm Registration No. FRN 324982E/E300003 as Statutory Auditors of the Company to hold office from conclusion of this AGM until conclusion of 64th AGM for conducting audit of financial statements of the Company for a period of 5 (five) years from FY 2022-23 to FY 2026-27, on such remuneration as may be determined by the Audit Committee and/or the Board of Directors, in consultation with the Auditors.

The Audit Committee and Board considered various parameters like capability to serve a diverse and varied business landscape as that of the Company, audit experience in Company’s operating segments, market standing of the firm, clientele served, technical knowledge etc., and accordingly recommended the proposed appointment for Members approval. SRBC is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (“ICAI”). The Audit Firm was registered with ICAI in the year 2002 and is a limited liability partnership firm (“LLP”) incorporated in India. The Audit Firm is part of S. R. Batliboi & Affiliates network of audit firms, which is registered with ICAI. It has registered office in Kolkata and has 8 branch offices in various cities in India. It is primarily engaged in providing audit and assurance services to its clients and has valid Peer Review Certificate. SRBC have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the resolution set out at item No. 4 of the Notice. The Board recommends the Ordinary Resolution(s) for approval by the Members of the Company.

Item No. 5, 6 & 7: Re-appointment of Ketan Arvind Dalal (DIN: 00003236), Ben Edward Druskin (DIN: 07935711) and Harsh Charandas Mariwala (DIN: 00210342), as Non-Executive Independent Director of the Company, not liable to retire by rotation

The Members of the Company had earlier approved the appointment of the following as Independent Directors of the Company, not liable to retire by rotation. The Board of Directors of the Company (“the Board”) at its meeting held on May 10, 2022 and June 27, 2022 respectively, on the recommendation of the Nomination & Remuneration Committee (“the Committee”), proposed for approval of Members, the re-appointment of Ketan Arvind Dalal and Ben Edward Druskin as Independent Directors, not liable to retire by rotation, for a second term of 5 (five) consecutive years and Harsh Charandas Mariwala as an Independent Director, not liable to retire by rotation for the second term of 3 (three) years and 3 (three) months (“proposed appointee(s)”). The details are as given below:

Name of Director	First term of 5 years	Proposed second term of appointment effective from
Ketan Arvind Dalal	November 3, 2017, till November 2, 2022	November 3, 2022, till November 2, 2027
Ben Edward Druskin	November 3, 2017, till November 2, 2022	November 3, 2022, till November 2, 2027
Harsh Charandas Mariwala	January 18, 2018, till January 17, 2023	January 18, 2023, till April 17, 2026

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of five consecutive years on the Board of a Company but shall be eligible for reappointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board’s report. Further, Section 149(11) provides that no independent director shall hold office for more than two consecutive terms. Therefore, Ketan Arvind Dalal, Ben Edward Druskin and Harsh Charandas Mariwala are eligible to be appointed for the aforesaid second term. Additional information in respect of the proposed appointee(s), pursuant to the Listing Regulations, the Act and the Secretarial Standard on General Meetings are given herein as an Annexure and forms part of the Notice.

Based on the Performance Evaluation of proposed appointees, the Committee and the Board, are of the view that, given the knowledge, experience, contribution, along with the skills and expertise, they bring on board, their continued association would be immensely beneficial to the Company, in its pursuit of growth and hence recommends to the Members to approve their re-appointment for the second term.

The Company has also received following from the respective proposed appointee(s):

- consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164(2) of the Act and;
- a declaration to the effect that they meet the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. The Board has taken it on record after due assessment.

In the opinion of the Board, they fulfil the conditions specified in the Act, the Rule thereunder and the Listing Regulations. Further, each of the proposed appointee(s) have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as an Independent Director of the Company. Further, they have also confirmed that they are not debarred from holding the office of a Director by virtue of any order passed by SEBI or any such authority and are not disqualified from being appointed as a Director in terms of Section 164 of the Act. Also, they are in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

Ketan Arvind Dalal, Ben Edward Druskin and Harsh Charandas Mariwala shall be entitled to sitting fees and/or other remuneration at par with other Independent Directors of the Company and/or as per the Nomination and Remuneration policy of the Company. The details of the remuneration paid to them form part of the Corporate Governance Report.

Save and except the foregoing, none of the Directors and Key Managerial Personnel of the Company and their relatives, except for the proposed appointee(s) and their relative(s), are in any way concerned or interested (financially or otherwise), in the proposed Special Resolution(s) as set out respectively at Item No. 5, 6 and 7 of the Notice.

The terms and conditions of appointment of respective appointee(s), would be made available for inspection to the Members on sending a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at investor@zensar.com.

The Board recommends the Special Resolutions set out at Item No. 5, 6 and 7 of the Notice, for approval by the Members of the Company.

Item 8: Approval for payment of Commission to Non-Executive Director(s)

Pursuant to Section 197, 198, and all other applicable provisions of the Act read with rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force, approval by Members was granted at the 55th AGM 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 Listing Regulations, as amended vide SEBI amendment notification dated 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 ("NRC"), the Board of Directors of the Company at its meeting held on May 10, 2022 recommended a remuneration/commission of INR 31,900,000 payable to Harsh Vardhan Goenka, Chairman, Non-Executive, Non-Independent Director of the Company for FY 2021-22, which exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors.

Harsh Vardhan Goenka is a 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 the 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 stakeholder value. Over these years, he has been a catalyst in the success of the Company, despite challenging macro environment with multiple disruptions and headwinds.

The proposed commission is believed to be commensurate with the efforts, guidance and strategic direction that he provides to the Company and its Management. It also factors-in his role as a sounding board to the CEO & Managing Director, apart from senior management in the area of planning and risk mitigation. Considering the above, the NRC and Board of Directors deemed it appropriate and fair to recognise his contribution. Promoter(s) is/are not part of the NRC.

The Company recorded highest ever consolidated revenue of INR 4,244 Crores, registering a growth of about 12% over FY 2020-21, and highest ever PAT of INR 422 Crores, growth of 37% over FY 2020-21. The Company has seen a net addition of about 29% (2,455) permanent employees in FY 2021-22 taking the overall permanent employee strength to 11,051.

The Commission is in line with past track record as below:

(INR Crores)

Consolidated	Revenue	PBT	Commission	Commission As % of Revenue	Commission As % of PBT
FY 2016-17	3,056	349	2.10	0.07%	0.60%
FY 2017-18	3,108	352	1.94	0.06%	0.55%
FY 2018-19	3,966	445	2.25	0.06%	0.51%
FY 2019-20	4,182	376	0.00	0.00%	0.00%
FY 2020-21	3,781	433	2.95	0.08%	0.68%
FY 2021-22*	4,244	574	3.19	0.08%	0.56%

*Proposed Commission for FY 2021-22

The Commission paid to Harsh Vardhan Goenka for FY 2020-21 was INR 2.95 Crores. The Commission proposed for FY 2021-22 is INR 3.19 Crores (increase of 8.1%) which is 0.56% of PBT (vis-a-vis 0.68% in FY 2020-21).

Further, the percentage increase in Commission is lower than the percentage increase in the median remuneration of employees of the Company in India (8.9%). Furthermore, Harsh Vardhan Goenka was not paid any commission for the FY 2019-20 which saw an onset of COVID-19 pandemic.

For FY 2021-22, proposed commission of INR 3.19 Crores on a median remuneration of employees of the Company in India of INR 11 Lakhs would translate into a ratio of 29x which was 29.2x for FY 2020-21 on an accrual basis. Besides, the proposed commission for Harsh Vardhan Goenka is lower than the remuneration of the CEO & MD (refer Note No. 35 of Notes to Consolidated Financial Statements) for FY 2021-22.

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. 8 of the Notice for approval of the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Harsh Vardhan Goenka himself and Anant Vardhan Goenka, Director are in any way, concerned or interested in the resolution set out at item No. 8 of the Notice.

By Order of the Board of Directors

Gaurav Tongia
Company Secretary
(M. No. F5955)

Mumbai, June 27, 2022

Registered Office:

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

Annexure

Additional information on Directors recommended for appointment/re-appointment as required under Listing Regulations and applicable Secretarial Standards:**Harsh Vardhan Goenka**

Age	64 years
Date of first appointment on the Board	September 4, 2001
Qualification	Graduate in Economics, University of Calcutta and MBA from IMD (Switzerland)
Brief Profile	Harsh Vardhan Goenka is Chairman of RPG Enterprises, one of the largest industrial groups in India, active in key business segments such as tyres, infrastructure, information technology and other diversified segments having an annual turnover of about USD 4 billion. Born in 1957, Harsh Vardhan Goenka is a graduate in Economics and MBA from the International Institute of Management Development (IMD), Lausanne, Switzerland and is now on the Foundation Board of IMD, Lausanne. He has a vast experience of more than 4 decades. Harsh Vardhan Goenka has been a President of the Indian Merchants' Chamber, is also a member of the Executive Committee of FICCI and a Trustee on the Board of the Breach Candy Hospital Trust. Harsh Vardhan Goenka has been the Chairman of the Company since 2001.
Nature of expertise in specific functional area/skills and capabilities	General Management and Business Operations, Thought Leadership, CEO / Senior Management Experience, Public Policy/Governmental Regulations, Risk Management, Human Resources Management, Strategy/M&A / Restructuring, Corporate Governance, International Business
Directorships in other Companies	1. CEAT Limited 2. KEC International Limited 3. RPG Life Sciences Limited 4. Bajaj Electricals Limited 5. RPG Enterprises Limited 6. RAYCHEM- RPG Private Limited 7. Spencer International Hotels Limited 8. Breach Candy Hospital Trust 9. Zensar Technologies Inc.
Memberships of Committees in other Companies	1. CEAT Limited • Finance and Banking Committee – Member 2. Bajaj Electricals Limited • Independent Directors Committee – Member
Number of Board meetings of the Company attended during FY 2021-22	All the 7 (Seven) meetings held during the year
Listed entities from which Harsh Vardhan Goenka has resigned as Director in past 3 years	None
No. of Shares held in the Company, including shareholding as a beneficial owner	60,964,894*
Disclosure of <i>inter-se</i> relationships between Directors and Key Managerial Personnel	Anant Vardhan Goenka is son of Harsh Vardhan Goenka

*149,990 shares held directly and 60,814,904 shares held as beneficial owner

Ketan Arvind Dalal

Age	64 years
Date of first appointment on the Board	November 3, 2017
Qualification	Fellow Member of the Institute of Chartered Accountants of India
Brief Profile	<p>Ketan Dalal, is a Fellow Member of the Institute of Chartered Accountants of India, having qualified in 1981. He has extensive experience of about 40 years in investment structuring, including mergers and acquisitions. He is also a Director in HDFC Life Insurance and Eternis Fine Chemicals Limited.</p> <p>He has been a member of several SEBI committees, including SEBI's High-Powered Advisory Committee (HPAC) on consent orders and compounding. He was a member of the committee constituted by IFSCA to examine the feasibility of Variable capital company in IFSCs. He is a member of the Managing Committee of IMC.</p> <p>International Tax Review, a leading global magazine on international tax has listed him among India's leading tax advisers.</p>
Nature of expertise in specific functional area/skills and capabilities	General Management and Business Operations, Thought Leadership CEO/Senior Management Experience, Accounting/Finance/Legal, Risk Management, Strategy/M&A/Restructuring
Directorships in other Companies	<ol style="list-style-type: none"> 1. HDFC Life Insurance Company Limited 2. Catalyst Advisors Private Limited 3. Eternis Fine Chemicals Limited 4. IMC Chamber of Commerce & Industry 5. Torrent Power Limited
Memberships of Committees in other Companies	<ol style="list-style-type: none"> 1. HDFC Life Insurance Company Limited <ul style="list-style-type: none"> • Audit Committee – Member • Stakeholder Relationship Committee - Member 2. Eternis Fine Chemicals Limited <ul style="list-style-type: none"> • Audit Committee – Chairman
Terms and conditions of appointment	Proposed to be appointed for a period of 5 years commencing from November 3, 2022, till November 2, 2027
Number of Board meetings of the Company attended during FY 2021-22	All the 7 (Seven) meetings held during the year
Listed entities from which Ketan Dalal has resigned as Director in past 3 years	None
No. of Shares held in the Company, including shareholding as a beneficial owner	
Disclosure of <i>inter-se</i> relationships between Directors and Key Managerial Personnel	

Ben Edward Druskin

Age	53 years
Date of first appointment on the Board	November 3, 2017
Qualification	MBA from the Stern School of Business at New York University in 1993 and a BA from Rutgers College in 1990.
Brief Profile	Ben Druskin retired from Citigroup. He has an experience of around 30 years. He was the Managing Director and Chairman of Global TMT Banking. He previously was Co-Head Global TMT Banking and prior to that he ran the Global Services and East Coast Technology Investment Banking Groups. He founded the Global Services Group in 1997. Having been part of the Citigroup since 1993, he has been a member of the Technology Banking Group since 1996. Ben has completed and led hundreds of Equities, M&A and Fixed Income transactions since joining Citigroup.
Nature of expertise in specific functional area/skills and capabilities	General Management and Business Operations, Thought Leadership CEO /Senior Management Experience, IT Industry/Cyber security Experience, Accounting/Finance/Legal, Risk Management, Human Resources Management, Business Development/Sales/Marketing, Strategy/M&A/Restructuring, International Business
Directorships in other Companies	1. ENDAVA Ltd 2. Rainetree Capital LLC 3. Global Synergy Acquisition Corp "GSAQ U"
Memberships of Committees in other Companies	None
Terms and conditions of appointment	Proposed to be appointed for a period of 5 years commencing from November 3, 2022, till November 2, 2027
Number of Board meetings of the Company attended during FY 2021-22	All the 7 (Seven) meetings held during the year
Listed entities from which Ben Druskin has resigned as Director in past 3 years	None
No. of Shares held in the Company, including shareholding as a beneficial owner	
Disclosure of <i>inter-se</i> relationships between Directors and Key Managerial Personnel	

Harsh Charandas Mariwala

Age	71 years
Date of first appointment on the Board	January 18, 2018
Qualification	Commerce Graduate
Brief Profile	<p>Harsh Mariwala leads Marico Limited as its Chairman. He has an experience of 5 decades. He is also Chairman & Managing Director of Kaya Limited. His passion for innovation, enthused him to establish the Marico Innovation Foundation in 2003 which works towards nurturing innovations in India. In 2012, He started ASCENT Foundation, a peer-learning entrepreneurial platform. Sharrp Ventures is the Family Office of the Harsh Mariwala Family. He also founded the Mariwala Health Initiative (MHI) in 2015, with the philanthropic aim of giving back to society.</p> <p>Harsh Mariwala was recently awarded the All-India Management Association (AIMA) Life-Time Achievement Award 2021. He was also bestowed the EY Entrepreneur of the year award 2020 for India which is one of the most prestigious business awards for entrepreneurs.</p>
Nature of expertise in specific functional area/skills and capabilities	General Management and Business Operations, Thought Leadership CEO / Senior Management Experience, Public Policy/Governmental Regulations, Risk Management, Human Resources Management, Business Development /sales/Marketing, Strategy/M&A/Restructuring, Corporate Governance
Directorships in other Companies	<ol style="list-style-type: none"> 1. Kaya Limited 2. Eternis Fine Chemicals Limited 3. Scientific Precision Private Limited 4. Sharrp Consumer Wellbeing Solutions Private Limited 5. Thermax Limited 6. Aqua Centric Private Limited 7. Marico Limited 8. JSW Steel Limited 9. Halite Personal Care India Private Limited (under voluntary liquidation) 10. The Bombay Oil Private Limited 11. Marico Innovation Foundation 12. Ascent India Foundation 13. Mariwala Health Foundation
Memberships of Committees in other Companies	<ol style="list-style-type: none"> 1. Marico Limited <ul style="list-style-type: none"> • Corporate Social Responsibility Committee - Member 2. JSW Steel Limited <ul style="list-style-type: none"> • Nomination & Remuneration Committee – Chairman • Risk Management Committee – Member 3. Kaya Limited <ul style="list-style-type: none"> • Stakeholder Relationship Committee – Member • Corporate Social Responsibility Committee - Chairman • Risk Management Committee – Member 4. Thermax Limited <ul style="list-style-type: none"> • Nomination and Remuneration Committee - Chairman

Terms and conditions of appointment	Proposed to be appointed for a period of 3 (three) years and 3 (three) months commencing from January 18, 2023, till April 17, 2026
Number of Board meetings of the Company attended during FY 2021-22	All the 7 (Seven) meetings held during the year
Listed entities from which Harsh Mariwala has resigned as Director in past 3 years	1. L&T Finance Holdings Limited (1/4/2019) 2. Aster DM Healthcare Limited (13/2/2019)
No. of Shares held in the Company, including shareholding as a beneficial owner	None
Disclosure of <i>inter-se</i> relationships between Directors and Key Managerial Personnel	

Other details of the aforesaid proposed appointees including remuneration last drawn are provided in the corporate governance section of the Integrated Annual Report 2021-22.

Board's Report

Dear Members,

Your Directors are pleased to present 59th Integrated Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2022.

1. FINANCIAL PERFORMANCE AND STATE OF AFFAIRS

Financial Summary

(INR Million)

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from operations	16,289	13,618	42,438	37,814
Other Income (Net)	1,337	739	1,377	254
Total Income	17,626	14,357	43,815	38,068
Profit before Tax	4,303	3,732	5,741	4,329
Profit after Tax (after Minority Interest)	3,208	2,896	4,163	3,000

On standalone basis, during FY 2021-22, the Company recorded total income of INR 17,626 million comprising income from software development and allied services of INR 16,289 million and other income of INR 1,337 million. The Company recorded a net profit of INR 3,208 million reflecting an increase of about 10.77% Y-o-Y.

On consolidated basis, the Company has achieved a 12% growth on Y-o-Y basis with total income of INR 43,815 million comprising income from Software Development and Allied Services of INR 42,438 million and other income of INR 1,377 million. The Consolidated net profit was INR 4,163 million reflecting increase of about 38.77% Y-o-Y.

The Financial Statements are prepared in accordance with the Indian Accounting Standards (IND AS).

Dividend

Based on profits during FY 2021-22 and continuing the tradition of rewarding the members, the Company declared an interim dividend of INR 1.50 (75%) per equity share of face value of INR 2 per equity share on the paid up equity share capital of the Company. The total payout amounted to INR 339.2 million.

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 ("Listing Regulations"), which is available on website of the Company at https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/dividend_distribution_policy_0.

Further, the Board recommends a final dividend of INR 3.50 (175%) 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 792.23 million. The payment of dividend shall be made within 30 days from the date of declaration to the concerned shareholders as per the record date, as set out in the AGM Notice. The total dividend for the year including the interim dividend is therefore INR 5 per equity share of INR 2 per equity share (250%).

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, subject to relevant threshold.

Unclaimed Dividend

Pursuant to the 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 IEPF, upon completion of period of seven years:

Date of Declaration	Type of Dividend	Total Amount of Dividend transferred (INR)	Total No. of shares transferred
July 23, 2014	Final	1,899,654.00	43,976
January 19, 2015	Interim	1,560,739.50	42,185

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 the 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, 2022)
1.	2021-22	Interim	1,540,191.85
2.	2020-21	Final	1,985,928.20
		Interim	1,245,668.60
3.	2019-20	2 nd Interim	2,280,983.53
		1 st Interim	1,112,350.00
4.	2018-19	Final	1,691,919.00
		Interim	1,048,762.00
5.	2017-18	Final	1,631,126.00
		Interim	1,157,480.00
6.	2016-17	Final	2,509,325.00
		1 st Interim	1,936,435.00
7.	2015-16	2 nd Interim	2,418,927.00
		1 st Interim	1,680,870.00
8.	2014-15	Final	2,097,550.00

The data on unpaid/unclaimed dividend and other unclaimed amounts is available on the Company's website at <https://www.zensar.com/about/investors/investors-relation#corporate-governance>. Members who have not yet encashed their unclaimed/unpaid amounts are requested to correspond with the Company's Registrar and Transfer Agents, at the earliest.

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

Particulars	
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 2021-22, were on arm's length basis and in the 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 so granted, are also placed periodically, before the Audit Committee.

The policy on related party transactions is available at https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Zensar_RPT_Policy.pdf.

During FY 2021-22, no materially significant related party transactions that may have potential conflict with the interests of Company at large, were entered into by the Company.

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 Listing 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.

Transfer to Reserve

No amount is proposed to be transferred to General Reserve on declaration of dividend(s).

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, within the meaning of, *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, 2022 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, 2022, is available

on website of the Company at <https://www.zensar.com/about/investors/investors-relation#corporate-governance>.

Further, final Annual Return for the Financial Year ended March 31, 2022, once filed, shall also be made available on the above-mentioned weblink.

Subsidiary Companies

Your Company along with subsidiaries provides digital solutions and technology services globally. As of March 31, 2022, the Company had 15 Subsidiaries as per details to be set out in Annual Return.

- In July 2021, the Company and Zensar Technologies Inc, USA completed acquisition of M3Bi India Private Limited and M3Bi LLC, USA, respectively.
- In September 2021, Zensar Colombia S.A.S., was incorporated as a wholly owned subsidiary of Zensar Technologies Inc, USA, to explore and cater to emerging business opportunities in Colombia.
- Keystone Technologies Mexico, S. DE R.L. DE C.V., 100% step-down subsidiary in Mexico merged into Keystone Logic Mexico, S. DE R.L. DE C.V., 100% step-down subsidiary in Mexico, pursuant to amendments in Federal Labor Laws of Mexico. The said merger was completed effective from October 31, 2021.
- In March 2022, entire shareholding of Clusten 16 Proprietary Limited (Clusten) (including their associated parties) in Zensar (South Africa) Proprietary Limited, a subsidiary incorporated in South Africa (ZSAPTY) was bought back and thereafter shares were issued to Riverbend Trade & Invest 58 Proprietary Limited (Riverbend) by way of entering into relevant Agreement(s).
- Mumbai Bench of Hon'ble National Company Law Tribunal ("NCLT"), vide its order dated March 14, 2022 (certified copy received on May 5, 2022) sanctioned the joint petition filed by Cynosure Interface Services Private Limited ("CISPL") and Zensar Technologies Limited ("ZTL" or "the Company") for approval of Scheme of Amalgamation of CISPL with ZTL and their respective shareholders ("Scheme") pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013. Appointed Date for the said merger is April 1, 2021. The Company has made the requisite filing(s) on May 18, 2022 post which the merger was effective.

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.

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 the Listing 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 Director 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 Listing 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, 2022, 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, 2022 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 this 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.

Directors(s) and Key Managerial Personnel(s)

Appointment(s)/Re-appointment(s)	Cessation(s)
<ul style="list-style-type: none"> H. V. Goenka (DIN:00026726), Non-Executive, Non-Independent Director and Chairman, 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 <i>inter-se</i>, forms part of the Notice. The term of five years of Independent Director(s), Ketan Dalal (DIN:00003236) and Ben Druskin (DIN:07935711) would expire on November 2, 2022, whereas Harsh Mariwala (DIN:00210342) will complete his tenure of five years on January 17, 2023. The proposal for their reappointment for a second term is placed before the shareholders for their approval. The above-mentioned directors have expressed their consent for re-appointment. Sachin Zute was appointed as the Chief Financial Officer effective from May 10, 2022 on the recommendation of Nomination and Remuneration Committee and Audit Committee vide their meetings held on April 23, 2022 and May 9, 2022, respectively. 	<ul style="list-style-type: none"> Shashank Singh (DIN:02826978), Non-Executive, Non-Independent – Nominee Director, tendered his resignation pursuant to termination of Investment agreement with Marina Holdco (FPI) Limited, effective from close of business hours on December 10, 2021. Navneet Khandelwal, resigned as the Chief Financial Officer with effect from close of business hours on January 31, 2022 owing to personal reasons.

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

Number of Meetings of the Board

During the year under review, Seven (7) 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:



*Corporate Social Responsibility Committee was renamed as "Sustainability & Corporate Social Responsibility Committee" vide Board meeting dated May 10, 2022.

With the resignation of Shashank Singh as Non-Executive & Non-Independent Director-Nominee Director, from the board of the Company, the Audit Committee, Risk Management Committee and M&A Committee stood reconstituted to that extent, with effect from December 10, 2021.

Details of terms of reference of Committees, membership(s) and attendance of members are provided in the Corporate Governance Report. There were no instances during FY 2021-22 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 Listing Regulations, confirming and certifying that:

- they have complied with all the requirements of being an Independent Director of the Company, as on January 1, 2022 and as on date. The said certificate(s) were taken on record by the Board, at its meetings held on January 24, 2022 and May 10, 2022 respectively, after due assessment of veracity of the same;

- they possess the requisite expertise and experience and are persons of high integrity and repute; and
- 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 relationship or transactions of Non-Executive Directors *vis-à-vis* the Company, 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 are no relationships 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 Internal Committee(s) and an Anti-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 Company has zero tolerance for sexual harassment at workplace.

The following is the summary of complaints 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 ESOP), "2006 Employees Stock Option Scheme" (2006 ESOP) and Employee Performance Award Unit Plan, 2016 (EPAP 2016) and these schemes are being implemented, as per SEBI Regulations, in this regard.

In FY 2021-22, 6,430 equity shares, 2,49,210 equity shares and 325,546 equity shares were allotted under 2002 ESOP, 2006 ESOP and EPAP 2016, respectively. The Nomination and Remuneration Committee vide its meeting held on January 20, 2022, resolved that no further options shall be granted under 2002 ESOP and 2006 ESOP.

The 2002 ESOP, 2006 ESOP and EPAP 2016 Plans are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time. There has not been any material change in the ESOP plan(s) during the year.

The disclosure pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available on the website of the Company at <https://www.zensar.com/investor/financials>.

Particulars of Employees

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 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 2021-22 of employees on India Payroll was 8.91%.
4.	The number of permanent employees on the rolls of Company (in India)	8,860 (as on March 31, 2022)
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 9.93% 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.

Ajay Singh Bhutoria, Chief Executive Officer and Managing Director, does not receive any commission from the Company nor from any of its subsidiary(ies). Shashank Singh, Non-Executive - Non-Independent - Nominee director received commission only for the proportionate period.

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. None of the employees listed in the said Annexure are related to any Director(s) of the Company or hold 2% or more of the paid-up equity share capital of the Company. 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

The Company has continued the practice of developing the Integrated Annual Report, based on International Integrated Reporting Council's ('IIRC') Framework, which encourages organisations to communicate their value creation over time. The Company has embarked on this journey to communicate its integrated thinking and how its business creates sustained value for stakeholders. The second Integrated 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 2021-22 along with the 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 Listing Regulations, the Business Responsibility Report (BRR) on initiatives taken from environmental, social and governance perspective, 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 Listing Regulations, as amended from time to time.

The 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/Nomination%20and%20Remuneration%20Policy.pdf>

Vigil Mechanism/Whistle Blower Policy

Pursuant to Section 177(9) of the Act and Regulation 22 of Listing 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 victimisation. Directors and employees are duly sensitised about mechanisms and guidelines for direct access to the Chairman of the Audit Committee, in appropriate cases.

Further, during FY 2021-22, no personnel has been denied access to the Audit Committee.

5. AUDITORS AND AUDIT REPORTS

Statutory Auditors

The term of M/s. Deloitte Haskins and Sells LLP, as the Statutory Auditors of the Company, to conduct audit of Financial Statements of the Company will expire at the conclusion of the ensuing 59th Annual General Meeting (AGM).

As per the provisions of Section 139 of the Act, the Board of Directors of the Company, on the recommendation of the Audit Committee, recommends appointment of M/s. S R B C & CO LLP (ICAI Firm Registration No. FRN 324982E/E300003), for a period of five years i.e. upto the conclusion of 64th AGM.

M/s. S R B C & CO LLP, (i) have expressed their willingness to be appointed, (ii) have submitted their confirmation to the effect that they continue to satisfy the criteria provided in Section 141 of the Act and (iii) that their appointment is within the limits prescribed under Section 141(3)(g) of the Act.

A resolution proposing appointment of the Statutory Auditors of the Company and their remuneration pursuant to Section 139 of the Act, along with the explanatory statement under regulation 36(5) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, forms part of the Notice of 59th AGM.

There was no instance of fraud reported by the Statutory Auditors during FY 2021-22, 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 2021-22. 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 2022-23.

Further, during FY 2021-22 and two previous Financial Years, no penalties, 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 2021-22 under Section 138 of the Act. For FY 2022-23, Board appointed KPMG Assurance and Consulting Services LLP as Internal Auditor.

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 SCSR 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, 2022 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.

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

The Board places on record appreciation for the contribution of associates at all levels, customers, business and technology partners, vendors, investors, regulatory 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 lives due to COVID-19 pandemic, within in and outside the Zensar family.

For and on behalf of the Board of Directors

Place: Mumbai

Date: June 27, 2022

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

Sr. No.	Name of the Directors /Key Managerial Personnel	Designation	Ratio of remuneration of each Director to the median remuneration of the employees of the Company ¹	% Increase in the remuneration
1	H. V. Goenka ^{2,3}	Chairman	-	-
2	Ajay Singh Bhutoria ^{3,4}	Chief Executive Officer and Managing Director	0.33	-
3	A. T. Vaswani	Directors	0.73	25.00
4	Arvind Agrawal		0.73	
5	Venkatesh Kasturirangan		0.73	
6	Shashank Singh (Marina Holdco (FPI) Ltd.) ⁵		0.73	
7	Ketan Dalal		0.73	
8	Harsh Mariwala		0.73	
9	Ben Druskin ³		-	-
10	Anant Goenka		0.73	25.00
11	Radha Rajappa ^{3,6}		0.55	-
12	Navneet Khandelwal ^{7,8}	Chief Financial Officer	16.48	87.32
13	Gaurav Tongia ⁸	Company Secretary	5.56	22.95

Notes:

- Median remuneration of the employees is calculated on the basis of remuneration details of permanent employees on India payroll excluding CEO & Managing Director. Directors Commission reckoned on payment basis.
- No commission was paid to H. V. Goenka for FY 2019-20. The payment of commission is effected in the following financial year, post shareholders approval.
- Remuneration received in FY 2021-22 is not comparable with remuneration received, if any, in FY 2020-21.
- Ajay Singh Bhutoria was appointed as CEO and Managing Director, in the capacity of Executive Director, effective from January 12, 2021. During the Financial Year, he also received remuneration from subsidiary Company, Zensar Technologies Inc., details of which are as provided in notes to Consolidated Financial Statements.
- Shashank Singh resigned as Non-Executive – Non-Independent – Nominee director, pursuant to termination of Investment agreement with Marina Holdco (FPI) Limited effective from close of business hours on December 10, 2021.
- Radha Rajappa was paid INR 600,000 as commission for FY 2019-20 in FY 2020-21 and INR 800,000 as commission for FY 2020-21 paid in FY 2021-22.
- Navneet Khandelwal ceased to be the Chief Financial Officer and demitted his office w.e.f. close of business hours on January 31, 2022 and therefore amount of remuneration paid till date was considered for determination of percentage increase/decrease in the remuneration. Further, total Remuneration paid also includes perquisite value of ESOPs exercised during the year.
- The amount considered includes impact of proportionate increment for FY 2020-21, with retrospective effect.
- Further details are set out in Note No. 35 of Notes to Consolidated Financial Statements.
- 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: June 27, 2022

H. V. Goenka
Chairman

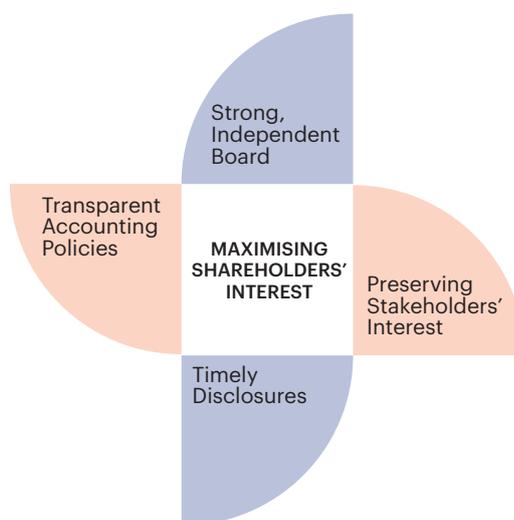
Annexure B to the Board's Report

REPORT ON CORPORATE GOVERNANCE

Company's Corporate Governance Philosophy

Corporate Governance is a set of systems, policies and practices deep-rooted in organisational 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 organisation. Effective corporate governance is the strong foundation on which commercial enterprises, when built, succeed.

Company's philosophy of Corporate Governance includes:



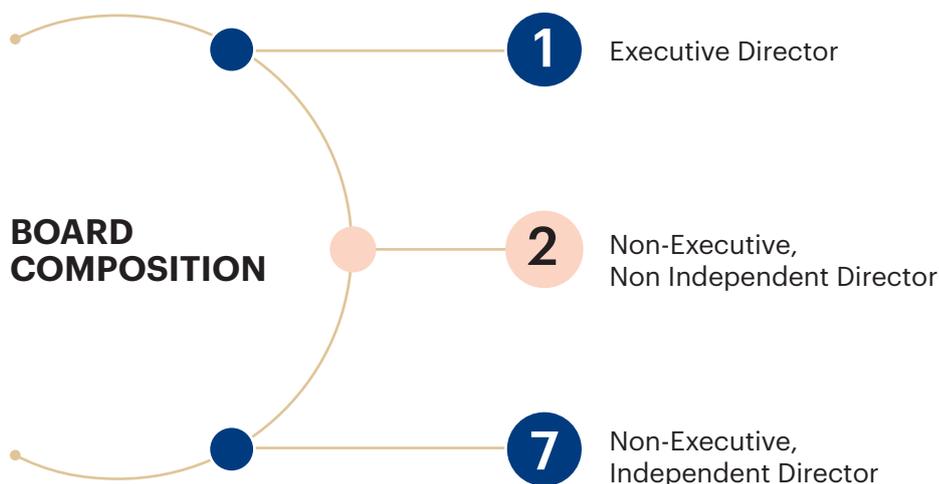
A report, *inter-alia*, in line with the requirements of Listing Regulations for the Financial Year ended March 31, 2022 is given below:

1. Board of Directors

A. Size and composition of the Board

The Company's Board is characterised 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, 2022, the Board comprises of 10 Directors:



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

Shashank Singh (DIN: 02826978) tendered his resignation as Non-Executive – Non-Independent, Nominee Director, pursuant to termination of Investment agreement with Marina Holdco (FPI) Limited effective from close of business hours on December 10, 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 7 times during FY 2021-22 as stated below, along with the attendance at the Board Meeting(s) and AGM. Due to exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board Meetings in FY 2021-22 were held through Video Conferencing.

Meeting Attendance										
Name of Director	AGM	Board Meeting Dates							% of attendance	
	September 28, 2021	April 29, 2021	May 14, 2021	July 26, 2021	August 18, 2021	October 26, 2021	January 24, 2022	March 3, 2022		
H. V. Goenka										100
Ajay Singh Bhutoria										100
A. T. Vaswani										100
Arvind Agrawal										100
Venkatesh Kasturirangan	X									100
Shashank Singh*							NA	NA		100
Ketan Dalal										100
Ben Druskin	X									100
Harsh Mariwala										100
Anant Goenka										100
Radha Rajappa					X					86

 Chairman

 /  Present in person or through Audio Visual means

X Absent

*Ceased to be Director effective from close of business hours on December 10, 2021

The composition of the Board and other Directorship(s)/Membership(s) of Committees held by respective Directors, as on March 31, 2022, 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):

Board of Directors



H. V. Goenka

Chairman,
Non-Executive, Non-Independent Director

Appointment Date	September 4, 2001
No. of shares held	149,990 <i>(Apart from this, also holds shares of the Company, in the capacity of Trustee, as detailed in the Board's Report and Annexures thereto)</i>
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

Areas of Expertise



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



International
Business

Board of Directors



Ajay Singh Bhutoria

Chief Executive Officer & Managing Director

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

Areas of Expertise



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



Corporate Governance



Business Development/Marketing



International Business

Board of Directors



A. T. Vaswani

Non-Executive, Independent Director

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

Areas of Expertise



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

Board of Directors



Arvind Agrawal

Non-Executive, Independent Director

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

Areas of Expertise



General Management & Business Operation



Thought Leadership



CEO/Senior Management Experience



Human Resources Management



Strategy/M&A/Restructuring



Corporate Governance

Board of Directors



Venkatesh Kasturirangan

Non-Executive, Independent Director

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

Areas of Expertise



General Management & Business Operation



Thought Leadership



CEO/Senior Management Experience



Risk Management



Human Resources Management



Strategy/ M&A/ Restructuring



Business Development/ Marketing



International Business

Board of Directors



Ketan Dalal

Non-Executive, Independent Director

Appointment Date	November 3, 2017
No. of shares held	Nil
Board Memberships in Indian Listed companies	HDFC Life Insurance Company Limited Independent Director
	Torrent Power Limited Independent Director
Board Memberships in Indian Unlisted companies	Eternis Fine Chemicals Limited Director
Committee Details	Chairman: 2 Membership: 4

Areas of Expertise



General
Management
& Business
Operation



Thought
Leadership



CEO/Senior
Management
Experience



Accounting/
Finance/Legal



Risk
Management



Strategy/
M&A/
Restructuring

Board of Directors



Ben Druskin

Non-Executive, Independent Director

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

Areas of Expertise



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

Board of Directors



Harsh Mariwala

Non-Executive, Independent Director

Appointment Date	January 18, 2018
No. of shares held	Nil
Board Memberships in 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 in 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

Areas of Expertise



General Management & Business Operation



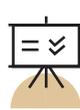
Thought Leadership



CEO/Senior Management Experience



Public Policy/ Governmental Regulations



Risk Management



Human Resources Management



Strategy/ M&A/ Restructuring



Corporate Governance



Business Development/ Marketing

Board of Directors



Anant Goenka

Non-Executive, Non-Independent Director

Appointment Date	January 21, 2019
No. of shares held	Nil <i>(However, holds shares of the Company, in the capacity of Trustee, as detailed in the Board's Report and Annexures thereto)</i>
Board Memberships in Indian Listed companies	CEAT Limited Managing Director
Board Memberships in Indian Unlisted companies	Spencer & Company Limited Non-Executive Director
	Spencer International Hotels Limited Non-Executive Director
	CEAT Auto Components Limited Non-Executive Director
Committee Details	Chairman: Nil Membership: Nil

Areas of Expertise



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

Board of Directors



Radha Rajappa

Non-Executive, Independent Director

Appointment Date	August 6, 2019
No. of shares held	Nil
Board Memberships in Indian Listed companies	Bata India Limited Independent Director
Board Memberships in Indian Unlisted companies	Nil
Committee Details	Chairperson: Nil Membership: 1

Areas of Expertise



General Management & Business Operation



Thought Leadership



CEO/Senior Management Experience



IT Industry/ Cyber Security Experience



Risk Management



Strategy/ M&A/ Restructuring



Corporate Governance



Business Development/ Marketing



International Business

The Company believes that the Board of Directors should possess skills, knowledge and experience required 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 detail(s) above, the core areas of skills/expertise/competence of individual Board members are indicated and it does not necessarily 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 Listing 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 Listing Regulations. In the opinion of the Board, all the Independent Directors fulfill 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 Listing 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.

2. Audit Committee

Composition & Meeting Attendance								
Name of Director	Meeting Dates							
	April 28, 2021	June 30, 2021	July 23, 2021	October 25, 2021	November 16, 2021	January 21, 2022	February 23, 2022	March 23, 2022
A. T. Vaswani								
Arvind Agrawal								
Shashank Singh*					X	NA	NA	NA
Ketan Dalal								

*Ceased to be a Member, effective from close of business hours on December 10, 2021

The Meetings 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 58th Annual General Meeting held on September 28, 2021 through VC/OAVM.

A. Terms of Reference

1. 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.
2. 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.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. 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.
5. Review with the management, the quarterly financial statements before submission to the Board for approval.
6. Review of management discussion and analysis of financial condition and results of operations.
7. 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.
8. 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).
9. Review the annual statement of funds utilised for purpose other than those stated in the offer document/prospectus in terms of Regulation 32(7) of the Listing Regulations.
10. Review and monitoring the auditor's independence and performance and effectiveness of audit process.
11. 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.
12. Scrutiny of inter-corporate loans and investments.
13. Review financial statements, in particular the investments made by the Company's unlisted subsidiaries.
14. Review the utilisation 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.
15. Valuation of undertakings or assets of the Company, wherever it is necessary.
16. Evaluation of internal financial controls.
17. Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
18. 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.
19. Review internal audit reports relating to internal control weaknesses and discussion with internal auditors regarding any significant findings and follow up thereon.
20. 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.
21. Review management letters/letters of internal control weaknesses issued by the statutory auditors.

22. 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.
23. 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.
24. 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 victimisation.
25. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
26. Review the appointment, removal and terms of remuneration of the chief internal auditor.
27. 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.
28. 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.
29. 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.

3. Nomination and Remuneration Committee

Composition & Meeting Attendance					
Name of Director	Meeting Dates				
	April 28, 2021	June 10, 2021	July 13, 2021	August 25, 2021	January 20, 2022
A. T. Vaswani					
Arvind Agrawal					
Venkatesh Kasturirangan					

Shashank Singh was an observer to the Committee till close of business hours on December 10, 2021.

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 Committee.

A. Terms of Reference

The terms of reference of the Committee were amended with effect from October 26, 2021:

1. 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 (KMP), Senior Management Personnel (SMP) and other employees.
2. For every appointment of an independent director, evaluate the balance of skills, knowledge

and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

- c. consider the time commitments of the candidates.
3. Recommend to the Board, remuneration payable to Directors, KMPs and SMPs in accordance with the Nomination and Remuneration Policy.
4. 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.
5. Devise a policy on diversity of Board of Directors.
6. Identify persons who are qualified to become Directors and recommend their appointment to the Board.
7. Opine whether the Director possess the requisite qualification, as required under Section 197(4) (b).
8. Review, appointment and removal of KMPs or SMPs in accordance with the Policy, as applicable.
9. Determine whether to extend or continue the term of appointment of the independent Director, based on the report of performance evaluation of independent Directors.
10. Carry out 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 (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as may be amended from time to time.

B. Nomination & 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/Nomination%20and%20Remuneration%20Policy.pdf>

C. Details of remuneration of Directors

i. Details of Remuneration of Chief Executive Officer and Managing Director:

Ajay Singh Bhutoria, Chief Executive Officer and Managing Director 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 Singh Bhutoria for FY 2021-22 are set out in the note No. 28 of notes to Standalone Financial Statement, appended herein.

As on March 31, 2022, Ajay Singh Bhutoria held NIL Equity Shares of the Company. He holds 4,00,000 Performance Award Units (PAUs i.e. Employee Stock Options) granted under 'Zensar Technologies Limited – Employee Performance Award Unit Plan 2016' (EPAP 2016). The actual vesting is subject to achievement of performance parameters.

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

Name	Service contract(s)	Notice period
Ajay Singh Bhutoria, CEO 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 Listing Regulations. The Board determines the compensation to Non-Executive Directors within the overall limits permitted by Members. The relevant details pursuant to Schedule V of Listing Regulations are set out on the website of the Company.

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

(Amount in INR)

Sr. No.	Type of Meeting	Sitting fees per meeting per Director
1	Board Meeting	100,000
2	Audit Committee Meeting	50,000
3	Nomination & Remuneration Committee, Sustainability and Corporate Social Responsibility 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 08, 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.

Remuneration of Non-Executive Directors:

(Amount in INR)

Sr. No.	Name of the Director/Institution	Sitting fees paid during/ for FY 2021-22	Commission paid during 2021-22 for FY 2020-21
1	H. V. Goenka	700,000	29,500,000
2	A. T. Vaswani	1,440,000	1,000,000
3	Arvind Agrawal	1,440,000	1,000,000
4	Venkatesh Kasturirangan	900,000	1,000,000
5	Shashank Singh (Marina Holdco (FPI) Ltd.*)	735,000	1,000,000
6	Ketan Dalal	1,175,000	1,000,000
7	Ben Druskin	710,000	-
8	Harsh Mariwala	700,000	1,000,000
8	Anant Goenka	700,000	1,000,000
9	Radha Rajappa	610,000	1,000,000
	Total	9,110,000	37,500,000

* Ceased to be a Director, effective from close of business hours on December 10, 2021

H. V. Goenka, is liable to retire by rotation in terms of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment. There were no pecuniary relationships or transactions, other than aforesaid remuneration between the Non-Executive Directors and the Company. Details of Related Party Transactions with the Firm(s)/Company(ies) where the Non-Executive Directors may have interest form part of Notes to the Financial Statements herein.

D. Performance evaluation of the Board and individual Directors

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out 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 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.

4. Stakeholders Relationship Committee

Composition & Meeting Attendance		
Name of Director	Meeting Dates	
	June 7, 2021	February 7, 2022
A. T. Vaswani		
Arvind Agrawal		
Ajay Singh Bhutoria	X	X

The Stakeholders Relationship Committee oversees, redressal of investor grievances, transfer/transmission of shares, issue of duplicate shares, recording dematerialisation/rematerialisation 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.

A. Terms of Reference

1. 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, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review measures taken for effective exercise of voting rights by shareholders.
3. Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. 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.
5. Consider and approve issue of duplicate share certificates in lieu of those lost or destroyed.
6. Approval and rejection of transfer or transmission of shares.
7. Issue of duplicate certificates, rematerialisation 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.

8. Oversee compliances in respect of transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund.
9. 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 2021-22 is set out below

Nature of Complaint	FY 2021-22	
	Received	Resolved
Non-receipt of DEMAT rejection documents	0	0
Non-receipt of Share Certificate	62	62
Non-receipt of Share Certificate after Transfer	0	0
Non-receipt of Dividend Warrant	316	316
NSE-Complaints	1	1
SEBI	2	2
Total	381	381

There were no pending complaints as on March 31, 2022.

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 411014, India.
Phone No. (020) 66074000,
Fax No: (020) 66074433,
Email: investor@zensar.com

5. Sustainability and Corporate Social Responsibility Committee*

Composition & Meeting Attendance			
Name of Director	Meeting Dates		
	April 27, 2021	November 23, 2021	March 2, 2022
Arvind Agrawal			
A. T. Vaswani			
Ajay Singh Bhutoria			

*Board of Directors at its meeting held on May 10, 2022 renamed the Corporate Social Responsibility Committee as Sustainability and Corporate Social Responsibility Committee.

A. Terms of Reference

The terms of reference of the Committee were amended by the Board of Directors at its meeting held on May 10, 2022.

- To formulate and recommend to the Board, a CSR Policy, *inter-alia* a statement containing the approach and direction given by the Board, and includes guiding principles for selection, implementation, and monitoring of CSR activities as well as formulation of the Annual Action Plan.
- To recommend to the Board an Annual Action Plan in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, *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 utilisation, project implementation schedules, monitoring and reporting mechanism etc.
- To review the CSR policy of the Company from time to time.
- To formulate and recommend to the Board, a Sustainability Policy *inter-alia* covering Environment, Social and Governance ('ESG') principles and to recommend appropriate changes/modifications to the policy, from time to time;
- To review performance on Sustainability goals, targets and strategy and provide guidance to achieve the same;
- To review and recommend Sustainability Report to the Board;
- 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		
	September 14, 2021	October 19, 2021	February 10, 2022
A. T. Vaswani			
Shashank Singh*		X	NA
Ketan Dalal			
Venkatesh Kasturirangan			
Arvind Agrawal			

*Ceased to be a Member, effective from close of business hours on December 10, 2021

A. Terms of Reference

The terms of reference of the Committee were amended with effect from October 26, 2021:

1. To formulate risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
7. To form and delegate authority to subcommittees when appropriate.
8. To have access to any internal information necessary to fulfill its oversight role. The Risk Management Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
9. To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
10. To 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

7. Banking Committee

Composition & Meeting Attendance			
Name of Director	Meeting Dates		
	June 7, 2021	August 13, 2021	February 17, 2022
A. T. Vaswani			
Arvind Agrawal			
Ajay Singh Bhutoria			

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.

A. Terms of Reference

1. Authorizing opening and closure of all types of Bank Accounts (including EEFC Accounts) in India and Overseas.
2. Authorizing new signatories and/or change, removal of existing authorised signatories in relation to Bank accounts, loans (granted and availed), working capital facilities and all other types of borrowings.
3. Defining/amending signing powers of new/existing authorised signatories in relation to Bank accounts, loans (granted and availed), working capital facilities and all other types of borrowings.
4. Authorising new signatories and/or change, removal of existing authorised 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.
5. Authorising new signatories and/or change, removal of existing authorised 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.
6. Review of Treasury Operations.

8. M&A Committee

Composition & Meeting Attendance		
Name of Director	Meeting Dates	
	May 7, 2021	June 28, 2021
Ben Druskin		
Shashank Singh*		
Radha Rajappa		

*Ceased to be a Member, effective from close of business hours on December 10, 2021

M&A Committee constituted by the Board 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.

A. Terms of Reference

1. 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.
2. 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.
3. 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.
4. To negotiate and/or finalise 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.
5. 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.
6. To negotiate and/or decide and/or take note on any other matter as may be required to give effect to such transaction(s).
7. 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

8. 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 23, 2022, *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 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 2021-22. A declaration from the Chief Executive Officer and Managing Director confirming the above, is annexed to this report, as Annexure I.

11. Familiarisation Program for Independent Directors

Periodic familiarisation 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, organisation structure, finance, human resources etc. Further external experts are also invited to make presentations about business landscape and emerging trends.

The details of the Familiarisation Program are available on Company's website: https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Familiarisation_details_till_FY22.pdf

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

Particulars	Financial Year 2018-19	Financial Year 2019-20	Financial Year 2020-21
Date and Time	August 5, 2019 at 12:00 noon	September 23, 2020 at 11.00 a.m.	September 28, 2021 at 3.00 p.m.
	(a) Re-appointment of A. T. Vaswani (DIN: 00057953) as Non-Executive Independent Director of the Company, not liable to retire by rotation.	No special resolution was passed in this Meeting.	Approval for payment of Commission to Non-Executive Director(s)
	(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).		
Venue	Zensar Knowledge Park, Plot # 4, Kharadi MIDC, Off Nagar Road, Pune 411 014*		

*Pursuant to relevant MCA exemptions, the 57th and 58th AGM held on September 23, 2020 and September 28, 2021 respectively, were conducted by way of VC/OAVM.

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 IND AS 18 relating to "Related Party Disclosures" and the Act read with Rules thereunder and Listing 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 the 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 the mandatory requirements laid down by Listing 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 Listing 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's 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	

- Request are sent to shareholders, *inter-alia*, for registering their e-mail IDs, in order to further 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.

15. General Shareholder information

- Annual General Meeting** The Company is conducting the 59th Annual General Meeting (AGM) through VC/OAVM, pursuant to, *inter-alia*, the general circular number 02/2022 dated

May 5, 2022, issued by the Ministry of Corporate Affairs and circular number SEBI/HO/DDHS/DDHS_Div2/P/CIR/2022/079 dated June 3, 2022 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.

- Financial Year** April 1 to March 31.
- Record Date** The Company has fixed Friday, July 15, 2022 as the record date for determination of entitlement for payment of Final Dividend.
- Dividend during FY 2021-22**

Sr. No.	Dividend Payment Details	Interim Dividend
1	Rate of Dividend Declared	INR 1.50 per equity share of INR 2.00 each
2	Date of Declaration	January 24, 2022

- Financial calendar (tentative and subject to change)**

Event	Latest by
Financial reporting for the quarter ending June 30, 2022	August 14, 2022
Financial reporting for the quarter ending September 30, 2022	November 14, 2022
Financial reporting for the quarter ending December 31, 2022	February 14, 2023
Financial reporting for the quarter ending March 31, 2023 along with Audited Annual Accounts for FY 2022-23	May 30, 2023
60 th Annual General Meeting for the year ending March 31, 2023	September 30, 2023

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

- BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.
- National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex Bandra (E), Mumbai 400 051.

BSE	504067
NSE	ZENSARTECH
ISIN in NSDL and CDSL	INE520AO1027

Listing fees have been duly paid for FY 2022-23.

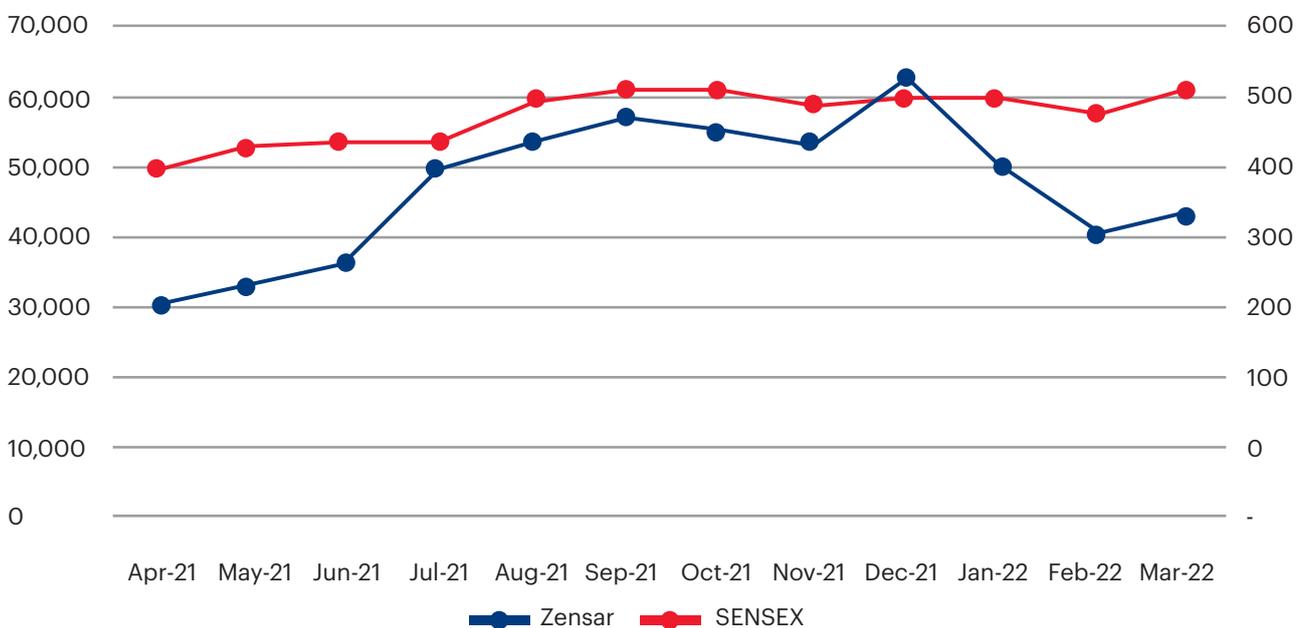
vii. Market Price Data

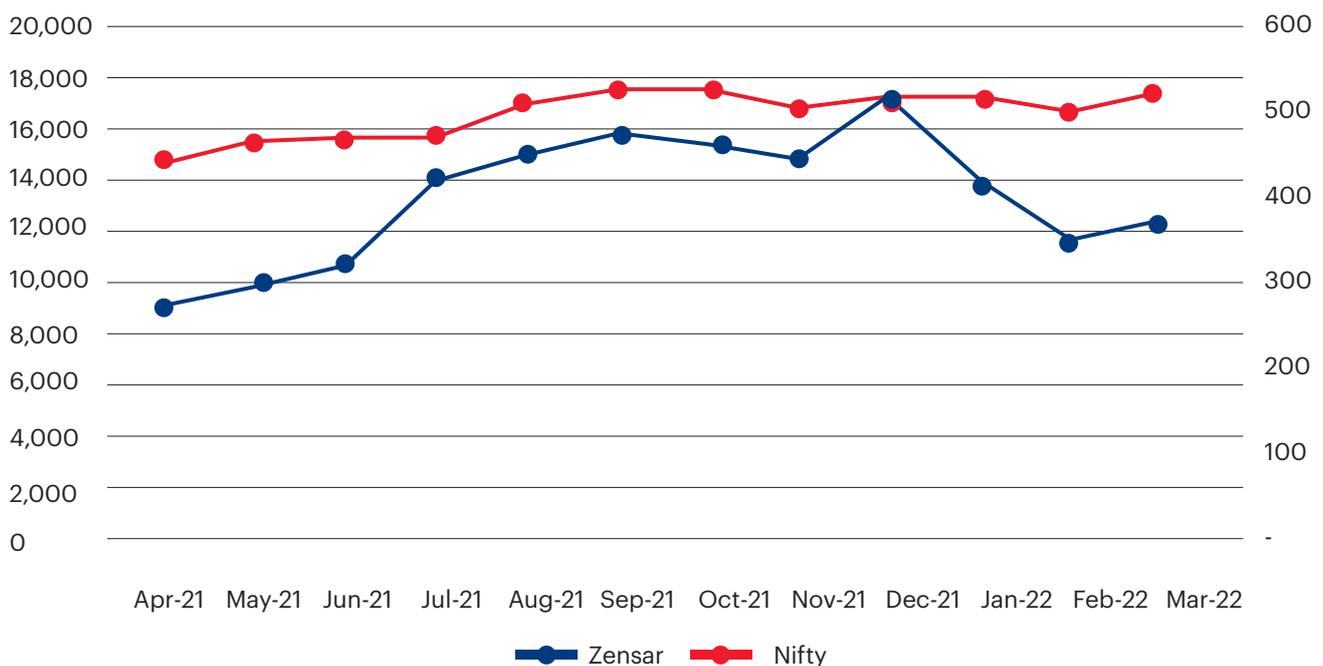
(Amount in INR)

Period	BSE Limited					National Stock Exchange of India Limited				
	High	Low	Close	Total Traded Quantity	Sensex	High	Low	Close	Total Traded Quantity	Nifty
Apr-21	290.00	255.00	265.25	340,464	48,782.36	289.95	254.70	264.30	34,86,356	14,631.10
May-21	315.00	254.70	286.50	575,285	51,937.44	306.90	262.30	285.80	59,88,948	15,582.80
Jun-21	319.00	279.00	311.35	5,236,173	52,482.71	319.20	279.00	311.35	5,23,40,167	15,721.50
Jul-21	428.00	312.50	416.90	3,823,335	52,586.84	428.40	312.30	415.90	5,50,87,675	15,763.05
Aug-21	465.15	377.30	450.35	2,798,681	57,552.39	465.25	377.00	450.30	29,199,616	17,132.20
Sep-21	587.00	428.10	477.90	5,143,709	59,126.36	587.00	428.15	477.80	34,205,161	17,618.15
Oct-21	524.40	432.65	461.85	2,513,217	59,306.93	524.40	432.15	461.65	30,931,111	17,671.65
Nov-21	508.85	395.00	445.80	34,707,662	57,064.87	508.60	380.60	446.55	39,872,583	16,983.20
Dec-21	538.00	421.20	521.90	3,118,717	58,253.82	538.00	420.90	521.55	47,085,395	17,354.05
Jan-22	538.75	384.30	415.30	2,619,473	58,014.17	539.00	383.95	415.50	30,049,801	17,339.85
Feb-22	440.95	313.40	345.70	1,838,707	56,247.28	441.00	313.35	346.35	20,604,057	16,793.90
Mar-22	391.75	331.25	367.50	1,709,202	58,568.51	392.35	331.30	366.95	16,054,495	17,464.75

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

The performance chart(s) showing Share Price of the Company in comparison with SENSEX as well as Nifty during FY 2021-22 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 Limited

(Formerly KFin Technologies Private Limited)
Selenium Tower B, Plot No- 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad 500032, India

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

Name	Telephone no.	E-mail ID	Toll Free No.
Balaji Reddy S	+91 40 67161571	balajireddy.s@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 that are re-lodged 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 21, 2021 as the cut-off for re-lodgement of transfer deeds and shares that were re-lodged for transfers shall now be issued only in demat mode.

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 respect. In compliance with the Listing Regulations, every six months till FY 2020-21 and on yearly basis from FY 2021-22 these processes are certified by a practicing Company Secretary.

x. Distribution Schedule

No. of equity Shares held	As on March 31, 2022			
	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 5,000	170,193	99.49	25,602,414	11.32
5,001 - 10,000	415	0.24	3,068,538	1.36
10,001 - 20,000	213	0.12	2,991,711	1.32
20,001 - 30,000	67	0.04	1,657,912	0.73
30,001 - 40,000	36	0.02	1,304,715	0.58
40,001 - 50,000	28	0.02	1,274,590	0.56
50,001 - 100,000	37	0.02	2,349,586	1.04
100,001 and above	84	0.05	187,952,005	83.09
TOTAL	171,073	100.00	226,201,471	100.00

xi. Dematerialisation of shares and liquidity The shares of the Company are in compulsory dematerialised mode. The status of dematerialisation of shares as on March 31, 2022 is as under:

Particulars	No. of shares	% of issued capital
Held in dematerialised form in NSDL	218,147,606	92.38
Held in dematerialised form in CDSL	208,971,549	7.01
Physical	1,372,975	0.61
Total	226,201,471	100.00

xii. Shareholding pattern

Category	As on March 31, 2022			
	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Promoters	16	0.01	111,031,832	49.09
Mutual Funds, Financial Institutions/Banks, Alternate Investment Funds, Insurance Companies, FII's, Foreign Portfolio Investors, NBFCs registered with RBI	162	0.09	67,674,393	29.92
Individual Shareholders	167,124	97.69	37,157,818	16.43
Bodies Corporate	765	0.45	3,620,726	1.60
NRI's & Overseas Corporate Bodies	2,890	1.69	1,750,587	0.77
IEPF	1	-	1,086,853	0.48
Public Others	115	0.07	3,879,262	0.27
Total	171,073	100.00	226,201,471	100.00

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

As of March 31, 2022, 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, 2022 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 can avail of nomination facility. Blank nomination forms are available on the website of the Company <https://www.zensar.com/about/investors/investors-relation#Shareholder-Information>

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/investor/corporate-governance>

xix. Other Shareholders related information

Provision of the Listing Regulations with respect to Unclaimed Shares

Regulation 39(4) of Listing 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, 2021	175	62,645
Number of shareholders who approached the Company for transfer of shares from suspense account during the Financial Year	0	0
Number of shareholders to whom the shares were transferred from the suspense account during Financial Year	10	2,730 (Transfer to IEPF)
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2022	165	59,915

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

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%20for%20determining%20material%20f>

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

Sr. No.	Location
1	2 nd Floor, Wing 2, Cluster C, Eon Free Zone, S. No. 77, Plot No.1, Kharadi, Pune-411014, Maharashtra.
2	4 th Floor in Tower B of EON SEZ Phase II, S. No.72/2/1, Kharadi, Pune-411014, Maharashtra.
3	SEZ Unit, 1 st Floor, Wing 2 Cluster E, on Free Zone, S. No. 77, Plot No.1, Kharadi, Pune-411014, Maharashtra.
4	1 st Floor in Wing 2 of Cluster C, on Free Zone, S. No. 77, Plot No.1, Kharadi, Pune-411014, Maharashtra.
5	Zensar Knowledge Park, Plot # 4, Kharadi MIDC, Off Nagar Road, Pune-411014, Maharashtra.
6	4 th & 5 th Floor E PARK, South Tower, Plot No 3/1, Zensar Knowledge Park, MIDC Kharadi, Pune-411014, Maharashtra.
7	101 & 102, 5A Building, 1 st Floor, RMZ Ecoworld Campus, RMZ Ecoworld Varthur, Hobli, Bengaluru Rural-560103, Karnataka.
8	RMZ Ecoworld, Campus 4C, Unit No.102, 1 st Floor, Sarjapur, Devarabeesanahalli Village, Varthur, Hobli Bengaluru Rural-560103, Karnataka.
9	2 nd Floor of Building 11, SEZ Cessna Business Park, Kadubeesanahalli Village, Varthur, Hobli Outer Ring Road, Bengaluru Urban-560087, Karnataka.
10	DLF Cyber City Part of 1 st Floor, Block-3, Plot No.129-132, APHB Colony, Gachibowli Village, Hyderabad-500019, Telangana.
11	DLF Cyber City Part of 9 th Floor, Block-3, Plot No.129-132, APHB Colony, Gachibowli Village, Hyderabad-500019, Telangana.
12	Part of 8 th Floor, Block 3, DLF Assets Pvt. Ltd., DLF Cyber City, Gachibowli Village, Serilingampalli Mandal, Hyderabad-500019, Telangana.
13	Part of 1 st Floor, Block 3, DLF Assets Pvt. Ltd., DLF Cyber City, Gachibowli Village, Serilingampalli Mandal, Hyderabad-500019, Telangana.
14	Part of 1 st Floor, Block 3, DLF Assets Pvt. Ltd., DLF Cyber City, Gachibowli Village, Serilingampalli Mandal, Hyderabad-500019, Telangana.
15	Infinity IT Lagoon, Unit 1102, 11 th Floor, Plot – E2-2/1, Block – EP & GP, Sector V, Bidhan Nagar, Salt Lake Electronic Complex, Kolkata-700091, West Bengal.
16	2 nd Floor, Magnet House, Narottam Morarjee Marg, Ballard Estate, Mumbai-400001, Maharashtra.

C. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Board's Report.

D. Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/companies in which directors are interested, if any, forms part of notes to accounts.

E. A Certificate from Practicing Company Secretary 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.

F. Compliance certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance is annexed with this report as Annexure III.

CEO & CFO CERTIFICATION

We, Ajay Singh Bhutoria, Chief Executive Officer & Managing Director and Sachin Zute, Chief Financial Officer of Zensar Technologies Limited, in terms of Regulation 17(8) of Listing Regulations read with part B of schedule II, hereby certify to the Board that:

- a) We have reviewed Financial Statements and Cash flow statements for the Financial Year ended March 31, 2022 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 accordance 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 system 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 the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware of and the involvement therein, if any, of the management or an employee having significant role in Company's internal control system over financial reporting.

Place: Mumbai

Date: May 10, 2022

Ajay Singh Bhutoria

CEO and Managing Director

Sachin Zute

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 2021-22.

Place: Mumbai

Date: May 10, 2022

Ajay Singh Bhutoria

CEO and Managing Director

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 of
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, having CIN - L72200PN1963PLC012621 and having registered office at Zensar Knowledge Park, Kharadi, Plot No.4 MIDC, Off Nagar Road, Pune- 411014 (hereinafter referred to as 'the Company'), produced before us by the Company on the email 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, 2022** 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 or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment as Director/ Independent Director in the Company
1	Harsh Vardhan Goenka	00026726	04/09/2001
2	Ajay Singh Bhutoria	09013862	12/01/2021
3	Ajit Tekchand Vaswani	00057953	01/04/2015
4	Arvind Nath Agrawal	00193566	01/05/2019
5	Venkatesh Kasturirangan	00804869	01/04/2015
6	Shashank Singh*	02826978	20/10/2015
7	Ketan Arvind Dalal	00003236	03/11/2017
8	Ben Edward Druskin	07935711	03/11/2017
9	Harsh Charandas Mariwala	00210342	18/01/2018
10	Anant Vardhan Goenka	02089850	21/01/2019
11	Rajappa Radha	08530439	06/08/2019

* Mr. Shashank Singh (Non-Executive - Nominee Director) of the Company holding DIN: 02826978, has resigned from the office of the Directors with effect from December 10, 2021.

Ensuring the eligibility 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: May 10, 2022

Sridhar Mudaliar
Partner
FCS No: 6156
C P No: 2664
Peer Review No.: P2013MH075200
UDIN: F006156D000285996

Note:

We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

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, 2022 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations).

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

Place: Pune
Date: May 10, 2022

Sridhar Mudaliar
Partner
F.C.S.: 6156
C.P. No.: 2664
UDIN: F006156D000286062
Peer Review No: P2013MH075200

Note:

We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

Annexure C to the Board's Report

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Global Economy

The economic output for most countries recovered in 2021, with a global GDP growth of 6.1%¹. However, global growth is likely to experience strong headwinds going forward with the recent economic fallout from the geopolitical turbulence and the continuing impact of the pandemic. In 2021, the economic output for advanced economies grew by 5.2%, while those of emerging economies grew by 6.8% owing to the gradual decline in pent-up demand, withdrawal of financial assistance, and significant supply disruptions.

However, in 2022, governments across geographies are likely to pursue fiscal policies aimed at containing inflation while promoting an environment of economic recovery.

Review of Key Market Economies

United States

The US economy grew by 5.7% in CY2021. Although the beginning was on a positive note, prices soared in the second quarter. The third quarter saw a reduction in pandemic induced price pressures, partly owing to a drop-in consumer activity. In the fourth quarter, the US GDP growth accelerated ending 2021 on a positive note. A restocking of inventory partially contributed to the rise in economic activities, and consumption as well as investment grew.

US GDP is expected to moderate to 3.7% in CY2022. Although the economy entered 2022 in a strong position, geopolitical concerns and consequential supply chain disruptions have exacerbated the downside risks. It is anticipated that even if the impact from the Russia-Ukraine war is limited, the effects will be felt unevenly across various industries. Furthermore, rising commodity prices have raised production costs in several industries, particularly manufacturing and energy, and this is expected to further increase the already soaring inflationary pressures.

Euro Area

The European region began its economic recovery in CY2021, owing to the gradual easing of pandemic associated restrictions, accommodating macroeconomic policies, and a rapid revival of primary export destinations, notably China and the US. The region's GDP grew by 5.3%, following a contraction of 6.6% in CY2020.

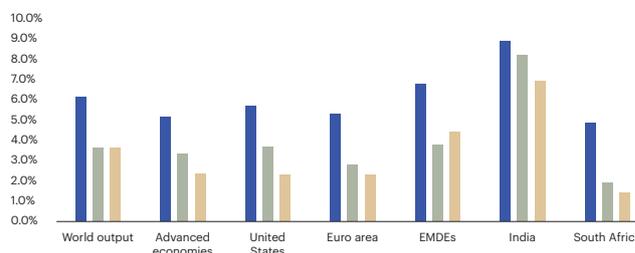
Despite the recovery, the European region encountered significant headwinds in the second half of the year, such as supply-chain disruptions and labour shortages. Although the economic growth is expected to moderate to 2.8% in CY2022, it is expected to recover with the support of joint debt issuance to boost medium-term growth prospects. The Russia-Ukraine war is also expected to have a prolonged impact on the economic recovery over the mid-term.

South Africa

South Africa's economic recovery has been impeded by limited availability of vaccines in the country and severe civil turmoil in CY2021. The country's economic output has grown by 4.9% in CY2021 and is expected to restore to pre-pandemic levels by CY2022 and CY2023, with GDP being anticipated to moderate to 1.9% and 1.4%, respectively. Furthermore, frequent power outages, higher unemployment, etc will continue to impact productivity.

Projections

Real GDP annual percentage change



	Projections		
(Real GDP annual percentage change)	2021	2022	2023
World output	6.1%	3.6%	3.6%
Advanced economies	5.2%	3.3%	2.4%
United States	5.7%	3.7%	2.3%
Euro area	5.3%	2.8%	2.3%
EMDEs	6.8%	3.8%	4.4%
India	8.9%	8.2%	6.9%
South Africa	4.9%	1.9%	1.4%

Source: IMF World Economic Outlook

¹ IMF | World Economic Outlook January 2022

Indian Economy

The economic output has mostly restored to pre-pandemic levels, with a GDP growth of 8.7% in FY2022. The economic growth was significantly supported by rapid vaccination and accommodating monetary and fiscal policies, which is reflected in the GDP projections. However, geopolitical conflicts in the back of rising inflation can decelerate growth in FY 2023.

Notwithstanding the geo-political uncertainties and extreme volatility in financial markets, the Union Budget included several measures to facilitate growth. This can be owed to the government’s constant emphasis on capital expenditure to strengthen the infrastructure and employment, and steady macroeconomic fundamentals and steady exports.²

Investment in global technology services is expected to exceed \$1.2 trillion in 2022, accounting for an overall growth of 8.5% in CY2021. Pandemic created a demand for cloud transformation, workplace digitalisation, and collaboration technology. Resultantly, spending has doubled after the pandemic.³

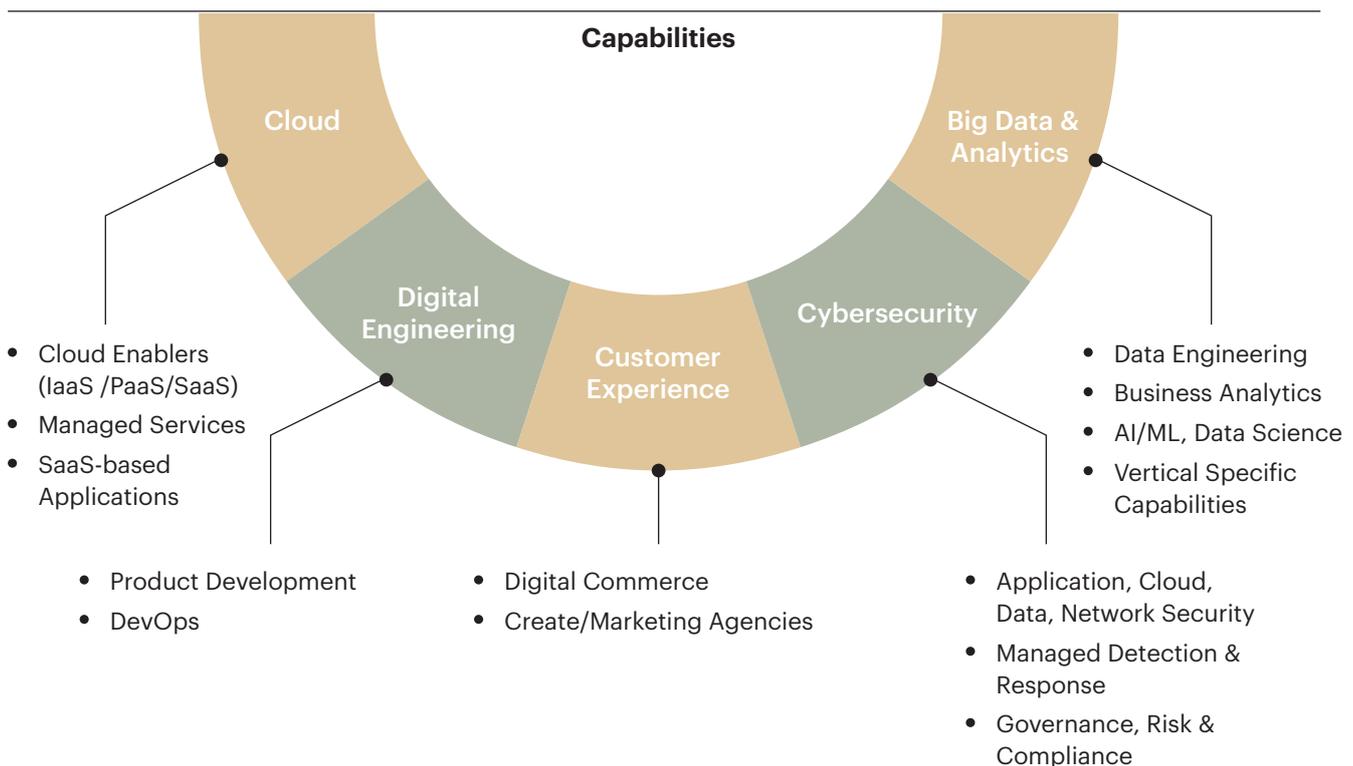
FY 2022 witnessed an investment-to-GDP ratio growth of approximately 29.6%. The impact of geo-political disruptions is likely to be seen on the growth during FY23 with both supply chain and inflation being areas of concern.

Industry Overview

Global technology industry

Pandemic has bolstered the adoption of technology, with companies now employing advanced technology in business operations to respond to the evolving times. Owing to the significant improvement in business outputs as a result of enabling technology, companies are now spending on technology services.

Major investment themes are cloud, digital engineering, customer experience, cybersecurity and big data & analytics



Source: NASSCOM

² Financial Ministry | Monthly Economic Report of February 2022

³ EY-NASSCOM | M&A trends and outlook in the Technology Services Industry

The pandemic’s upheavals resulted in megatrends in CY 2021. These trends have redefined policies, strategies and investments on a global scale for the next few years.

Indian technology industry

Notably, end-user companies are anchoring on technology to fuel further changes in business models, such as shifting to online mode, products and services adapting to the evolving needs of the customer and the emerging market forces and enabling collaboration in a distributed work model.

As a result, the Indian technology industry witnessed encouraging growth in FY 2022, with revenue growth of 15.5%, valued at \$227 billion. Today, digital revenue accounts for about 32% of overall income in the technology industry, with one in every three employees being digitally proficient. This fortifies India's status as the 'global digital talent nation.'

FY 2022 – A Milestone Year for the Industry



Unabated growth trajectory

- Crossed **\$200 billion** revenue
- **\$30 billion** net addition (industry was less than **\$30 billion** in 2006)
- Double digit growth across sub-sectors (highest since 2011)
- **59% share** in global sourcing market (India continues to be no 1)



Reimagining India

- **\$178 billion** exports contributing to 51% share of services exports
- **3rd** largest tech start-up hub in the world
- Domestic Tech market at **~ \$50 billion**



Job creation at scale

- **5 million** direct employees (Over **2 million** added in last years)
- **~450,000** added in FY 2022 – highest addition ever



Diversified and collaborative tech ecosystem

- **~6000+** Indian tech services companies across IT, BPM, ER&D
- **~2000+** product companies
- **~25,000+** tech start-ups, **78+** unicorns
- **~2000+** GCCs / MNCs



Enabling diversity and inclusion

- **1.8 million** women employees – largest private-sector employer
- Talent from **150+** nationalities
- **200K** women hired in FY22E

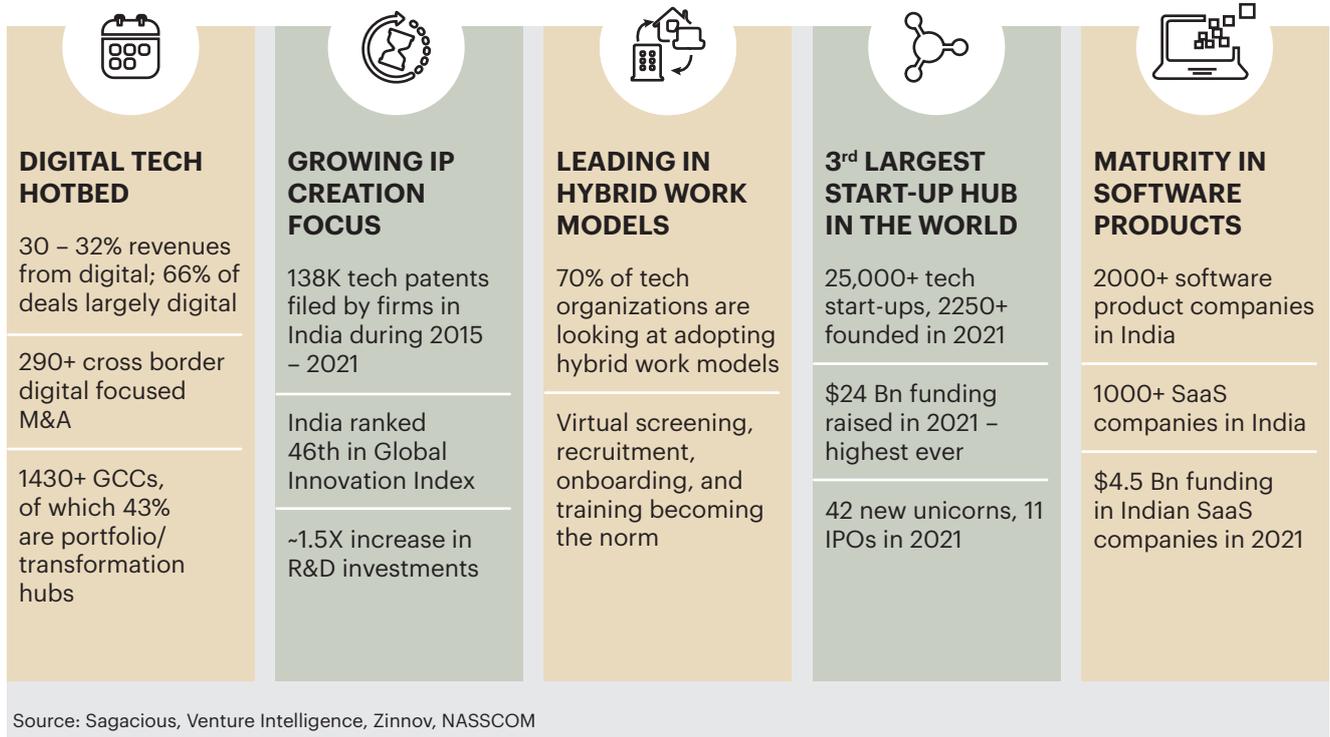
Source: NASSCOM

Key growth drivers

- Combination of digital and innovation; platformisation and anything as a service (XaaS) were critical in boosting tech adoption
- Scaling up of several tech companies; booming start-up culture
- Increased focus on operational efficiency to address margin constraints, and the hybrid mode gained traction in the e-commerce sector
- Crossing the 5 million barriers in total direct workforce, with a net growth of 445 thousand
- Internal adoption of the hybrid work model, along with the industry's initiative towards capacity/capability development.

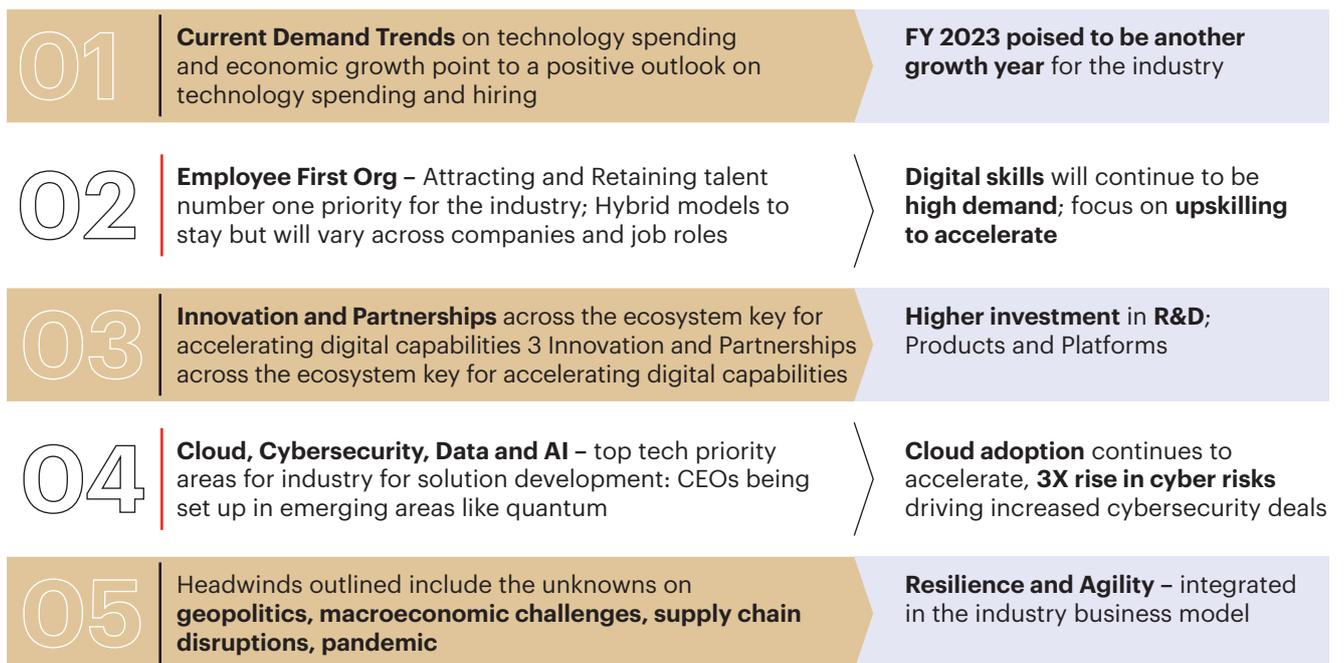
Owing to these, India now has a 59% share of the global sourcing industry, demonstrating the country's new digital value offer.

Rapid Strides in Innovation and Transformation Capabilities



End user industries are estimated to contribute between \$350 billion and \$400 billion towards India’s goal of establishing a \$1 trillion digital economy over the next several years. Approximately, 70% of global end-user organisations plan to significantly boost their digital expenditures in CY2022.

FY 2022 – A Milea 2022: NASSCOM CEO Survey Insights stone Year for the Industry



Source: NASSCOM Tech CEO Survey 2022 and Enterprise Survey 2022

Company overview

The Company is a technology consulting and services provider with 11,839 associates in 30+ global locations. The Company serves more than 145 leading enterprises. The Company's offerings include:

Experience Services	Advanced Engineering Services	Data Engineering and Analytics	Application Services	Digital Foundation
Product/Experience Research, Strategy & Design	Digital engineering	Data engineering	Application Management	Digital Infrastructure
Experience Engineering	Application Transformation Services	AI and ML	Quality Engineering	Digital Workplace
Creative, Content, Brand, Campaign Services	Cloud Strategy and Assessment	Automation	Oracle Services	Digital Experience Management
Marketing Technology Services		Visualisation and Analytics	Salesforce Services	Digital Operations
			SAP Services	Digital Security

Further details are set out in the integrated report section forming part of this Annual Report.

Operational Overview

The company unveiled a new brand identity, the first major re-brand in two decades to reinforce its market positioning which reflects the new go-to-market strategy and vision. The new focus is to help businesses take disruptive experiences and products to market with 'velocity'.

Zensar opened a global delivery center in Kolkata, the first in Eastern India which is strategically located to attract skilled individuals in the company's service lines of Application Services, Engineering Services, and Data Engineering and Analytics. The site includes a full-service development centre with an initial capacity of 100 seats that will cater to all industry verticals across different technology competencies.

The company has taken up strategic partnerships in order to deliver maximum value to its customers. It has entered into a global strategic partnership with US-based Organisation-Claimatic, to leverage the strengths of both companies to create compelling value for their clients.

Furthermore, the company has acquired M3bi, a Scottsdale, Arizona-based data engineering and digital engineering firm. The USD 33 million acquisition has been completely funded by internal accruals. M3bi, which already has a marquee clientele, is expected to add synergy to the company's portfolio in Banking, Financial Services & Insurance, and other verticals, allowing both the companies to collaboratively deliver an expanded range of solutions to these global firms.

ERM Section

Introduction

To safeguard the organisation's strategic objectives and operational endeavours, Zensar has established a robust Enterprise Risk Management (ERM) program through which risks are assessed and managed at various levels in the organisation 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 the risks that the organisation is facing under different categories, such as Strategic, Operational/Cybersecurity, Financial, Compliance/Regulatory, and ESG, with each of these categories having internal/external dimensions. Systematic and proactive identification of risks and mitigations thereof enable effective and timely decision-making.

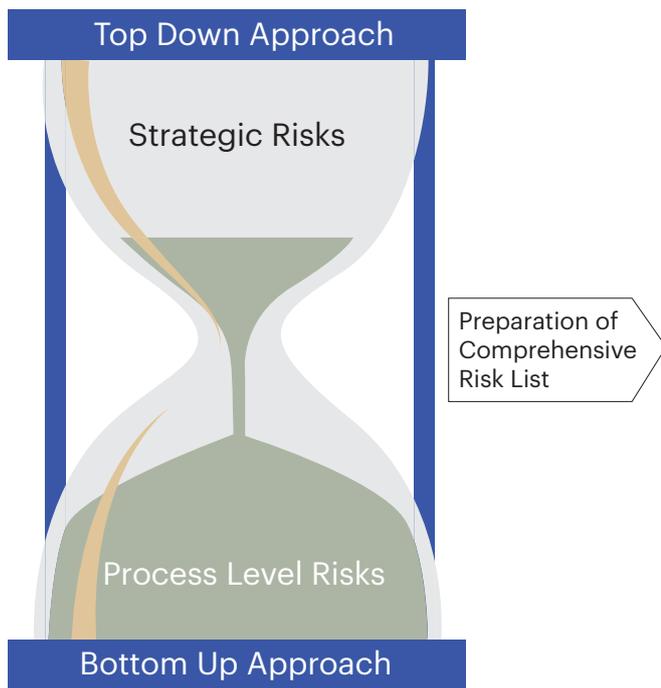
Key Components of ERM Framework

The Company has adopted an integrated ERM Framework that is being implemented across the organisation by the Chief Risk Officer and ERM team.

Approach & Methodology

Risk governance processes include identification, prioritisation, monitoring and reporting of risks identified at the various levels of organisation, business units, functions, and geographies. The Risk Governance model is regularly updated based on our interactions with internal and external sources, including experts in the risk advisory domain, to ensure that the model aligns with the achievement of strategic objectives of the organisation.

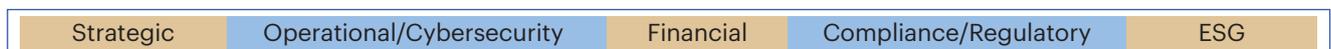
Approach and Methodology



Risk Framework And Model

	Market	Risks related to market strategy, competition, differentiation, and existence of a viable market
	Customer	Risks related to customer acquisition strategies, retention & wallet share, concentration and ability to penetrate newer accounts and geographies
	Technology	Risk related to Emerging Technologies and technology disruptions
	External	Risk related to geography, Regulations, Compliances, Currency and Economy
	Human Capital	Risk related to attracting resources in niche technologies, attrition and loss of knowledge,

Risk Classification

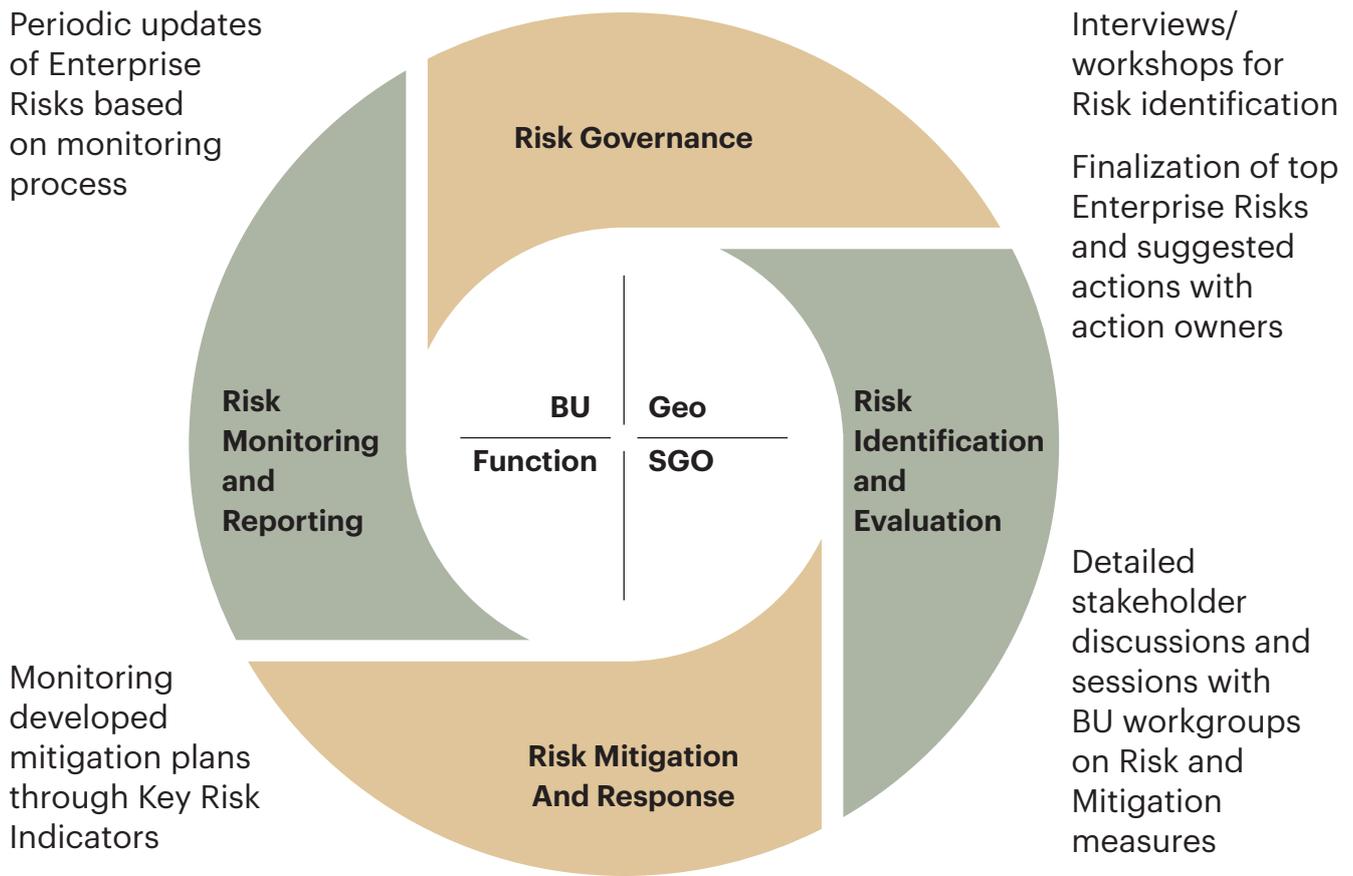


Risk Assessment

The Risks are calculated based on their impacts and probabilities. Using a combination of Risk Impact from insignificant to catastrophic, and risk probability ranging from rare to almost certain, a Risk Score is deduced which helps identify if the Risk Rating is Low, Medium, or High. The Risk scores are then used to arrive at a Risk Prioritisation matrix, which guides the allocation of time and resources towards risk mitigation.

Risk Governance

A multi-level governance structure has been established by the Enterprise Risk Management (ERM) team, which ensures monitoring, reporting and mitigation of risks. The ERM program is headed by the Chief Risk Officer (CRO), who ensures that the function executes its primary responsibilities of formulation and deployment of risk management policies and procedures. In terms of reporting, the function provides quarterly updates to the Risk Management Council and periodic updates to the Board Risk Management Committee on risks which impact key business objectives, with an insight into their mitigations. Also, ad-hoc updates may be provided in case of any emerging risks and change in internal/external factors influencing risk assessment.



Enterprise Level Risk Register

The ERM function has defined and implemented a detailed Risk Register with risks defined at Organisational, Business Unit, Functional and Regional levels, which enables risk-based decision making and reviews by various stakeholders in the Risk management process.

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 the annual report.

Operational/Cybersecurity: Risks arising out of internal and external factors affecting policies, procedures, people, and systems, thereby impacting service delivery. These also include potential risks arising out of breach of Company's network and possible impact on its operations, including risks of cyberattacks and data privacy breaches.

Compliance/Regulatory: Risks arising from potential litigations, violations to laws, regulations, and major regulatory/geopolitical changes. Also includes Reputational Risks, which are likely to affect brand or reputation due to non-ethical behaviors.

Financial: Risks related to financial liquidity, currency fluctuation and capital management.

ESG: Risks related to business impact due to mismatch in approach versus implementation of sustainability initiatives linked to climate changes, alignment with stakeholders, and regulatory reporting compliances.

Risk Management

During the year, the focus was on strengthening ERM framework across the organisation and institutionalising ERM as one of the key business review mechanisms for key risks. Listed below are some of the key risks, anticipated impact, and mitigations:

Key Risk	Impact on Organisation	Mitigations
Risk of talent availability, attrition skilling and re-skilling	Unavailability of timely and requisite skilled talent hampers the organisation's vision of meeting customer requirements. Delay in arresting this may impact the quality of customer services and subsequently the revenue stream.	<ul style="list-style-type: none"> Accelerated Freshers program focused towards organic talent build Experiential training framework focussed on faster deployment Fresher absorption enabling practices Cross pollination and rotation
High dependency on certain key customers and sectors	With high dependency on limited number of clients, 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.	<ul style="list-style-type: none"> Focused approach for strategic account identification and planned growth momentum to address business concentration in limited accounts. Ensure revenue spread across customers with defined growth criteria.
Inability to retain customers and expand business in existing portfolio	Loss of existing customers impacts the revenue of the company as well as creates reputational impact due to loss of long-term strategic relationships.	<ul style="list-style-type: none"> Account level focus with Key Account Management design to identify business opportunities and regular review cadence. Awareness of customer's Business and IT roadmap with agile digital transformation solution offerings to help Customer's business growth.
Loss of business and reputation due to violation of data security and privacy (Cybersecurity)	Customer data security and privacy remains a major objective for Zensar. In addition to impact on business operations, violation or security breach could result in reputational damage, penalties, legal and financial liabilities.	<ul style="list-style-type: none"> Ongoing implementation and maintenance of industry best practices, data security and data privacy management system. Detailed programs for employee awareness across the organisation for Information Security and Data Privacy requirements. Vulnerability Assessment and Penetration Testing in place for IT infrastructure and applications to strengthen overall cybersecurity posturing.
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.	<ul style="list-style-type: none"> Create awareness on ethical code of conduct and compliance requirements through communication and trainings across regions. Mechanisms in place to address stakeholder concerns in case of unfortunate event and enable immediate corrective action to contain the damage.
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.	<ul style="list-style-type: none"> Deployment of global compliance program to monitor compliance and take necessary actions to mitigate risk with assistance from professional experts. Implementation of global compliance tool through which organisation level compliance is tracked

Key Risk	Impact on Organisation	Mitigations
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.	<ul style="list-style-type: none"> • 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).
Risk of non-adherence to Environmental, Social and Governance norms	Not able to attain required level of maturity in sustainable business practices and time bound positive impact on defined ESG goals in line with stakeholder expectations	<ul style="list-style-type: none"> • Defined long term ESG goals for the organisation • Tracking progress against defined metrics • Alignment with internal and external stakeholders for sustainability initiatives and long-term goals.

Post-COVID – Return to Office Planning

While we continue to see promising downward trajectory of pandemic, Zensar has initiated Return to Office phase with cautionary approach. At Zensar, we value the health & safety of workforce and have taken explicit measures to ensure that all standards of safety and hygiene are maintained across our work locations in India. To uphold these principles and in order to effectively respond to the COVID-19 pandemic, Zensar had set up a cross-functional core governance team chaired by the Managing Director and Chief Executive Officer, with representation from relevant functions within the organisation and from global regions through the formation of Emergency Response teams. These Emergency Response Teams have now partnered with Delivery and Business enabling functions to implement Return to Office (RTO) plans, which include location preparation and team segregation to allow a phased re-opening of workplaces, to aid associates in getting back to office in the “new normal”. In preparation for our RTO efforts, Zensar aims to have only a 100% vaccinated workforce working from premises.

Seating and desks in Delivery Centres are sanitised regularly and seating plans are designed in such a manner to maintain social distancing between associates. To address specific customer and project requirements and associate availability, managers have been provided

with the flexibility to decide the schedule for their team members. In this process of RTO, it is ensured that Customer service continuity and quality of service is maintained at highest standards.

Special Note- Emerging Risks

Geo-Political Conflict Risk

In view of geo-political unrest in some regions, we at Zensar have been cognizant of the potential risks and the importance of customer service continuity. We have assessed and hardened our financial and cyber-security controls considering potential increased risks arising from such developments.

As a multinational company, we do have delivery capabilities from not only India, but several European countries (e.g., Poland, Austria, Germany), the United States, South Africa, Columbia, Canada and Mexico. Hence, we will have flexibility to accommodate movement of work to remain compliant with applicable laws and sanctions regimes. With the understanding that such conflict is unpredictable, our senior management and special response team proactively continue to monitor related legal, and compliance matters to mitigate risk and to ensure business continuity.

Financial Section

Zensar's consistent performance in an otherwise competitive IT sector reflects 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 Million)		
Particulars	FY 2021-22	FY 2020-21
Revenue	42,438	37,814
EBITDA	6,565	6,848
Return on Net Worth [∅]	15.5%	14.6%
EPS (Basic)	18.4	15.5
EPS (Diluted)	18.3	15.3
Debtor Turnover	6.1	6.0
Interest coverage Ratio	17.3	9.1
Current ratio	2.7	2.7
Debt Equity Ratio	0.0	0.0
Operating Profit Margin	15.5%	18.1%
Net Profit Margin	9.9%	8.1%

There has been no significant change in the key financial ratios within the meaning of Schedule V of Listing Regulations, except Interest coverage ratio, hence no such explanation is required to be included herein. The relevant elaboration on the performance during the period under review, invariably forms part of this Annual Report. Deviation in interest coverage ratio is due to Interest component, as the Company has repaid all the borrowings by the end of FY 2020-21 and there is no interest cost attributable to the same, in FY 2021-22.

REVENUE

Revenue for the year ended March 31, 2022, is as under:

BY SEGMENTS:

(INR Million)		
SEGMENT	2021-22	2020-21
Digital and Application Services	35,415	31,167
Digital Foundation Services	7,023	6,647
Total	42,438	37,814

BY GEOGRAPHY:

(INR Million)

GEOGRAPHY	2021-22	2020-21
United States of America	29,910	27,273
Europe	7,581	6,294
Rest of the World	4,947	4,247
Total	42,438	37,814

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, etc. Other income during the current year was INR 1,377 million as against INR 254 million in the previous year.

SHARE CAPITAL

During the year, Company has allotted total 5,81,186 equity shares fully paid up of INR 2 each. Out of these, 6,430 equity shares were allotted under "2002 Employees Stock Option Scheme", 249,210 numbers of equity shares were allotted under "2006 Employees Stock Option Scheme" and 325,546 numbers of equity shares were allotted under "Employee Performance Award Unit Plan, 2016"

RESERVES AND SURPLUS

The Company's Reserves and Surplus as on March 31, 2022, were INR 26,140 million as against INR 22,786 million in 2020-21.

The Company's Other Reserves as on March 31, 2022, were INR 277 million as against INR 186 million in 2020-21.

NON-CURRENT BORROWINGS

As of March 31, 2022, Non-current (long-term) borrowings were NIL (Previous year: NIL).

The portion of current maturities of long-term loan amounting to Nil (Previous year: Nil) which is payable within twelve months, is shown under Other financial Liabilities.

[∅] 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

CURRENT BORROWINGS

As of March 31, 2022, Current borrowings (Short term) borrowings is Nil. Previous year ended March 31, 2021; it was Nil.

FIXED ASSETS

During the year there is an addition of INR 542 million in Gross Block of Tangible Fixed Assets and addition of INR 915 million in Gross Block of Intangible Assets.

RETURN ON CAPITAL EMPLOYED

The return on capital employed (ROCE) for the year 2021-22 is 31.7%.

DEBTORS

The position of outstanding debtors was:

(INR Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Considered Good	7,967	5,888
Credit Impaired	230	326
Allowances for Credit loss	(230)	(326)
Total Receivables	7,967	5,888

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 for travel purposes. The Company possessed cash and bank balances (India and overseas excluding unpaid dividend) of INR 5,054 million as on March 31, 2022.

OTHER CURRENT ASSETS

Other Current Assets of INR 1,825 million (Previous year: INR 1,526 million) consist mainly of unbilled revenue, prepaid expenses, advances to suppliers and statutory receivables as on March 31, 2022.

OTHER CURRENT FINANCIAL ASSETS

The Other Current Financial Assets comprise unbilled revenue, foreign exchange forward contracts and security deposits amounting to INR 2,641 million (Previous Year: INR 1,895 million) as on March 31, 2022.

OTHER CURRENT LIABILITIES

Other Current liabilities amounting to INR 1,211 million (Previous year INR 1,142 million) represent mainly payments due to unearned revenue, employee contributions towards provident & pension fund, statutory taxes.

TAX EXPENSE

The Company's income-tax expense is INR 1,524 million (Previous year INR 1,259 million).

CONTINGENT LIABILITIES

Contingent Liabilities have been disclosed in Note 31 in the "Consolidated Financial Statement - Notes to the Accounts".

Accounting principles consistently used in the preparation of financial statements are also consistently applied to record income and expenditure in individual segments.

Human Resources

HR Digitalisation

We have invested heavily in building best in class offerings to upskill and cross-skill our dynamic workforce. Being an ardent hiring company, we continue to enhance the experience of applicants and new joiners, through periodic listening initiatives to gather the pulse of the workforce. Utilizing the insights, we brought many digital initiatives and process simplifications to support and assimilate our new joiners into our vision and ecosystem as fast as possible.

Happiness Framework and Council

A genuinely diverse Happiness Global Council was constituted at Zensar to continuously review existing programs, policies, and initiatives to cater to more happiness and engagement at the workplace. Informal

connect culture to strengthen working relationships, virtual Tea connects, LGBTQ+ Insurance policy, gender sensitisation programs, launch of guilds and communities to develop tech talent, are some of the initiatives for driving the Happiness journey.

Diversity & Inclusion

Zensar is an equal opportunity employer and maintains zero tolerance for sexual harassment and discrimination, with a focus on hiring a diverse workforce (LGBT+ and persons with special abilities). Zensar is a signatory member of the UN Global Compact Network and caters to its sustainability principles. We also have a CEO statement issued to support Women Empowerment Principles with UN WEPs. We have specially constituted a Global D&I Council along with the Diversity & Inclusion Centre of Excellence to drive the Inclusion agenda.

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: June 27, 2022

H.V. Goenka
Chairman

Annexure D to 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 - 411014
Website	www.zensar.com
E-mail id	investor@zensar.com
Financial Year reported	2021-22
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)	<ul style="list-style-type: none"> • Application Management Services • Digital Application Services • Cloud Infrastructure Services
Total number of locations where business activity is undertaken by the Company	The key geographical regions for the Company include the United States of America, United Kingdom, South Africa and India.
<ul style="list-style-type: none"> • Number of International Locations (provide details of major 5) • Number of National Locations 	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 (STANDALONE)

	(INR Million)
Paid up Capital	452
Total Turnover	16,289
Total profit after taxes	3,208
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	
List of activities in which expenditure in above has been incurred	Please refer Annexure G to Board's Report.

SECTION C: OTHER DETAILS

Does the Company have any Subsidiary Company/ Companies?	Yes. Details are set out in the Annual Return for the Financial Year ended March 31, 2022, which is available on website of the Company at the following weblink: https://www.zensar.com/investor/financials . Further, requisite details are set out in AOC- 1 which form 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 companies.

SECTION D: BR INFORMATION**1. Details of Director/Directors responsible for BR/BR Head**

S. No.	Particulars	Details
1	DIN	09013862
2	Name	Ajay Singh 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 Business Responsibility Report for the FY 2021-22 follows the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) as prescribed by the Ministry of Corporate Affairs (MCA), Government of India. This report also substantially complies with the National Guidelines on Responsible Business Conduct (NGRBC) released by the MCA in 2019.

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 marginalised.
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.

(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_of_Conduct_1.pdf	Yes							
	Whistle Blower Policy	https://www.zensar.com/sites/default/files/investor/policies-reports-filings/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/environment-energy-health-and-safety-management	No	Yes						
	Quality Policy	https://www.zensar.com/quality-management								
3	Flexi Timing Policy	Available on intranet, for all the employees	No							
	Maternity Policy		No							
	Employee Assistance Program Policy		No							
	Health & Safety Policy		No							
	Physical Safety Policy		No							
	Employee Insurance policy		No							

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/ Official Director 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	Parents Medicare Policy Annual Health Check Up Pregnancy Care		No No No							
4	Sustainability and CSR Policy BBBEE initiatives	https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/SCS_Policy-05.05.2022.pdf https://www.zensar.com/about/pr-news/zensar-kapela-holdings-and-tomorrow-trust-join-hands-south-africa-pune-india	Yes No	Yes Yes						
5	Diversity policy Code of Conduct Whistle Blower Policy Policy and practices to combat Modern Slavery and Human Trafficking for India and UK regions	Available on intranet, for all employees https://www.zensar.com/sites/default/files/investor/analyst-meet/Code_of_Conduct_1.pdf https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Whistle-Blower-Policy.pdf https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/Slavery%20Statement%202019.pdf	No Yes Yes No	Yes Yes Yes Yes						

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/ Official 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
6	Environment, Energy, Health and Safety Policy	https://zensar.com/environment-energy-health-and-safety-management	No	Yes						
7	Code of Conduct	https://www.zensar.com/sites/default/files/investor/analyst-meet/Code_of_Conduct_1.pdf	Yes							
8	Sustainability and CSR Policy	https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/SCS_Policy-05.05.2022.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 employees	No	Yes						
9	Code of Conduct	https://www.zensar.com/sites/default/files/investor/analyst-meet/Code_of_Conduct_1.pdf	Yes							
	Quality Policy	https://www.zensar.com/quality-management	No	Yes						

**(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									
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)									

Not Applicable

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, <i>inter-alia</i> , 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 is 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	Details
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?	<ul style="list-style-type: none"> 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?	<ul style="list-style-type: none"> 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.

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's Report.
2	<p>For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):</p> <p>(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?</p> <p>(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</p>	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%).	<ul style="list-style-type: none"> • Yes, since the business operations of Company include software and software related services. The Company takes cognizance of social and environmental impact that may be caused due to its operational activities, and take appropriate steps like Waste management including e-waste, Energy Management and is certified for ISO 14001:2015 (Environmental Management System), ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 50001:2018 (Energy Management System). • The above certifications are implemented consistently thus monitoring methodologies are defined and consumption of resources like energy and water is tracked. Reduction in consumption targets in energy at the Company level, is also undertaken and monitored. • The total water requirement for entire Campus is about 186 KL inclusive of all domestic purposes. Used water is treated/ recycled thru existing STP plant. A sewage treatment plant of 150 cu.m. capacity that recycles 80% of the consumed water (fresh water and flushing water) which is around 73,000 litres daily and is reused for gardening. As no water is discharged into the municipal drains, we are a 'zero' wastewater discharge facility that recycles and reuses water that is consumed through daily operations. • Dry waste consists of plastic, cardboard, paper, glass etc. which is generated due to various operational requirements. Dry waste is handed over to authorised recyclers for further processing. • Wet waste includes raw food waste and cooked food waste which is generated due to food preparation at our cafeteria. 100% is fed into the digester for biogas generation. The Company has an on-site biogas digester with the capacity of 500kg/day.

Sr. No.	Particulars	Description
		<ul style="list-style-type: none"> The Company has around 76% area under green cover due to which a lot of green waste is generated on daily basis. 100% of green waste is collected, shredded and decomposed through 5 vermicomposting pits Oil is used for smooth operations of DG sets and transformers. Hence used oil is generated during scheduled maintenance of these equipment. 100% of used oil is tested to check recyclability of the oil and then handed over to authorised recycler for further processing. Batteries are required for UPS, lifts, DG sets etc. for backup. These need to be replaced at regular intervals to ensure proper functioning of equipment. 100% of used batteries are then handed over to authorised recyclers for further processing. Electronic waste, or e-waste, is electronic equipment that has ceased to be of value to users or that no longer satisfies its original purpose as a result of either redundancy, replacement, or breakage. E-waste generated is disposed through authorised recyclers.

Principle 3: Employee's Well-being:

Sr. No.	Particulars	Description
1	Total number of employees	11,839
2	Total number of employees hired on temporary/contractual/casual basis	936
3	Number of permanent women employees	3,309
4	Number of permanent employees with disabilities	33
5	Do you have an employee association that is recognised by management	<p>No.</p> <p>However, there are following avenues for Associates to raise their concerns/grievances, if any, and provide inputs:</p> <ul style="list-style-type: none"> 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 Organisation', facilitates associates to express concerns, give suggestions, share feedback and ask questions directly from the Chief Executive Officer and Managing Director. "Talent@Zensar" is Zensar's first integrated application which enables Associates to manage all Talent Related processes/interactions. <p>All of these communication channels give much needed impetus to foster a culture of connecting and networking in the ever-dynamic environment.</p> <p>Associates also have a say in policies and processes that impact them and in organisation building. The Company conducts Annual Happiness Survey and create groups of associates to pick areas of improvement and come up with recommendation for changes that are suggested.</p>

Sr. No.	Particulars	Description
6	What percentage of your permanent employees is members of this recognised 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.	<ul style="list-style-type: none"> The Company has adopted an Anti-sexual Harassment Policy and has an Internal Committee to address and resolve any and all sexual harassment complaints raised by employees of the Company. For the total number of complaint received, disposed off and pending for the financial year, please refer the Board's Report.
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	<ul style="list-style-type: none"> The Company regularly undertakes health awareness initiatives. The health and safety aspect is integrated into business planning, decision-making and management practices. A special e-learning module on Health and Safety is accessed by all employees. Each employee is given 12000+ e-learning courses from SkillSoft which can be accessed anytime, from anywhere and on any device.
	(a) Permanent Employees	<ul style="list-style-type: none"> Skill Upgradation Training (Technical Training)
	(b) Permanent Women Employees	<ul style="list-style-type: none"> (a) Permanent Employees: Coverage – 85% Unique Courses – 50,607 Average hours per person – 47.38
	(c) Casual/Temporary/Contractual Employees	<ul style="list-style-type: none"> (b) Permanent Women Employees: Coverage – 84% Unique Courses – 31,478 Average hours per person – 45.78 (c) Casual/Temporary/Contractual Employees: Coverage – 38% Unique Course - 728 Average hours per person – 10.30 (d) Employees with Disabilities: Coverage – 65% Unique Courses – 657 Average hours per person – 29.84
		<ul style="list-style-type: none"> Safety trainings (total no. of hours) <ul style="list-style-type: none"> - Fire safety & Evacuation Training: 24 hours - EHSEn eLearning: 3,170 hours - Safety Playbook: 55.27 hours - RTO Video: 74.34 hours

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.

Sr. No.	Particulars	Description
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders	Company's social outreach initiatives are aimed at identified disadvantaged, vulnerable and marginalised stakeholders, details of which are set out in the CSR report and Corporate Overview of this Annual Report.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised 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	<ul style="list-style-type: none"> • Yes, the Company follows RPG Code of Corporate Governance & Ethics at Group level. • The Company has set up the Corporate Governance & Ethics Committee (CGEC) which shall act as a central body for monitoring this Code. The Codes & Policies are revisited periodically to sync with Business environment. Also, anyone can submit suggestions/complaints or report matters of violation of the code. • This code stands committed to Human rights & which extends to Group/Joint Ventures/Suppliers/contractors & Others..
2	How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management	No 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.	<p>Yes, please refer the following link: https://zensar.com/environment-energy-health-and-safety-management</p> <p>Company's Environment, Health, Safety & Energy (EHSEn) ISO 14001:2015, ISO 45000:2018 and ISO 50001:2018 standards certification is one of the strategic initiatives, taken by the Company.</p> <p>Impact study(ies) is conducted, and potential environmental risks are identified at department/function and project delivery levels and associated mitigations are documented.</p> <p>The Company has well established risk management process in place. Various activities performed by associate are assessed to identify the Environment, Health and Safety related risk, mitigation and contingency plans are put in place to minimize these risks. Identified risk and contingency plans are communicated to our employees on continues basis to create awareness.</p>

Sr. No.	Particulars	Description
		Ongoing trainings are conducted by using various channels like e-learning modules, virtual and classrooms sessions. Awareness is also created via other visuals aids like display of safety signages, do's and don'ts across offices premise and at equipment level to ensure safe use of given facilities.
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.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.	Yes. There are various energy conservations initiatives taken in past few years some of them as follows: <ol style="list-style-type: none"> 1. We have commissioned 350kWp Rooftop Solar Plant at Pune Campus. A step towards green and clean energy will generate approx 495,052 units (kwh) per year and this will contribute in reduction of 391.09 tCO₂e carbon footprint per year. 2. Majority of our lease premises are on renewable energy Renewable energy share at our Hyderabad DLF facilities is 5%, Pune EON Facility is 17.5% & Bengaluru Cessna facility is 85% of our total energy requirement. 3. Even after resuming working from office in FY22, we could continue energy saving and achieved savings of 12,380 units in FY 2021-22. 4. Use of portable or independent air conditioning units to avoid running central units. 5. Optimised the UPS footprints at all our locations by reducing number of UPS system. 6. We have replaced almost 95 percent Desktops PCs with Laptops reduced energy consumption significantly and helped us to minimize UPS footprints. 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 2021-22.
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.

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 organisation?	<ul style="list-style-type: none"> The CSR activities are primarily managed by RPGF. RPGF is set up as a public charitable trust to undertake 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 SCSR 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?	<ul style="list-style-type: none"> 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.

Sr. No.	Particulars	Description
4	Did your company carry out any consumer survey/consumer satisfaction trends?	<ul style="list-style-type: none"> • Yes, there are following two types of Customer Satisfaction Surveys which are periodically conducted: <ol style="list-style-type: none"> 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 and Contract Excellence Team are regularly updated on various regulations, to ensure that there is requisite awareness.

Note: Unless otherwise stated, this report contains data as on March 31, 2022, at global level, wherever required.

For and on behalf of the Board of Directors

Place: Mumbai
Date: June 27, 2022

H.V. Goenka
Chairman

Annexure E to Board's Report

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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 having CIN: L72200PN1963PLCO12621 (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, 2022 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, 2022 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) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable to the Company during the audit period);**
 - d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 upto August 12, 2021. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with effect from August 13, 2021;
 - e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 upto August 15, 2021. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations 2021 with effect from August 16, 2021 **(not applicable to the Company during the audit period);**
 - f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(not applicable to the Company during the audit period);**
 - g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 upto June 10, 2021. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2021, with effect from June 11, 2021 **(not applicable to the Company during the audit period)** and
 - h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the Company during the audit period).**
- (vi) The management has identified and confirmed the compliances of the following laws as specifically applicable 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

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.

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, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

1. The 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 sanctioned by the Mumbai Bench of National Company Law Tribunal (NCLT), vide its order dated March 14, 2022 (Certified true copy received on May 5, 2022). The Company is in process of filing the copy of said order with Registrar of Companies, Pune (ROC).
2. The 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 has been completed with effective date of merger being April 1, 2021.
3. The Board of the Company had approved on, May 14, 2021, to enter into a definitive agreement for:
 - a) Acquisition of 100% membership interests in M3bi LLC, USA, by Zensar Technologies Inc. USA (wholly owned subsidiary of the Company), effective from July 14, 2021 and
 - b) Acquisition of 100% equity share capital of M3bi India Private Limited by the Company, effective from July 8, 2021.
4. Special resolution passed at 58th Annual General Meeting of the Company, held on September 28, 2021, for approving the payment of commission to Non-Executive Director(s).
5. The merger of KEYSTONE TECHNOLOGIES MEXICO, S. DE. R.L. DE C.V., a 100% step-down subsidiary in Mexico into KEYSTONE LOGIC MEXICO, S. DE. R.L. DE C.V., a 100% step-down subsidiary in Mexico, has been completed and the effective date of the merger is October 31, 2021.

6. The Company entered into termination deed dated December 10, 2021 for the mutual termination of the Investment Agreement dated October 29, 2015 entered between Marina Holdco (FPI) Limited and the Company, following therefrom, Mr. Shashank Singh (DIN 02826978), Non-Executive Director, who was nominee of Marina Holdco, resigned from the Board and its Committees effective from close of business hours on December 10, 2021.
7. The audit committee of the Company at its meeting held on March 23, 2022, approved the buy-back of entire shareholding of 250,001 shares held by Clusten 16 Proprietary Limited (Clusten) in Zensar (South Africa) Proprietary Limited, a subsidiary incorporated in South Africa (ZSAPTY). The Audit Committee further noted the proposal about issue of 250,001 "A" class shares constituting 25% plus one Share of the total issued share capital of ZSAPTY

to Riverbend Trade & Invest 58 Proprietary Limited (Riverbend) by way of entering into Subscription and Shareholders' Agreement.

For SVD & Associates
Company Secretaries

Place: Pune
Date: May 10, 2022

Sridhar Mudaliar
Partner
FCS No. 6156
C P No. 2664
UDIN: F006156D000285534
Peer Review No: P2013MH075200

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 A)

To,
The Members
Zensar Technologies Limited
Zensar Knowledge Park Plot No.4
Kharadi MIDC off Nagar Road,
Pune – 411014

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

Place: Pune
Date: May 10, 2022

Sridhar Mudaliar
Partner
FCS No: 6156
C P No: 2664
UDIN: F006156D000285534
Peer Review No : P2013MH 075200

Annexure F to Board's Report

Secretarial compliance report of Zensar Technologies Limited for the year ended March 31, 2022

To,
The Members

Zensar Technologies Limited
Zensar Knowledge Park, Kharadi,
Plot No.4 MIDC Off Nagar Road,
Pune 411014

We **SVD & Associates, Company Secretaries**, have examined:

- a) all the documents and records made available to us through electronic mode 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, 2022** ("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) 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 upto August 12, 2021. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with effect from August 13, 2021;
- 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; 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: -

Sr. No.	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
-	Nil	Nil	Nil

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) 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
-	Nil	Nil	Nil	Nil

- (d) 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
-	Nil	Nil	Nil	Nil

- (e) 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.

For **SVD & Associates**
Company Secretaries

Place: Pune
Date: May 10, 2022

Sridhar Mudaliar
Partner
FCS No: 6156
CP No: 2664

UDIN: F006156D000285930
Peer Review No: P2013MH075200

Note :

We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this report.

Annexure G to Board's Report

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22

1. Brief outline on SCSR Policy of the Company:
https://www.zensar.com/sites/default/files/investor/policies-reports-fillings/SCS_Policy-05.05.2022.pdf

2. Composition of SCSR Committee*:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of SCSR Committee held during the year	Number of meetings of SCSR Committee attended during the year
1	Arvind Agrawal	Chairman/Non-Executive, Independent Director		3
2	A. T. Vaswani	Member/Non-Executive, Independent Director	3	3
3	Ajay Singh Bhutoria	Member/Executive, Managing Director		2

3. Provide the web-link where Composition of SCSR committee, SCSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

https://www.zensar.com/sites/default/files/2022-05/Composition_of_SCSR_Committee.pdf

https://www.zensar.com/sites/default/files/2022-05/SCS_Policy-05.05.2022.pdf

https://www.zensar.com/sites/default/files/2022-05/Project_wise_details-21-22.pdf

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the Financial Year, if any
	-	-	-

*Board of Directors at its meeting held on May 10, 2022 renamed the Corporate Social Responsibility Committee as Sustainability and Corporate Social Responsibility Committee (SCSR Committee).

6. Average net profit of the company as per section 135(5). INR 3,337 Million
7. (a) Two percent of average net profit of the company as per section 135(5) INR 66.75 Million
- (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 66.75 Million

8. (a) CSR amount spent or unspent for the Financial Year:

(INR Million)

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
63.27	3.43	29.04.2022	Prime Minister National Relief Fund	0.05	29.04.2022

(INR Million)

(b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project	(8) Amount spent in the current Financial Year	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6)	(10) Mode of Implementation – Direct (Yes/No)	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
1	Education: ➤ Pehlay Akshar Teachers Training 21-22	Item No. ii	Yes	Maharashtra	Mumbai	2 Years	5.98	3.43	2.55	No	RPG Foundation	CSR000000030
2	Employability: Vocational Skill Training: ➤ Swayam Health 21-22 ➤ Swayam Drive 21-22 ➤ Swayam Digital 21-22 ➤ Swayam Construction 21-22 ➤ Swayam Skills 21-22 ➤ Swayam Connect 21-22	Item No. ii	Yes	1. Maharashtra 2. Andhra Pradesh 3. Karnataka	1. Pune 2. Hyderabad 3. Bangalore	2 Years	48.34	47.46	0.88	No		
	Total						54.32	50.89	3.43			

(INR Million)

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
Sr. 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	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency
				State	District			Name CSR Registration No.
1	Community Development: ➤ Community Development ➤ COVID Response 21-22	Item No. i Item No. xii	Yes	Maharashtra	Pune	12.38	No	RPG Foundation CSR000000030
	Total					12.38		

(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 INR 63.27 Million

(8b+8c+8d+8e)
Additionally, remittance of INR 0.05 Million to Prime Minister National Relief Fund

(g) Excess amount for set off, if any : NA

Sr. No.	Action taken by	Details
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three Financial Years: (INR Million)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years.
				Name of the Fund	Amount	Date of transfer	
1	2020-21	4.01	4.01	NA	NIL	NA	NA

9. (b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

(INR Million)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed /Ongoing
1	NA	Employability:	2020-21	About 2 years	43.78	4.01	43.78	Completed
		➤ Swayam Health 20-21						
		➤ Swayam Drive 20-21						
		➤ Swayam Digital 20-21 *						
		➤ Swayam Construction 20-21						
		➤ Swayam Skills 20-21						
		➤ Swayam Connect 20-21						
				TOTAL	43.78	4.01	43.78	

* Includes E-Employability Skills Development

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). The Company allocates CSR funds to on-going project(s) which are implemented beyond 1 Financial Year. These projects have set milestones, upon achievement of which, the next tranche(s) of funds are released. A part of the total CSR allocation is ear-marked for such ongoing projects and will be released/utilised in the next Financial Year(s) with the intent to achieve optimal objective of CSR funds, so allocated by the Company.

Ajay Singh Bhutoria
CEO and Managing Director

Arvind Agrawal
Chairman-SCSR Committee

Place : Mumbai
Date : June 27, 2022

Annexure H to the Board’s Report

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

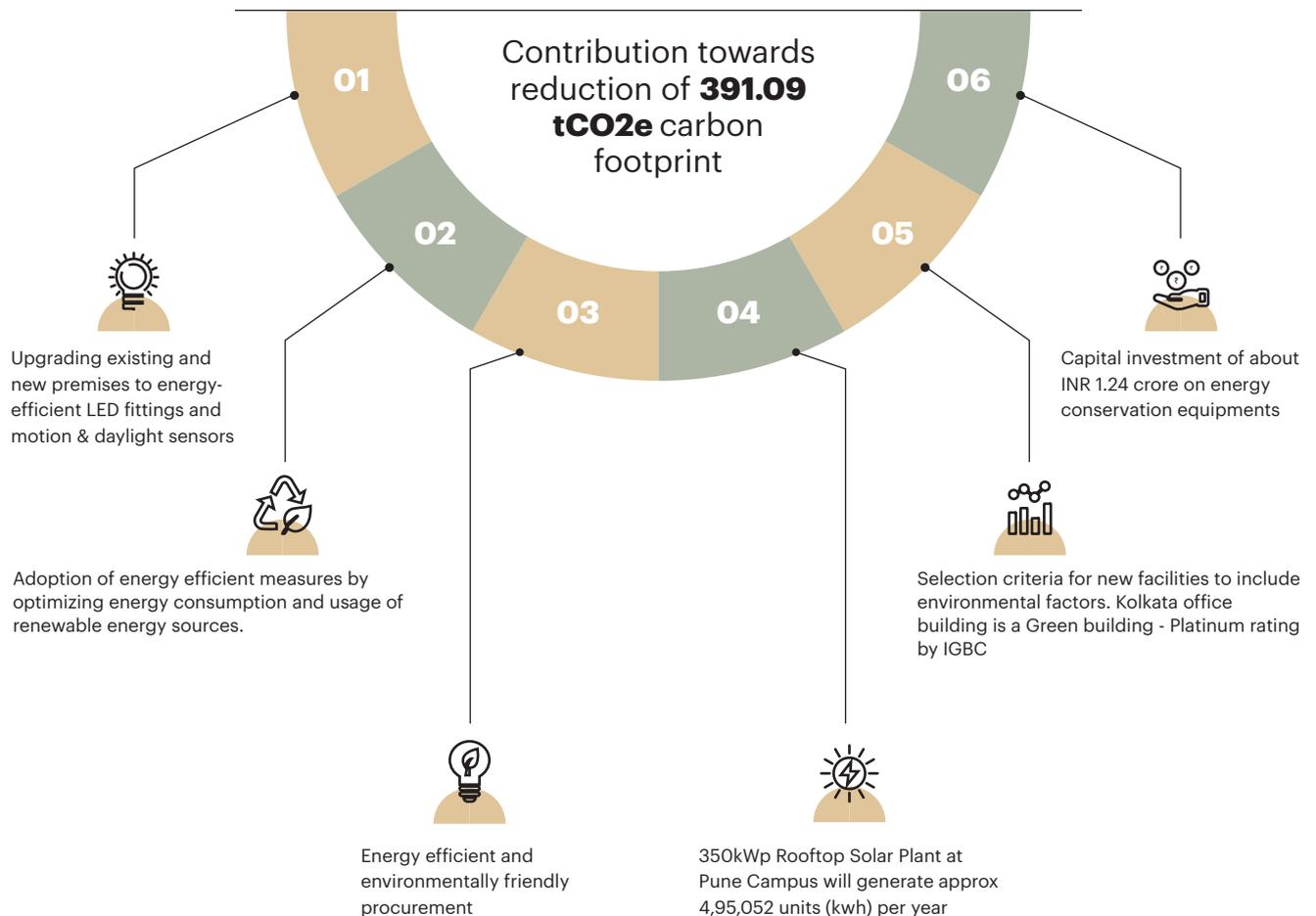
[Particulars pursuant to Section 134(m) of the Companies Act, 2013 read with the Companies (Accounts), Rules, 2014 and other sustainability initiatives]

Part A

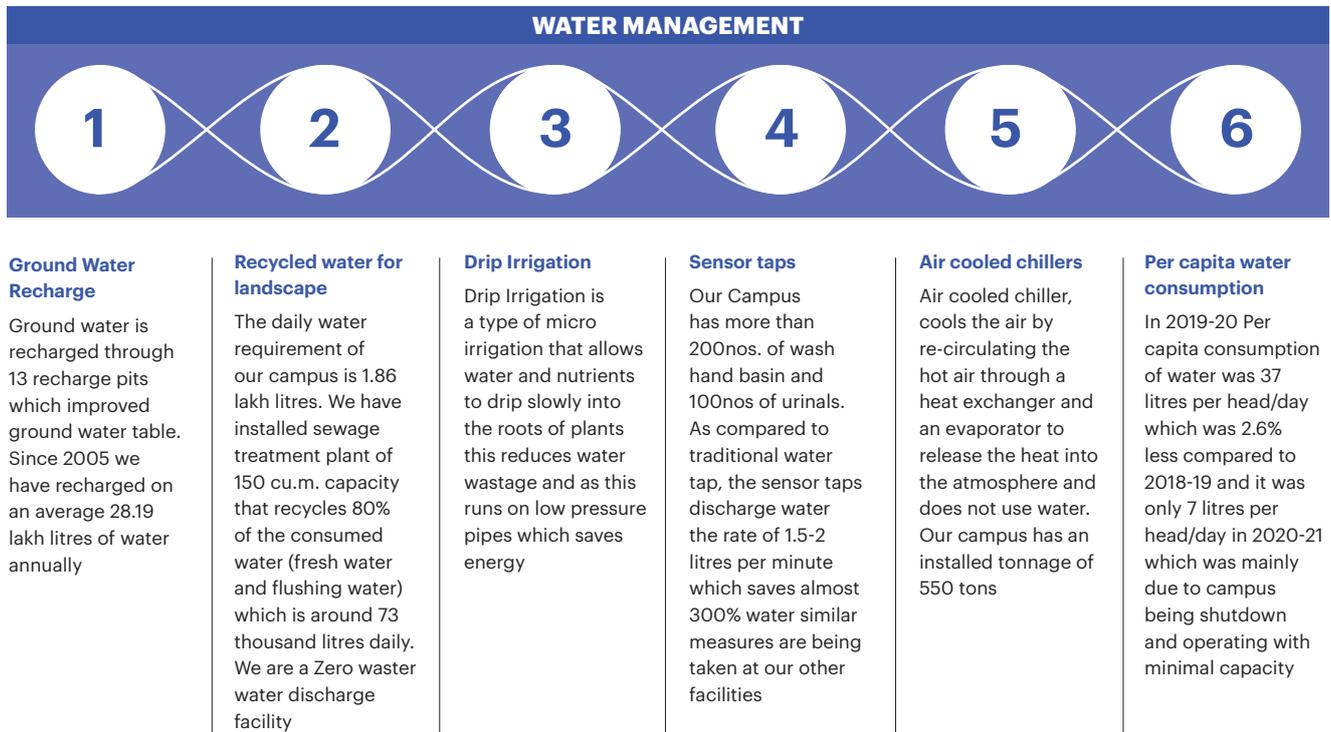
Conservation of Energy

Zensar is committed to safeguarding the environment by managing its environmental impact through adoption of sustainable practices and conservation of energy. Several sustainability initiatives have been undertaken at its premises, primarily for reducing greenhouse gas emissions, energy and water conservation, and responsible waste management. Zensar thrives to focus on capitalizing on renewable energy, obtaining green building certifications, conducting energy management programs, and becoming water positive.

The Environment and Energy Management System encompasses the following:



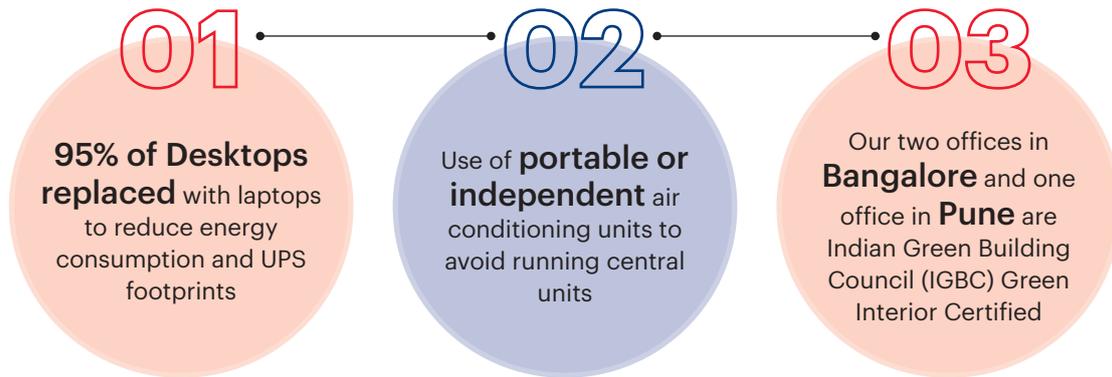
Water Management



Waste Management



Other Green Initiatives



Environment, Health, Safety and Energy

During the year under review Zensar undertook various environmental, health, safety & energy conservation activities such as National Safety week, World Environment Day Celebration, World Heart Day, World Mental Health Day, World Food Day & World Iodine Deficiency Day, Children’s Day, International Day for the elimination of violence against women and Energy Conservation day etc. For details, please refer the Integrated Report section of this Annual Report.

Part B

Technology Absorption

At Zenlabs, focus is on applied research in the areas of Advanced AI and Deep Learning, AI Engineering & ML Operations, Distributed Ledgers & App Integration, Quantum Computing, and Metaverse.

During the Financial Year, few patents of strategic importance were approved which shows that the organisation is on a continuous path to innovation including, AI patents related to organisation-level Information Extraction, Knowledge management, and analytics. These patents focus on the areas like - AI-enabled meeting management, employee engagement analysis, and information flow management. Similarly, the USA patent office has granted a blockchain patent, which transforms a legal contract into a digital contract.

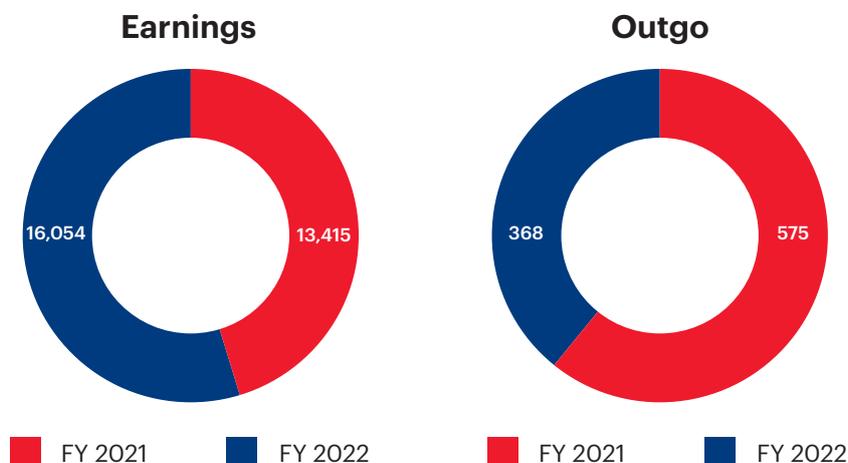
Zensar also participated in key partnerships with AWS and Microsoft. AWS and Zensar partnered for the public sector, select tier services & solution provider. It has also been recognised by Avasant, Gartner, ISG and Everest Group as a niche player/leader across our SGOs and verticals.

Further details are set out in the ‘Natural Capital and Intellectual Capital’ sections respectively, which forms part of this Integrated Annual Report.

Part C

(INR Million)

Foreign Exchange Earnings and Outgo:



For further details, please refer the Integrated Reporting section of this Annual Report.

For and on behalf of the Board of Directors

FINANCIAL STATEMENTS

STANDALONE

Independent Auditor's Report

To The Members of Zensar Technologies Limited

Report on the Audit of the 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 March 31, 2022, 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 March 31, 2022, 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

Independent Auditor's Report (Contd.)

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.

Auditor's 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 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:

Independent Auditor's Report (Contd.)

- 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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.
- 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.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

Independent Auditor's Report (Contd.)

- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.
- (c) As stated in note 10(a) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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: 22040081AISRFT1140)

Place: Pune
Date: May 10, 2022

ANNEXURE “A”

to the Independent Auditor’s 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 Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Zensar Technologies Limited (“the Company”) as of March 31, 2022 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.

Auditor’s 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 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 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, 2022, 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: 22040081AISRFT1140)

Place: Pune
Date: May 10, 2022

ANNEXURE “B”

to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) In respect of Company’s Property Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of Property Plant and Equipment and Right of use assets so to cover all the items in a phased manner over a period of two 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 Property Plant and Equipment and Right of use assets were due for verification during the year and 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) Based on our examination of the completion certification/ occupancy certificate/ property tax documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has been sanctioned

working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising book debt statements and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the respective quarters.

(iii) The Company has not provided any guarantee, security and loans & advances which are in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence, reporting under clauses (iii) (a), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable.

The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company’s interest.

(iv) In our opinion and according to the explanations given to us, the Company has not granted any loans to directors and hence reporting under clause (iv) of the Order relating to section 185 is not applicable. The Company has complied with the provisions of Sections 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) 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.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, Service Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

ANNEXURE “B”

to the Independent Auditor’s Report (Contd.)

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 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 Mn)	Amount paid under protest (Rs. In Mn)
The Income Tax Act, 1961	Assessing Officer	2006-07	0#	-
	Income Tax Appellate Tribunal	2007-08	0.1	-
	Income Tax Appellate Tribunal	2008-09	0.4	-
	Income Tax Appellate Tribunal	2010-11	7.4	-
	Commissioner of Income Tax (Appeals)	2015-16	28.9	-
Maharashtra Value Added Tax Act, 2002	Sales Tax Tribunal	2009-10	5	0.8
	Sales Tax Tribunal	2011-12	7	0.7
	Sales Tax Tribunal	2013-14	7.5	1.2
	Deputy Commissioner of Sales Tax	2014-15	17.3	0.9
	Deputy Commissioner of Sales Tax	2015-16	7.5	0.4
	Deputy Commissioner of Sale Tax	2016-17	2	0.1
	Deputy Commissioner of Sales Tax	2017-18	4.5	0.2

The above excludes discussion with regional provident fund authority pursuant to receipt of an enquiry letter for the period from April 2010 till March 2018.

* Net off amount paid under protest

denotes amount less than Rs. 0.1 Mn.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries
- (f) The Company has not raised any loans during the year and hence reporting under clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

ANNEXURE “B”

to the Independent Auditor’s Report (Contd.)

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary company, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

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

Saira Nainar
(Partner)
(Membership No. 040081)
(UDIN: 22040081AISRFT1140)

Place: Pune
Date: May 10, 2022

Standalone Balance Sheet

(All amounts in INR Mn, unless otherwise stated)

Standalone Balance Sheet as at	Notes	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
(a) Property, plant and equipment	4	1,028	941
(b) Right of use assets	30	1,632	1,968
(c) Capital work-in-progress		9	0
(d) Goodwill	33	840	840
(e) Other intangible assets	5	282	391
(f) Financial assets			
i. Investments	6 (a)	4,170	2,815
ii. Loans		-	-
iii. Other financial assets	6 (f)	147	122
(g) Income tax assets (net)	16 (a)	252	233
(h) Deferred tax assets (net)	7	143	251
(i) Other non-current assets	8	50	61
Total Non-current assets		8,553	7,622
Current assets			
(a) Financial assets			
i. Investments	6 (b)	1,636	3,633
ii. Trade receivables	6 (c)	9,291	6,566
iii. Cash and cash equivalents	6 (d)	850	844
iv. Other balances with banks	6 (e)	3,468	3,424
v. Other financial assets	6 (g)	1,264	398
(b) Other current assets	9	522	485
Total current assets		17,031	15,350
Total assets		25,584	22,972
Equity and liabilities			
Equity			
(a) Equity share capital	10 (a)	452	451
(b) Other equity			
i. Reserves and surplus	10 (b)	20,389	17,905
ii. Other components of equity	10 (d)	(27)	1
Total equity		20,814	18,357
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
i. Borrowings		-	-
ii. Lease liabilities	11 (b)	1,466	1,717
(b) Provisions	13	37	32
(c) Employee benefit obligations	14	184	166
Total non-current liabilities		1,687	1,915
Current liabilities			
(a) Financial liabilities			
i. Borrowings		-	-
ii. Lease liabilities	11 (b)	466	477
iii. Trade payables	12		
- Total outstanding dues of micro and small enterprises		76	50
- Total outstanding dues of creditors other than micro and small enterprises		1,041	867
iv. Other financial liabilities	11 (a)	901	769
(b) Employee benefit obligations	14	172	181
(c) Other current liabilities	15	228	159
(d) Income tax liabilities (net)	16 (a)	199	197
Total current liabilities		3,083	2,700
Total liabilities		4,770	4,615
Total equity and liabilities		25,584	22,972

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: Pune

Date: May 10, 2022

For and on behalf of Board of Directors of

Zensar Technologies Limited

H.V. Goenka

Chairman

DIN: 00026726

Ajay Singh Bhutoria

CEO and Managing Director

DIN: 09013862

Sachin Zute

Chief Financial Officer

Gaurav Tongia

Company Secretary

Place: Mumbai

Date: May 10, 2022

Standalone Statement of Profit and Loss

(All amounts in INR Mn, except earnings per share)

Standalone Statement of Profit and Loss for the	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
(a) Revenue from operations	17	16,289	13,618
(b) Other income (net)	18	1,337	739
Total income		17,626	14,357
Expenses			
(a) Purchase of traded goods		42	71
(b) Employee benefits expense	19	10,471	7,768
(c) Subcontracting costs		280	247
(d) Finance costs	20	297	218
(e) Depreciation, amortisation and impairment expense	21	883	894
(f) Other expenses	22	1,350	1,427
Total expenses		13,323	10,625
Profit before tax		4,303	3,732
Tax expense			
(a) Current tax	24	971	825
(b) Deferred tax		124	11
Total tax expense		1,095	836
Profit for the year		3,208	2,896
Other comprehensive income / (loss)			
I) (a) Items that will not be reclassified to profit or loss			
- Remeasurements of defined employee benefit plans	14	(51)	174
(b) Income tax relating to items that will not be reclassified to profit or loss	24	18	(61)
		(33)	113
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)	(44)	47
(b) Income tax relating to items that will be reclassified to profit or loss	10 (d)	16	(16)
		(28)	31
Other comprehensive income / (loss) for the year, net of tax		(61)	144
Total comprehensive income / (loss) for the year		3,147	3,040
Earnings per share - [Face value INR 2 each]			
- Basic	32	14.20	12.85
- Diluted		14.08	12.73

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: Pune
Date: May 10, 2022

For and on behalf of Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
DIN: 00026726

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Sachin Zute
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: May 10, 2022

Standalone Statement of Changes in Equity

(All amounts in INR Mn, unless otherwise stated)

Equity share capital

Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
451	0	451
Balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
451	1	452

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, 2020	44	340	282	3,853	10,694	125	(30)	(21)	15,287	
Profit for the year	-	-	-	2,896	-	-	-	-	2,896	
Currency translation adjustments (net)	-	-	-	-	-	-	-	21	-	
Effective portion of gain / (loss) on Cash Flow Hedge (net)	-	-	-	-	-	-	31	-	31	
Remeasurements of defined employee benefit plans (net of tax)	-	-	-	113	-	-	-	-	113	
Total comprehensive income for the year	-	-	-	3,009	-	-	31	21	3,040	
Transaction with owners in their capacity as owners:										
Dividends paid (including Dividend Distribution Tax)	-	-	-	(271)	-	-	-	-	(271)	
Recognition of Employee Share based payment expense	-	(185)	-	-	-	-	-	-	(185)	
Transferred (from) / to Securities premium on exercise of stock options	-	(6)	6	-	-	-	-	-	-	
Received on exercise of stock options	-	-	14	-	-	-	-	-	14	
Transferred to General reserve on cancellation of stock options	-	-	-	-	-	-	-	-	-	
Transferred (from)/to general reserve/retained earnings	-	-	-	125	-	(125)	-	-	-	
Transferred to Special economic zone re-investment reserve	-	-	-	(255)	-	255	-	-	-	

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 March 31, 2021	44	149	302	6,461	10,694	255	1	-	17,906
Profit for the year	-	-	-	3,208	-	-	-	-	3,208
Currency translation adjustments (net)	-	-	-	-	-	-	-	-	-
Effective portion of gain / (loss) on Cash Flow Hedge (net).	-	-	-	-	-	-	(28)	-	(28)
Remeasurements of defined employee benefit plans (net of tax)	-	-	-	(33)	-	-	-	-	(33)
Total comprehensive income for the year	-	-	-	3,175	-	-	(28)	-	3,147
Transaction with owners in their capacity as owners:									
Dividends paid (including Dividend Distribution Tax)	-	-	-	(881)	-	-	-	-	(881)
Recognition of Employee Share based payment expense	-	160	-	-	-	-	-	-	160
Transferred (from) / to Securities premium on exercise of stock options	-	(84)	84	-	-	-	-	-	-
Received on exercise of stock options	-	-	31	-	-	-	-	-	31
Transferred (from)/to general reserve/retained earnings	-	-	-	255	-	(255)	-	-	-
Transferred to Special economic zone re-investment reserve	-	-	-	(588)	-	588	-	-	-
Balance as at March 31, 2022	44	225	417	8,422	10,694	588	(27)	-	20,362

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)

For and on behalf of Board of Directors of

Zensar Technologies Limited

Saira Nainar

Partner

Membership No: 040081

Place: Pune

Date: May 10, 2022

H.V. Goenka

Chairman

DIN: 00026726

Place: Mumbai

Date: May 10, 2022

Ajay Singh Bhutoria

CEO and Managing Director

DIN: 09013862

Sachin Zute

Chief Financial Officer

Gaurav Tongia

Company Secretary

Standalone Statement of Cash Flows for year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021		
Cash flow from operating activities					
Profit before tax		4,303		3,732	
Adjustments for:					
Depreciation, amortisation and impairment expense		883		894	
Employee share based payment expense		22		(11)	
Profit on sale of investments (mutual funds)		(68)		(59)	
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss		(115)		(127)	
Dividend income		(321)		(263)	
Interest income		(189)		(107)	
Interest expense		293		215	
(Profit) / loss on sale of property, plant and equipment and intangible assets (net)		(0)		(1)	
Provision for doubtful debts and advances (net)		(88)		(220)	
Bad debts written off		45		314	
Provisions no longer required and credit balances written back		(31)		(10)	
Unrealised exchange (gain) / loss (net)		(114)	317	166	791
Operating profit before working capital changes		4,620		4,523	
Change in assets and liabilities					
(Increase)/ decrease in trade receivables and Unbilled revenues		(3,205)		3,622	
(Increase)/ decrease in other assets		(146)		358	
Increase/ (decrease) in trade payables, other liabilities and provisions		270		120	
Increase/ (decrease) in employee benefit obligations		(41)	(3,122)	149	4,249
Cash generated from operations		1,498		8,772	
Income taxes paid (net of refunds)		(971)		(831)	
Net cash inflow from operating activities		527		7,941	
Cash flow from investing activities					
Purchases of Property, plant and equipment and intangible assets		(449)		(375)	
Investment in subsidiaries		(1,111)		(1,109)	
Acquisition of a Company		(178)		-	
Sale of Property, plant and equipment and intangible assets		0		1	
Fixed Deposits placed		(3,545)		(3,484)	
Fixed Deposits redeemed		3,500		327	
Purchase of investments (Mutual Funds)		(15,450)		(17,373)	
Sale of investments (Mutual Funds)		17,317		15,301	
Purchase of Non Convertible Debentures		(272)		(245)	

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Non Convertible Debentures	519	-
Interest income received	156	45
Dividend income received	321	263
Net cash generated from / (used in) investing activities	808	(6,649)
Cash flow from financing activities		
Proceeds from issue of equity shares	32	15
Dividend on equity shares and tax thereon	(881)	(271)
Interest paid	(3)	(7)
Payment of lease liabilities	(477)	(513)
Proceeds from short-term borrowings	-	757
Repayment of short-term borrowings	-	(759)
Net cash used in financing activities	(1,329)	(778)
Effect of exchange differences on translation of cash and cash equivalents	-	-
Net increase/(decrease) in cash and cash equivalents	6	514
Cash and cash equivalents at the beginning of the year	844	330
Cash and cash equivalents at the end of the year	850	844

Notes:

- 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.
- Cash and cash equivalents comprise of: refer note 6(d)

	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	0
Funds in transit	182	35
Cheques on hand	-	-
Balances with Banks:		
- In current accounts	172	277
- Deposits having original maturity of less than three months	496	532
Total	850	844

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: Pune
Date: May 10, 2022

For and on behalf of Board of Directors of
Zensar Technologies Limited

H.V. Goenka

Chairman
DIN: 00026726

Place: Mumbai
Date: May 10, 2022

Ajay Singh Bhutoria

CEO and Managing Director
DIN: 09013862

Sachin Zute

Chief Financial Officer

Gaurav Tongia

Company Secretary

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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, 2022 were approved by the Board of Directors and authorised for issue on May 10, 2022.

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.

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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.

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.

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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.

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

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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.

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.

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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 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

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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 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

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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 followed by 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

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.

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

(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 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.

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.

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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 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

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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 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 Millions as per the requirement of Schedule III, unless otherwise stated.

2.1 Recent accounting pronouncements

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Rules, 2015, and issued rules called as Companies (Indian Accounting Standards) Amendment Rules, 2022 which are applicable from 1 April 2022. Key amendments are summarised below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

Ind AS 16 – Proceeds before intended use

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification on "Cost of Fulfilling a Contract".

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company have evaluated these accounting pronouncements and does not expect the amendments to have significant impact on its financial statements.

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).

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).

Notes accompanying the Standalone Financial Statements as at and for the year ended March 31, 2022

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.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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, 2021	405	362	149	193	109	933	26	2,177
Additions	-	1	0	-	1	372	5	379
Disposals	-	-	(0)	-	(1)	(6)	-	(7)
Exchange translation differences	-	-	0	-	(0)	(0)	-	0
Gross carrying amount as at March 31, 2022	405	363	149	193	109	1,299	31	2,549
Accumulated Depreciation								
As at April 1, 2021	111	140	105	97	69	696	18	1,236
Depreciation	18	50	14	16	15	176	3	292
Disposals	-	-	(0)	-	(1)	(6)	-	(7)
Exchange translation differences	-	-	-	(0)	0	0	-	0
Accumulated depreciation as at March 31, 2022	129	190	119	113	83	866	21	1,521
Net carrying amount as at March 31, 2022	276	173	30	80	26	433	10	1,028
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	405	359	144	188	117	848	29	2,090
Additions	-	35	7	11	4	114	2	173
Disposals	-	(32)	(2)	(5)	(11)	(29)	(5)	(84)
Exchange translation differences	-	-	(0)	(1)	(1)	(0)	-	(2)
Gross carrying amount as at March 31, 2021	405	362	149	193	109	933	26	2,177
Accumulated Depreciation								
As at April 1, 2020	92	116	87	84	62	580	20	1,041
Depreciation	19	56	20	17	17	144	3	276
Disposals	-	(32)	(2)	(4)	(11)	(29)	(5)	(83)
Exchange translation differences	-	-	0	0	1	1	-	2
Accumulated depreciation as at March 31, 2021	111	140	105	97	69	696	18	1,236
Net carrying amount as at March 31, 2021	294	222	44	96	40	237	8	941

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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, 2021	315	150	375	16	8	8	872
Additions	116	-	-	-	-	-	116
Disposals	(153)	-	-	-	-	-	(153)
Exchange Difference	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2022	278	150	375	16	8	8	835
Accumulated Amortisation							
As at April 1, 2021	275	26	150	16	6	8	481
Amortisation	136	50	37	-	2	-	225
Disposals	(153)	-	-	-	-	-	(153)
Exchange Difference	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2022	258	76	187	16	8	8	553
Net carrying amount as at March 31, 2022	20	74	188	-	-	-	282

Particulars	Softwares (Acquired)	Softwares (Internally generated)	Customer Relationship	Non Compete Agreements	Brand	Customer contracts	Total
Gross carrying amount							
As at April 1, 2020	495	39	375	16	8	8	941
Additions	101	128	-	-	-	-	229
Disposals	(281)	(17)	-	-	-	-	(298)
Exchange Difference	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2021	315	150	375	16	8	8	872
Accumulated Amortisation							
As at April 1, 2020	414	20	112	16	5	8	575
Amortisation	142	23	38	-	1	-	204
Disposals	(281)	(17)	-	-	-	-	(298)
Exchange Difference	0	-	-	-	-	-	0
Accumulated amortisation as at March 31, 2021	275	26	150	16	6	8	481
Net carrying amount as at March 31, 2021	40	124	225	-	2	-	391

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

6 Financial Assets

6 (a) Investments [Non-current]

Particulars	As at March 31, 2022	As at March 31, 2021
Investments carried at Fair Value through Other Comprehensive Income (FVOCI)		
Investment in equity instruments - Quoted		
100 (March 31, 2021 : 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, 2021: 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.		
237,500 (March 31, 2021: 218,750) Shares having an aggregate cost of US\$ 31,000,000 (March 31, 2021: US\$ 16,000,000)	2,249	1,138
Zensar Technologies (Singapore) Pte Limited		
300,000 (March 31, 2021: 300,000) Equity Shares of SGD 1 each	8	8
Less : Provision for impairment in the value of investments	(8)	(8)
Zensar Technologies (UK) Limited		
50,000 (March 31, 2021: 50,000) Equity Shares of GBP 1 each	4	4
Zensar (Africa) Holdings Pty Limited		
100 (March 31, 2021: 100) Shares of an aggregate cost of ZAR 1,000,000	6	6
Cynosure Interface Services Private Limited	127	127
100,000 (March 31, 2021: 100,000) Equity Shares of INR 10 each fully paid up		
M3BI India Private Limited		
14,351 (March 31, 2021: Nil) Equity Shares of INR 10 each fully paid up (Refer note 35 (c))	178	-
Sub Total	2,565	1,275
Unquoted Investments carried at Fair value through Profit and Loss (FVTPL)		
- Mutual Funds	1,605	1,540
Total Non-current Investments	4,170	2,815
Aggregate amount of quoted investments & market value thereof	0	0
Aggregate amount of unquoted investments	4,178	2,823
Aggregate amount of impairment in the value of investments	8	8

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as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

6 (b) Investments [Current]

Particulars	As at March 31, 2022	As at March 31, 2021
- Mutual Funds (carried at Fair value through Profit and Loss)	1,636	3,388
- Non Convertible Debentures (carried at amortised cost)	-	102
- Non Convertible Debentures (carried at Fair value through Profit and Loss)	-	143
Total	1,636	3,633
Aggregate amount of quoted investments & market value thereof	1,636	3,234
Aggregate amount of unquoted investments	-	399

6 (c) Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Considered good	9,291	6,566
Credit impaired	128	210
	9,419	6,776
Less: Allowance for credit loss	(128)	(210)
Total	9,291	6,566

For ageing, refer Note 36

6 (d) Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	0
Funds in transit	182	35
Cheques on hand	-	-
Balances with banks :		
- In current accounts	172	277
- Deposits having original maturity of less than three months	496	532
Total	850	844

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

6 (e) Other balances with banks

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked Balances with Banks - Unclaimed Dividend	23	24
Deposits having original maturity of more than three months	3,445	3,400
Total	3,468	3,424

6 (f) Other financial assets : Non-current

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Security deposits		
Considered good	147	120
Credit impaired	10	12
	157	132
Less: Allowance for credit loss	(10)	(12)
	147	120
Amount deposited under protest		
Considered good	-	2
Credit impaired	160	158
	160	160
Less: Allowance for credit loss	(160)	(158)
	-	2
Total	147	122

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

6 (g) Other financial assets : Current

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Unbilled revenues	823	101
Foreign currency derivative assets	44	66
Security Deposits		
Considered good	-	-
Credit impaired	2	9
	2	9
Less: Allowance for credit loss	(2)	(9)
	-	-
Interest accrued on Bank Deposits and Non Convertible Debentures	96	64
Sales consideration receivable	2	2
Contractually reimbursable expenses		
Considered good	299	165
Credit impaired	-	-
	299	165
Less: Allowance for credit loss	-	-
	299	165
Total	1,264	398

7 Deferred Tax Asset (net)

The components of deferred tax assets and liabilities are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
The major components of the deferred tax asset are		
Depreciation/amortisation of Property, plant and equipment and Intangible assets	-	107
Allowance for credit loss on trade receivables and advances	45	64
Expenses allowable on payment/exercise basis	166	86
Fair value changes of cash flow hedges	16	0
Capital losses	19	19
	246	276
The major components of the deferred tax liability are		
Gain on mutual fund investments mandatorily measured at FVTPL	32	25
Depreciation/amortisation of Property, plant and equipment and Intangible assets	71	-
Fair value changes of cash flow hedges	-	-
	103	25
Net deferred tax asset / (liability)	143	251

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(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, 2020	55	139	65	16	-	9	284
(Charged)/credited:							
- to statement of profit and loss	52	(75)	21	-	19	(9)	8
- to other comprehensive income	-	-	-	(16)	-	-	(16)
As at March 31, 2021	107	64	86	0	19	-	276
(Charged)/credited:							
- to statement of profit and loss	(107)	(19)	80	-	-	-	(46)
- to other comprehensive income	-	-	-	16	-	-	16
As at March 31, 2022	-	45	166	16	19	-	246

(ii) Movement in deferred tax liabilities

Particulars	Gain on mutual fund investments mandatorily measured at FVTPL	Depreciation/ amortisation of Property, plant and equipment and Intangible assets	Fair value changes of cash flow hedges	Total
As at March 31, 2020	6	-	-	6
Charged/(credited):				
- to statement of profit and loss	19	-	-	19
- to other comprehensive income	-	-	-	-
As at March 31, 2021	25	-	-	25
Charged/(credited):				
- to statement of profit and loss	7	71	-	78
- to other comprehensive income	-	-	-	-
As at March 31, 2022	32	71	-	103

8 Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	50	61
Capital advances	0	-
Total	50	61

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

9 Other Current assets

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Advances other than capital advances:		
- advances to employees		
Considered good	25	23
Credit impaired	-	3
	25	26
Less: Allowance for credit loss	-	(3)
	25	23
- advances to suppliers		
Considered good	19	29
Credit impaired	12	12
	31	41
Less: Allowance for credit loss	(12)	(12)
	19	29
Unbilled revenues	56	33
Prepaid expenses	186	118
Balance with government authorities	149	187
Surplus of plan assets over obligations (Refer note 14)	87	95
Others	0	0
Total	522	485

10 (a) Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
237,500,000 equity shares of INR 2 each (237,500,000 shares of INR 2 each as at March 31, 2021)	475	475
Total	475	475
Issued, subscribed and Paid up :		
226,201,471 equity shares of INR 2 each (225,620,285 shares of INR 2 each at March 31, 2021)	452	451
Total	452	451

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(i) Reconciliation of the shares outstanding as at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos	INR In Mn	Nos	INR In Mn
At the beginning of the year	225,620,285	451	225,416,970	451
Add: Shares issued on exercise of employee stock options	581,186	1	203,315	0
Outstanding at the end of the year	226,201,471	452	225,620,285	451

(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 held on May 10, 2022 have recommended a final dividend of INR 3.50 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, 2022		As at March 31, 2021	
	%	NO. of shares	%	NO. of shares
Swallow Associates LLP	26.78%	60,586,344	26.85%	60,586,344
Marina Holdco (FPI) Limited	-	-	22.83%	51,506,470
Summit Securities Limited	11.04%	24,972,427	11.07%	24,972,427
Instant Holdings Limited	8.42%	19,051,374	8.44%	19,051,374
Amansa Holdings Private Limited	5.84%	13,208,157	6.31%	14,234,785

(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, 2022 - Nil

(v) For details of Employee Stock Option Plans (ESOP), Refer note 31

10 (b) Reserves and surplus:

Particulars	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve	44	44
Share based payment reserve	225	149
Retained earnings	8,422	6,461
Securities premium	417	302
General reserve	10,694	10,694
Special economic zone re-investment reserve	588	255
Total reserves and surplus	20,389	17,905

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

10 (c) Movement of Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve		
Balance at the beginning and end of the year	44	44
Share based payment reserve		
Balance at the beginning of the year	149	340
Add: Employee Share based payment expense (net)	160	(185)
Less: Transferred to Securities premium on exercise of stock options	84	6
Balance as at the end of the year	225	149
Retained earnings		
Balance as at the beginning of the year	6,461	3,853
Add: Profit for the year	3,208	2,896
Add/(less) items of other comprehensive income recognised directly in retained earnings:		
Add/(less) Remeasurements of defined employee benefit plans (net of tax)	(33)	113
Less: Equity Dividends paid (including Dividend Distribution Tax)	881	271
Add: Utilisation of Special Economic Zone Re-investment Reserve	255	125
Less: Transferred to Special Economic Zone Re-investment Reserve	588	255
Balance as at the end of the year	8,422	6,461
Securities premium		
Balance as at the beginning of the year	302	282
Add: Transferred from share based payment reserve on exercise of stock options	84	6
Add: Received on exercise of stock options	31	14
Balance as at the end of the year	417	302
General reserve		
Balance as at the beginning of the year	10,694	10,694
Balance as at the end of the year	10,694	10,694
Special Economic Zone Re-investment Reserve		
Balance as at the beginning of the year	255	125
Add: Transferred from retained earnings	588	255
Less: Utilised during the year	255	125
Balance as at the end of the year	588	255

Notes to the Standalone Financial Statements

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(All amounts in INR Mn, unless otherwise stated)

10 (d) Other components of equity:

Particulars	As at March 31, 2022	As at March 31, 2021
Effective portion of Cash Flow Hedges		
Balance at the beginning of the year	1	(30)
Effective portion of gain / (loss) on Cash Flow Hedge (net)	(44)	47
Tax impact	16	(16)
Balance as at the end of the year	(27)	1
Exchange differences on translating the financial statements of a foreign operation		
Balance at the beginning of the year	-	(21)
Currency translation adjustments (net)	-	21
Tax impact	-	-
Balance as at the end of the year	-	-
Total	(27)	1

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) Effective portion of Cash Flow Hedges:

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

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as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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.

(viii) Exchange differences on translating the financial statements of a foreign operation:

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, 2022	As at March 31, 2021
Current		
Foreign Currency derivative liabilities	171	43
Accrued salaries and benefits	616	667
Unclaimed dividend	23	23
Capital creditors	84	29
Others	7	7
Total	901	769

11 (b) Lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Lease Liabilities	1,466	1,717
Current		
Lease Liabilities	466	477
Total	1,932	2,194

12 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade payables	1,117	917
Total	1,117	917

For ageing, refer Note 36

"During the year ended March 31, 2022 and March 31, 2021 an amount of INR 24 Mn and 32 Mn 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 0 Mn [previous year INR 1 Mn]. Interest paid INR 1 Mn (previous year INR 1 Mn)

Notes to the Standalone Financial Statements

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(All amounts in INR Mn, unless otherwise stated)

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."

13 Provisions [Non-Current]

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Contingencies	37	32
Total	37	32

(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, 2022	As at March 31, 2021
Opening Balances	32	26
Additional provisions accrued	5	6
Unused amounts reversed	-	-
Amounts used during the year	-	-
Closing Balances	37	32

14 Employee benefit obligations

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for compensated absences	184	166
Total	184	166
Current		
Provision for compensated absences	172	181
Provision for gratuity (Refer Note (i) below)	-	-
Total	172	181

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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
As at April 1, 2020	1,245	(1,073)	172
Current service cost	208	-	208
Interest expense / (income)	75	(65)	10
Total amount recognised in statement of profit and loss	283	(65)	218
Remeasurements			
Return on plan assets	-	(9)	(9)
(Gain) / loss from change in demographic assumptions	(19)	-	(19)
(Gain) / loss from change in financial assumptions	(70)	-	(70)
Experience (gains) / losses	(76)	-	(76)
Total amount recognised in Other comprehensive income	(165)	(9)	(174)
Liability Transferred Out/Disinvestments			-
Contributions by the company	-	(176)	(176)
Benefit payments	(135)	-	(135)
As at March 31, 2021	1,228	(1,323)	(95)
Current service cost	179	-	179
Interest expense / (income)	84	(90)	(6)
Total amount recognised in statement of profit and loss	263	(90)	173
Remeasurements			
Return on plan assets	-	(6)	(6)
(Gain) / loss from change in demographic assumptions	(14)	-	(14)
(Gain) / loss from change in financial assumptions	82	-	82
Experience (gains) / losses	(11)	-	(11)
Total amount recognised in Other comprehensive income	57	(6)	51
Liability Transferred Out/Disinvestments	-	-	-
Contributions by the company	-	(2)	(2)
Benefit payments	(217)	3	(215)
As at March 31, 2022	1,331	(1,418)	(87)

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/(asset) disclosed above relates to funded and unfunded plans are as follows:

Plan type	As at March 31, 2022	As at March 31, 2021
Present value of obligation	1,331	1,228
Fair value of plan assets	(1,418)	(1,323)
Net Liability/(Asset)	(87)	(95)

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

- c As at March 31, 2022 and March 31, 2021, plan assets were fully invested in insurer managed funds.
- 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 this 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 125 Mn (March 31, 2021 INR 85 Mn) to the defined benefit plan during the next annual reporting period.

Weighted average duration of the Projected Benefit Obligation is 6 Years (March 31, 2021 - 8 Years)

Estimated benefit payments from the fund for year ending	As at March 31, 2022	As at March 31, 2021
March 31, 2022	N.A.	106
March 31, 2023	137	97
March 31, 2024	132	106
March 31, 2025	149	121
March 31, 2026	133	108
March 31, 2027	141	N.A.
Thereafter	621	556

The expected benefits are based on the same assumptions used to measure the Company's benefit obligations as of March 31, 2022.

- fa Sensitivity analysis - the increase / (decrease) in present value of defined benefit obligation to changes in principal assumptions:

Particulars	As at March 31, 2022	As at March 31, 2021
- 1% increase in discount rate	(5.57%)	(6.55%)
- 1% decrease in discount rate	6.22%	7.40%
- 1% increase in salary escalation rate	6.08%	7.32%
- 1% decrease in salary escalation rate	(5.56%)	(6.60%)
- 1% increase in rate of employee turnover	(0.83%)	(0.44%)
- 1% decrease in rate of employee turnover	0.87%	0.45%

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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.

- 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, 2022	As at March 31, 2021
Balance as at the beginning of the year	4,485	4,004
Liability transferred in	200	112
Interest cost	369	317
Current service cost	271	190
Employee contribution	418	321
Benefit paid	(577)	(459)
Actuarial (gains)/losses	-	-
Balance as at the end of the year	5,166	4,485

gb Fair value of Plan Assets (Restricted to the extent of Present Value of Obligation)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	4,614	4,052
Expected return on plan assets	396	399
Contributions by the Company	689	510
Transfer from other Company	200	112
Benefit paid	(577)	(459)
Actuarial gains/(losses)	-	-
Balance as at the end of the year	5,322	4,614

gc

Particulars	As at March 31, 2022	As at March 31, 2021
Assets / (liabilities) recognised in the Balance Sheet	-	-

gd Expense recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
Current service cost	271	190
Interest cost	369	317
Expected return on plan assets	(396)	(399)
Total expense recognised in the statement of profit and loss	244	108

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(All amounts in INR Mn, unless otherwise stated)

ge The plan assets have been primarily invested as follows :

Category of Assets	As at March 31, 2022	As at March 31, 2021
Central Government of India Assets	619	623
State Government of India Assets	1,933	1,545
Special Deposits Scheme	25	25
Private Sector Bonds	2,227	1,991
Equity / Mutual Funds	331	254
Cash and Cash Equivalents	14	16
Others	173	160
Total	5,322	4,614

gf The principal assumptions used for the purpose of all defined benefit obligations are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate *	6.70%	6.82%
Salary escalation rate **	8.00%	7.00%
Rate of employee turnover		
-For services 4 years and below	18.00%	16.00%
-For services 5 years and above	12.00%	9.00%

* 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.

(ii) Defined contribution plans:

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	As at March 31, 2022	As at March 31, 2021
Contribution to Employees' Provident Fund	270	194
Contribution to Employees' Family Pension Fund	108	98
Contribution to Employees' Superannuation Fund	5	5
Contribution to National Pension Schemes	-	9

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

15 Other Current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Unearned revenue	2	10
Statutory dues	226	149
Others	-	-
Total	228	159

16 (a) Income Taxes

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax assets (net)	252	233
Income tax liabilities (net)	(199)	(197)
Net total	53	36

16 (b) Movement

Movement in the Income Tax balances is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	36	91
Income tax paid (net of refunds)	971	831
Current income tax expense (Refer note 24 (i))	(1,020)	(814)
Adjustment for current tax of prior periods (Refer note 24 (i))	49	(11)
Income tax on other comprehensive income (Refer note 24 (iii))	18	(61)
Others	(1)	-
Net total	53	36

17 Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Software development, its allied services and maintenance services	16,242	13,539
Sale of licenses, hardware and other equipments	47	79
Total	16,289	13,618

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

18 Other income (net)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income		
- On deposits with banks	170	91
- Others	19	16
Dividend Income (from subsidiaries)	321	263
Net gain /(loss) on financial assets mandatorily measured at FVTPL	115	127
Profit on sale of investments (mutual funds)	68	59
Foreign exchange gain (net)	477	130
Secondment Fees	44	26
Profit /(Loss) on sale of fixed assets (net)	0	1
Provisions no longer required and credit balances written back	31	10
Miscellaneous Income	92	16
Total	1,337	739

19 Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	9,602	7,119
Contribution to provident and other funds (Refer note 14)	718	535
Employee share-based payment expense (net of recoveries) (Refer note 31)	22	(11)
Staff welfare expenses	129	125
Total	10,471	7,768

20 Finance Costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on :		
- Loans	0	7
- Fair value of contingent consideration	-	-
- Lease Liabilities	184	207
- Others	109	1
Bank charges	4	3
Total	297	218

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

21 Depreciation, amortisation and impairment expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of Property, plant and equipment	292	276
Depreciation of Right of use of assets	366	402
Amortization and Impairment of intangible assets #	225	216
Total	883	894

#includes impairment charge of INR Nil Mn (previous year: INR 12 Mn)

22 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent (Refer note 13)	26	37
Rates and taxes	29	183
Electricity and power	51	57
Travelling and conveyance	22	28
Recruitment expenses	281	131
Training expenses	49	31
Repairs and maintenance to :		
-Building	112	114
-Electrical Installations and equipments	16	18
-Data Processing Equipments	210	160
-Others	6	7
Insurance	22	7
Legal and professional charges	262	272
Payments to auditors (Refer note 22 (b) below)	9	10
Communication expenses	83	119
General Office expenses	24	35
Carriage, freight and octroi	-	-
Advertisement and publicity	62	21
Expenditure towards Corporate social responsibility (See Note 22 (a))	67	58
Allowance for doubtful trade receivables		
- Provided	10	106
- Bad debts written off	45	308
- Less: Reversed	(92)	(337)
	(37)	77

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as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Allowance for doubtful loans, advances and deposits		
- Provided	2	25
- Loans and advances written off	-	5
- Less: Reversed	(8)	(13)
	(6)	17
Miscellaneous expenses	62	46
Total	1,350	1,427

22 (a) Expenditure towards Corporate social responsibility

CSR activities undertaken by the Company are in relation to education, employability and community development

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gross amount required to be spent by the Company during the year	67	58
Total	67	58

Amount spent during the year on	Year ended March 31, 2022	Year ended March 31, 2021
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	64	54
Total	64	54

The unspent CSR amount of INR 3 Mn (previous year INR 4 Mn) has been transferred to a separate bank account post the Balance Sheet date.

Cumulative value of previous years shortfall - INR 7 Mn

Reason for shortfall - The Company allocates CSR funds to on-going project(s) which are implemented beyond 1 financial year. These projects have set milestones, upon achievement of which, the next tranche(s) of funds are released. A part of the total CSR allocation is ear-marked for such ongoing projects and will be released/utilised in the next financial year(s) with the intent to achieve optimal objective of CSR funds, so allocated by the Company.

22 (b) Details of payments to auditors

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
As auditors :		
- Audit Fee [including quarterly limited reviews]	7	7
In other capacity, in respect of :		
- Certification services	1	2
- Taxation matters	1	1
Reimbursement of expenses	-	0
Total	9	10

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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	8,158	1,239
	[7,034]	[1,067]
-Europe	3,293	576
	[2,758]	[427]
- Africa	2,776	149
	[2,128]	[63]
- Rest of the world	48	50
	[50]	[91]
Revenue by Contract Type		
-Fixed Price Contracts/Fixed Monthly	8,425	1,180
	[7,322]	[1,066]
-Time and Material	5,850	834
	[4,648]	[582]

Figures in brackets are for previous year i.e. March 31, 2021

(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.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in the 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.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(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 revaluations, 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 59 MN [March 31, 2021: INR Nil] out of which INR 59 MN [March 31, 2021: 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	For the year ended March 31, 2022	For the year ended March 31, 2021
Income tax expense		
Current Tax		
Current tax on profits for the year	1,020	814
Adjustment for current tax of prior periods	(49)	11
Current tax expense	971	825
Deferred tax		
Decrease / (increase) in deferred tax assets	46	(8)
(Decrease) / increase in deferred tax liabilities	78	19
Deferred tax expense / (benefit)	124	11
Income tax expense	1,095	836

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% 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% 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 utilisation 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 to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Current tax	Deferred tax	Current tax	Deferred tax
Profit before taxes	4,303		3,732	
Indian statutory income tax rate	34.94%		34.94%	
Computed expected tax expenses	1,504		1,304	
Income exempt from tax				
- Tax holiday units	(457)		(360)	
- Dividend from subsidiaries	(112)		(92)	
Non-deductible expenses	42		16	
Changes in unrecognized deferred tax assets (net)	195		(15)	
Effect of differential tax rates	(33)		(28)	
True-up of tax provisions related to previous years	(49)		11	
Others	5		-	
Total Income tax expense	1,095		836	

- iii. Tax on the amounts recognised directly in OCI – expense / (reversal):

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Current tax	Deferred tax	Current tax	Deferred tax
Fair value changes on cash flow hedges	-	(16)	-	16
Remeasurements of post-employment benefit obligations	(18)	-	61	-
Total	(18)	(16)	61	16

- iv. **Changes in tax rate** - There is no change in tax rate as compared to the previous year.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

25. Fair value measurements

Financial instruments by category:

Particulars	As at March 31, 2022				As at March 31, 2021			
	FVTPL	FVOCI	Derivative financial assets/liabilities	Amortised cost	FVTPL	FVOCI	Derivative financial assets/liabilities	Amortised cost
Financial assets								
Investments:								
- equity instruments #	-	-	-	-	-	-	-	-
- mutual funds and NCD's	3,241	-	-	-	5,071	-	-	102
Trade receivables	-	-	-	9,291	-	-	-	6,566
Cash and cash equivalents	-	-	-	850	-	-	-	844
Other balances with banks	-	-	-	3,468	-	-	-	3,424
Derivative financial assets	-	-	44	-	-	-	66	-
Security deposits	-	-	-	147	-	-	-	120
Unbilled revenues	-	-	-	823	-	-	-	101
Others	-	-	-	397	-	-	-	233
Total financial assets	3,241	-	44	14,976	5,071	-	66	11,390
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	-	1,117	-	-	-	917
Capital creditors	-	-	-	84	-	-	-	29
Accrued salaries and benefits	-	-	-	617	-	-	-	667
Derivative financial liabilities	-	-	171	-	-	-	43	-
Lease liabilities	-	-	-	1,932	-	-	-	2,194
Contingent consideration	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	-	29	-	-	-	30
Total financial liabilities	-	-	171	3,779	-	-	43	3,837

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

- recognised and measured at fair value, and
- 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.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Financial assets and liabilities measured at fair value – As at March 31, 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds and NCD's	3,241	-	-	3,241
Financial investments at FVOCI				
Equity instruments	-	-	-	-
Derivatives designated as hedges				
Foreign currency derivative assets	-	44	-	44
Total financial assets	3,241	44	-	3,285
Financial liabilities				
Foreign currency derivative liabilities	-	171	-	171
Fair value of financial liability	-	-	-	-
Total financial liabilities	-	171	-	171

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	4,928	245	-	5,173
Financial investments at FVOCI				
Equity instruments	-	-	-	-
Derivatives designated as hedges				
Foreign currency derivative assets	-	66	-	66
Total financial assets	4,928	311	-	5,239
Financial liabilities				
Foreign currency derivative liabilities	-	43	-	43
Fair value of financial liability	-	-	-	-
Total financial liabilities	-	43	-	43

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.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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, 2022 and 2021

Particulars	Unlisted Equity Securities
As at April 1, 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	-
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, 2022	-

iii. Valuation inputs and relationships to fair value:

Particulars	Fair value		Significant unobservable inputs	Probability-weighted range		Sensitivity
	As at March 31,2022	As at March 31,2021		As at March 31,2022	As at March 31,2021	
Contingent consideration	-	-	Expected cash outflows	-	-	-
			Discount rate	-	-	-

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, 2022, 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 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

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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. 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 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 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, 2022 in INR Mn is as follows:

Particulars	USD	GBP	ZAR	Other currencies	Total
Financial assets					
Cash and cash equivalents	2 [3]	- [-]	- [-]	- [-]	2 [3]
Trade receivables	1,832 [772]	24 [111]	704 [141]	7 [43]	2,567 [1,067]
Other assets	565 [63]	236 [37]	151 [27]	6 [3]	958 [130]
Financial liabilities					
Trade payables	360 [326]	13 [13]	79 [76]	3 [7]	455 [422]
Other liabilities	2 [3]	- [-]	33 [25]	- [-]	35 [28]

Figures in brackets are for previous year i.e. as at March 31, 2021

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Sensitivity:

For the year ended March 31, 2022 and March 31, 2021, every percentage point appreciation/depreciation in the exchange rate would have affected the Company's operating margins respectively:

- INR/USD by approximately 0.56% and 0.59%,
- INR/GBP by approximately 0.21% and 0.22%
- INR/ZAR by approximately 0.21% and 0.17%,

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, 2022		As at March 31, 2021	
	Amount of contracts in Mn	Fair Value – Gain / (Loss) (INR in Mn)	Amount of contracts in Mn	Fair Value – Gain / (Loss) (INR in Mn)
Derivative designated as cash flow hedges				
Forward Contract				
In USD	26	4	23	11
In GBP	3	6	7	(1)
In ZAR	240	(53)	115	(10)
Total Forwards		(43)		0
Option Contracts				
In USD	-	-	6	1

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, 2022	As at March 31, 2021
Not later than one month	(21)	(3)
Later than one month and not later than three months	(11)	(1)
Later than three months and not later than one year	(11)	5

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.

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(All amounts in INR Mn, unless otherwise stated)

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.

The following table provides the reconciliation of cash flow hedge reserve:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1	(30)
Gain / (Loss) during the year on Cash Flow Hedges [includes reclassification to statement of profit and loss [FY 2021-22 INR 77 Mn [FY 2020-21 - INR 94 Mn]	(44)	47
Tax impact	16	(16)
Balance as at the end of the year	(27)	1

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 9,291 Mn and INR 6,566 Mn as of March 31, 2022 and March 31, 2021, respectively and unbilled revenues amounting to INR 879 Mn and INR 134 Mn as of March 31, 2022 and March 31, 2021, 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, 2022 and March 31, 2021 is given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	210	440
Allowance for doubtful debts	10	106
Reversal of allowance for doubtful debts	(92)	(337)
Foreign exchange differences	0	1
Balance at the end	128	210

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.

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(All amounts in INR Mn, unless otherwise stated)

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, 2022, 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, 2022				
	Contractual cash flows				
	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	1,117	1,117	-	-	1,117
Lease liabilities	1,932	466	1,452	590	2,508
Other liabilities	901	901	-	-	901

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	917	917	-	-	917
Lease liabilities	2,194	477	1,613	505	2,595
Other liabilities	769	769	-	-	769

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.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

28. Related Party Disclosure

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.	refer note (v)
Cynosure Inc.	refer note (v)
Indigo Slate Inc.	refer note (v)
Professional Access Limited	refer note (v)
M3BI LLC (refer note (viii))	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	refer note (ix)
Zensar Technologies IM B.V.	refer note 35(b)
Zensar Information Technologies B.V. (refer note (vi))	100% step down subsidiary
M3BI India Private Limited (refer note (viii))	100% subsidiary
Cynosure Interface Services Private Limited (refer note (iii))	100% subsidiary
Zensar IT Services Limited	refer note (ii)
Zensar Technologies (Canada) Inc	100% step down subsidiary
Zensar Technologies GmbH	100% step down subsidiary
Zensar Colombia S.A.S. (refer note (iv))	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.
- (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)

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

- (iv) During the year ended March 31, 2022, a 100% step down subsidiary in Colombia namely Zensar Colombia S.A.S. was incorporated.
- (v) During the year ended March 31, 2022, Keystone Logic Inc., Cynosure Inc., Indigo Slate Inc. and Professional Access Limited were merged into its holding company – Zensar Technologies Inc.
- (vi) During the year ended March 31, 2021, a 100% step down subsidiary in Netherlands namely Zensar Information Technologies B.V. was incorporated
- (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 had no ability to direct the relevant activities of and exercise control over Aquila. Therefore, Aquila was 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.
- (viii) Refer note 35 (c)
- (ix) During the year ended March 31, 2022, Keystone Technologies Mexico, S. DE R.L. DE C.V got merged with Keystone Logic Mexico, S. DE R.L. DE C.V.

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	Upto January 31, 2022
Sachin Zute	Chief Financial Officer	W.e.f May 10, 2022
Gaurav Tongia	Company Secretary	
A.T. Vaswani	Non-Executive Director	
Arvind Agrawal	Non-Executive Director	
Venkatesh Kasturirangan	Non-Executive Director	
Shashank Singh	Non-Executive Director	Upto December 10, 2021
Ben Druskin	Non-Executive Director	
Ketan Dalal	Non-Executive Director	
Harsh Mariwala	Non-Executive Director	
Anant Goenka	Non-Executive Director	
Radha Rajappa	Non-Executive Director	

(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

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(All amounts in INR Mn, unless otherwise stated)

KEC International Limited
RPG Life Sciences Limited
RPG Foundation
RPG Art Foundation
CEAT Limited
Rainetree Capital, LLC
Katalyst Advisors LLP
Katalyst Advisors Private Limited

(c) Entities which have the ability to exercise influence / significant influence over the company:

Swallow Associates LLP
Summit Securities Limited
Marina Holdco (FPI) Ltd. – Upto December 10, 2021
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:

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
A.	Revenue from rendering services				
(i)	Zensar Technologies, Inc.	8,676	6,576	6,493	4,335
(ii)	Zensar Technologies (UK) Limited	3,405	2,692	640	634
(iii)	Professional Access Limited	-	238	-	92
(iv)	Zensar Technologies IM, Inc.	-	8	-	-
(v)	Zensar (South Africa) Proprietary Limited	2,868	2,052	2,566	902
(vi)	RPG Life Sciences Limited	-	-	-	1
(vii)	RPG Enterprises	-	1	-	-
(viii)	Harrisons Malayalam Limited	-	-	-	1
(ix)	Zensar Technologies IM B.V.	-	2	-	-
(x)	Keystone Logic Inc.	-	447	-	273

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
(xi)	Foolproof Limited	125	36	91	27
(xii)	Cynosure Inc.	-	418	-	185
(xiii)	Indigo Slate Inc.	-	30	-	-
(xiv)	Zensar Information Technologies B.V.	13	13	3	13
(xv)	Zensar Technologies (Canada) Inc	15	2	-	-
(xvi)	Zensar Technologies (Singapore) Pte. Limited	2	-	0	-
(xvii)	M3Bi India Private Limited	11	-	5	-
	Total - Revenue from rendering services	15,114	12,515	9,798	6,463
B.	Subcontracting costs (Purchase of services)				
(i)	Zensar (South Africa) Proprietary Limited	-	45	-	(283)
(ii)	Cynosure Interface Services Private Limited	74	87	(5)	(5)
(iii)	Zensar Technologies IM B.V.	-	(2)	-	-
(iv)	Foolproof Limited	0	2	-	(2)
(v)	Zensar Technologies Inc	-	40	-	(40)
	Total - Subcontracting costs (Purchase of services)	74	172	(5)	(330)
C.	Other Income/(Expenses)				
(i)	Zensar Technologies, Inc.	23	19	9	5
(ii)	Zensar Technologies (UK) Limited	16	12	3	1
(iii)	Zensar (South Africa) Proprietary Limited	5	-	2	-
(iv)	Zensar Information Technologies B.V.	0	-	-	-
(v)	CEAT Limited	1	1	2	1
(vi)	RPG Enterprises	(140)	(160)	(2)	(13)
(vii)	Katalyst Advisors LLP	-	(2)	-	(1)
(viii)	Katalyst Advisors Private Limited	(2)	-	-	-
(ix)	KEC International Limited	0	-	-	-
	Total - Other Income/(Expenses)	(97)	(130)	14	(7)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
D.	Dividend income received				
(i)	Zensar (Africa) Holdings Proprietary Limited	321	20	-	-
(ii)	Zensar Technologies (UK) Limited	-	243	-	-
	Total - Dividend income received	321	263	-	-
E.	Reimbursements to /(by) the company [net]				
(i)	Zensar Technologies, Inc.	220	152	40	42
(ii)	Zensar Technologies (UK) Limited	82	89	11	10
(iii)	Zensar Technologies (Singapore) Pte. Limited	1	0	0	(0)
(iv)	Zensar Technologies IM, Inc.	-	10	-	-
(v)	Zensar (South Africa) Proprietary Limited	91	111	(127)	100
(vi)	Professional Access Limited	-	3	-	(4)
(vii)	Zensar Technologies IM B.V.	-	(2)	-	-
(viii)	Keystone Logic Inc.	-	3	-	(4)
(ix)	Cynosure Inc.	-	11	-	2
(x)	Cynosure Interface Services Private Limited	8	10	0	9
(xi)	Indigo Slate Inc.	-	5	-	-
(xii)	Foolproof Limited	6	4	3	1
(xiii)	Foolproof (SG) Pte Limited	1	-	0	-
(xiv)	Zensar Technologies (Canada) Inc	1	0	1	(0)
(xv)	Keystone Logic Mexico, S. DE R.L. DE C.V	1	2	0	2
(xvi)	Zensar Colombia S.A.S	0	-	0	-
(xvi)	Zensar Information Technologies B.V.	1	-	0	-
(xvii)	Harrisons Malayalam Limited	-	(0)	-	-
	Total - Reimbursement to /(by) the company [net]	412	398	(72)	158

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
F.	Reimbursements to /(by) the company [net] wrt Employee share-based payment expense				
(i)	Zensar Technologies, Inc.	127	(168)	(83)	(202)
(ii)	Zensar Technologies (UK) Limited	7	(4)	(4)	(12)
(iii)	Zensar (South Africa) Proprietary Limited	6	(2)	(7)	(11)
	Total - Reimbursements to /(by) the company [net] wrt Employee share-based payment expense	140	(174)	(94)	(225)
G.	Investment in Subsidiaries				
(i)	Zensar Technologies Inc	1,111	1,109	-	-
	Total - Investment in Subsidiaries	1,111	1,109	-	-
H.	Donations				
(i)	RPG Foundation	67	83	-	-
(ii)	RPG Art Foundation	2	-	-	-
	Total - Donations	69	83	-	-
I.	Dividend on Equity Shares Paid				
(i)	Swallow Associates LLP	236	73	-	-
(ii)	Summit Securities Limited	97	30	-	-
(iii)	Instant Holdings Limited	74	23	-	-
(iv)	Sofreal Mercantrade Private Limited	23	7	-	-
(v)	H.V. Goenka	1	0	-	-
(vi)	Anant Goenka	0	-	-	-
(vii)	A.T. Vaswani	0	0	-	-
(viii)	Harsh Mariwala	0	0	-	-
(ix)	Marina Holdco (FPI) Ltd.	62	62	-	-
(x)	Other Promoter / Promoter Group entities	2	0	-	-
	Total - Dividend on Equity Shares paid	495	195	-	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
J.	Directors Fees and Commission paid **				
(i)	H.V. Goenka	30	1	(32)	(30)
(ii)	A.T. Vaswani	2	3	(1)	(1)
(iii)	Arvind Agrawal	2	3	(1)	(1)
(iv)	Venkatesh Kasturirangan	2	2	(1)	(1)
(v)	Sudip Nandy	-	0	-	-
(vi)	Shashank Singh ##	2	2	(1)	(1)
(vii)	Ben Druskin	1	1	-	-
(viii)	Ketan Dalal	2	2	(1)	(1)
(ix)	Tanuja Randery	-	0	-	-
(x)	Harsh Mariwala	2	2	(1)	(1)
(xi)	Anant Goenka	2	2	(1)	(1)
(xii)	Radha Rajappa	2	1	(2)	(1)
	Total - Directors Fees and Commission paid	47	19	(41)	(38)

K.	Compensation of Key management personnel #	Ajay Singh Bhutoria^@	Sandeep Kishore^	Gaurav Tongia	Navneet Khandelwal
	Short Term Benefits	2 [0]	- [1]	7 [6]	15 [18]
	Post-Employment Benefits	0 [0]	- [0]	0 [0]	1 [0]
	Long-term Employee benefits	- [-]	- [-]	- [-]	- [-]
	Perquisites value of Employee Stock options	- [-]	- [-]	- [-]	17 [-]
	Total - Compensation of Key management personnel	2 [0]	- [1]	7 [6]	33 [18]
	Outstanding amounts*	109 [1]	- [-]	- [-]	- [8]

Figures in brackets are for previous year i.e. as at March 31, 2021

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.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

@ In the previous year, 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.

For the previous year, compensation of Ajay Singh Bhutoria included from his joining date, Jan 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

** 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.

29. Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Income Tax:		
Matters decided in favour of the Company by appellate authorities, where the Income Tax Department is in further appeal	75	75
Matters on which the Company is in appeal	213	186
(b) Sales Tax / Value Added Tax:		
Claims against Company regarding sales tax against which the Company has preferred appeals	55	48
(c) Claims against Company regarding service tax against which the Company has preferred appeal	2	2
(d) Claims against the Company not acknowledged as debts	1	3
(e) Corporate Guarantees given	-	-
(f) Bank Guarantees	122	157

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, 2022	As at March 31, 2021
Property plant and equipments	23	59
Intangible assets	5	18

b. The details of the right-of-use asset held by the Company are as follows:

Particulars	Additions for FY 2021-22	As at March 31, 2022	Depreciation charge for FY 2021-22
Leasehold land	- [-]	20 [20]	0 [0]
Buildings/Office premises	76 [69]	1,612 [1,948]	366 [377]
Data Processing Equipments	- [-]	- [-]	- [25]
Total	76 [69]	1,632 [1,968]	366 [402]

Figures in brackets are for previous year i.e. March 31, 2021

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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	2021-22		2020-21	
	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	13,930	15.01	28,335	15.28
Granted during the year	-	-	-	-
Cancelled during the year	5,000	17.6	8,280	15.38
Exercised during the year	6,430	14.18	6,125	15.76
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	2,500	12	13,930	15.01
Vested and Exercisable at the year end	2,500	-	13,930	-

Stock option activity under the "2006 ESOP" scheme is as follows:

Particulars	2021-22		2020-21	
	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	635,960	80.21	860,310	87.16
Granted during the year	-	-	-	-
Cancelled during the year	22,870	65.53	27,160	213.03
Exercised during the year	249,210	124.87	197,190	73.15
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	363,880	50.54	635,960	80.21
Vested and Exercisable at the year end	363,880	-	635,960	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(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	2021-22		2020-21	
	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	1,785,000	2	2,619,000	2
Granted during the year	1,234,564	2	400,000	2
Cancelled during the year	1,008,501	2	1,234,000	2
Exercised during the year	325,546	2	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	1,685,517	2	1,785,000	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, 2022	March 31, 2021
2006 ESOP	FY 2006-2009	10 - 30	FY 2021-2024	-	2,000
	FY 2010-2013	10 - 55	FY 2021-2028	327,470	444,630
	FY 2014-2017	50 - 220	FY 2026-2031	36,410	189,330
Weighted average remaining contractual life of options outstanding at the end of the year				5.13 years	5.51 years
2002 ESOP	FY 2002-2005	6 - 16	FY 2018-2020	-	-
	FY 2006-2009	12- 20	FY 2021-2024	2,500	13,930
Weighted average remaining contractual life of options outstanding at the end of the year				0.32 years	0.77 Years
EPAU 2016	FY 2017-2021	2	FY 2021-2024	508,033	1,785,000
	FY 2022-2022	2	FY 2022-2027	1,177,484	-
Weighted average remaining contractual life of options outstanding at the end of the year				2.55 years	1.18 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.

Notes to the Standalone Financial Statements

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(All amounts in INR Mn, unless otherwise stated)

- (e) The following tables illustrate the model inputs for options granted during the year ended March 31, 2022, and the resulting fair value of the options at the various grant dates:

Employee Performance Award Unit Plan, 2016 (EPAU 2016)

Particulars	Grant Date				
	20-01-2022	20-01-2022	30-03-2021	21-06-2019	29-04-2019
	Vest 2	Vest 1	Vest 1	Vest 1	Vest 1
Expected Life (years)	1.59	1.59	1.5	2.38	2.53
Volatility (%) *	46.87	46.87	53.84	32.96	33.22
Risk free rate (%)	4.40	4.40	4.23	6.28	6.85
Exercise price (Rs.)	2	2	2	2	2
Dividend yield (%)	0.64	0.64	0.66	3.15	3.46
Fair value per vest	467.34	467.34	273.88	233.93	210
Vest %	32.43%	25%	100%	100%	100%
Option fair value	464.37	463.02	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, 2022	Year Ended March 31, 2021
Profits attributable to equity shareholders	3,208	2,896
Basic Earnings Per Share		
Weighted average number of equity shares outstanding during the year (in nos)	225,879,925	225,458,848
Basic EPS (INR)	14.20	12.85
Diluted Earnings Per Share		
Weighted average number of equity shares outstanding during the year (in nos)	225,879,925	225,458,848
Effect of dilutive issue of stock options (in nos)	19,97,084	21,51,868
Weighted average number of equity shares outstanding for diluted EPS (in nos)	227,877,009	227,610,716
Diluted EPS (INR)	14.08	12.73

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.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Goodwill and other Intangible Assets with respect to Digital and Application Services 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 8.1-11.5% and 1.5% annual revenue growth rate for periods subsequent to the forecast period of 5 years.

Goodwill movement is given below:

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
As on March 31, 2021	840	840
Add: Addition on acquisition	-	-
Add: Translation difference	-	-
As on March 31, 2022	840	840

In respect of above, no impairment was identified as of March 31, 2022 and March 31, 2021 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.

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.

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.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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.

c) Acquisition of M3BI India and M3BI LLC

M3Bi India and M3Bi LLC delivers high quality data engineering, analytics and AI/ML and advanced engineering services which would enhance Zensar's existing data engineering and digital engineering capabilities.

On 8 July 2021, Company acquired 100% equity stake in M3bi India Private Limited (M3Bi India) for an upfront consideration of INR 178 Mn.

On 14 July 2021, Zensar Technologies Inc (wholly owned subsidiary of the Company) acquired 100% of voting interest in M3Bi LLC for an upfront consideration of USD 21.60 Mn adjusted for estimated net assets to INR 1,645 Mn (USD 22.13 Mn), further performance based deferred earnouts payable upto INR 520 Mn (USD 7 Mn) over next 36 months.

36. Additional disclosures

(i) Trade Receivables ageing:

Particulars	Not Due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	6,807 [5,489]	2,471 [1,070]	3 [7]	11 [0]	(0) [0]	(1) [(0)]	9,291 [6,566]
Undisputed Trade Receivables – which have significant increase in credit risk	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Undisputed Trade Receivables – credit impaired	- [-]	9 [0]	4 [16]	8 [27]	7 [77]	100 [90]	128 [210]
Disputed Trade Receivables–considered good	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Disputed Trade Receivables – which have significant increase in credit risk	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Disputed Trade Receivables – credit impaired	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Total	6,807 [5,489]	2,480 [1,070]	7 [23]	19 [27]	7 [77]	99 [90]	9,419 [6,776]

Figures in brackets are for previous year i.e. as at March 31, 2021

Details above are computed from the due date of payment

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(ii) Trade Payables ageing:

Particulars	Not Due	Accruals	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	11 [1]	65 [46]	(0) [2]	- [1]	- [0]	(0) [0]	76 [50]
Others	29 [31]	795 [425]	8 [136]	4 [224]	38 [4]	167 [47]	1,041 [867]
Disputed dues – MSME	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Disputed dues – Others	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Total	40 [32]	860 [471]	8 [138]	4 [225]	38 [4]	167 [47]	1,117 [917]

Figures in brackets are for previous year i.e. as at March 31, 2021

Details above are computed from the due date of payment

(iii) Shares held by promoters at the end of year:

Particulars	No of Shares	% of total Shares	% Change during the year
Swallow Associates LLP	60,586,344 [60,586,344]	26.78 [26.85]	- [-]
Summit Securities Limited	24,972,427 [24,972,427]	11.04 [11.07]	- [-]
Instant Holdings Limited	19,051,374 [19,051,374]	8.42 [8.44]	- [-]
Sofreal Mercantrade Private Limited	5,899,472 [5,846,472]	2.61 [2.59]	1 [0]
Chattarpati Apartments LLP	228,500 [228,500]	0.1 [0.1]	- [-]
Harsh Vardhan Goenka	149,990 [149,990]	0.07 [0.07]	- [1]
RPG Ventures Limited	143,660 [143,660]	0.06 [0.06]	- [0]
AVG Family Trust through Trustees, Mr. Harsh Vardhan Goenka And Mr Anant Goenka	10 [10]	0 [0]	- [-]
Ishaan Goenka Trust through Trustee, Mr. Harshvardhan Goenka	10 [10]	0 [0]	- [-]
Navya Goenka Trust through Trustee, Mr. Harshvardhan Goenka	10 [10]	0 [0]	- [-]

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	No of Shares	% of total Shares	% Change during the year
RG Family Trust through Trustee, Mr. Harsh Vardhan Goenka And Mr Anant Goenka	10 [10]	0 [0]	- [-]
Nucleus Life Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Prism Estates Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Secura India Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Stellar Energy Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Sudarshan Electronics and TV LTD	5 [5]	0 [0]	- [-]

Figures in brackets are for previous year i.e. as at March 31, 2021

(iv) Capital work-in-progress Ageing:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	9 [0]	- [-]	- [-]	- [-]	9 [0]
Projects temporarily suspended	- [-]	- [-]	- [-]	- [-]	- [-]

Figures in brackets are for previous year i.e. as at March 31, 2021

(v) Accounting Ratios

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	% Change
Current Ratio	5.53	5.68	(2.80%)
Debt Equity Ratio	Not applicable	Not applicable	Not applicable
Debt Service Coverage Ratio	Not applicable	Not applicable	Not applicable
Return on Equity Ratio	16.38%	16.99%	(3.59%)
Inventory Turnover ratio	Not applicable	Not applicable	Not applicable
Trade Receivable turnover ratio	2.05	1.59	29.17% *
Trade payable turnover ratio	1.57	1.80	(12.38%)
Net capital turnover ratio	1.22	1.10	11.57%
Net profit ratio	19.69%	21.27%	(7.39%)
Return on capital employed	25.20%	25.46%	(1.02%)
Return on investment	4.58%	4.75%	(3.51%)

* Higher revenues and enhanced efficiency on working capital management has resulted in an improvement in the ratio

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Formula used for calculation of accounting ratios

Ratios	Formula
Current Ratio	Total current assets divided by Total current liabilities
Debt Equity Ratio	Total Debt (aggregate of long term borrowings, short term borrowings and current maturity of long term borrowings), divided by Total equity
Debt Service Coverage Ratio	(Profit before tax plus Depreciation, amortisation and impairment expense, interest expenses and Profit /(Loss) on sale of fixed assets (net)), divided by Total debt plus interest payable
Return on Equity Ratio	Profit after tax divided by average of opening and closing value of Total equity
Inventory Turnover ratio	(Consumption of spare parts for computer hardware and maintenance contracts plus Changes in inventories) divided by average of opening and closing value of Inventory
Trade Receivable turnover ratio	Revenue from operations divided by average of opening and closing value of Trade receivables
Trade payable turnover ratio	(Purchase of traded goods plus Consumption of spare parts for computer hardware and maintenance contracts plus Changes in inventories plus Subcontracting costs plus Other expenses except for Expenditure towards Corporate social responsibility, Allowance for doubtful trade receivables, Allowance for doubtful loans, advances and deposits, Director fees and Director commission) divided by average of opening and closing value of Trade payables
Net capital turnover ratio	Revenue from operations divided by average of closing and opening working capital. Working capital is current assets less current liabilities.
Net profit ratio	Profit after tax divided by Revenue from operations
Return on capital employed	Profit before tax plus interest expenses divided by average of opening and closing value of Capital employed. Capital employed is Total equity less Goodwill less Intangible assets less Intangible assets under development plus total debt plus Deferred tax liability.
Return on investment	Income generated from invested funds / time weighted average investment

(vi) Registration of charges or satisfaction with Registrar of Companies

The Company does not have any outstanding borrowings as at 31 March 2021 and 31 March 2022. However, as per the records available on the Registrar of Companies (RoC) portal, the below charges which were created by the Company in earlier years (more than 25 years back) for borrowings availed are still appearing as unsatisfied. The Company is in the process of obtaining no-dues certificates/ other relevant documents from the respective lenders for taking the required action.

Charge holder name	Amount	Charge holder name	Amount
Bank of India	1	State Bank of India	31
Bank of India	5	State Bank of India	37
Bank of Maharashtra	38	State Bank of India	4
Citibank N.A.	0	State Bank of India	7
General Insurance Corporation of India	4	State Bank of India	6
Indian Overseas Bank	38	State Bank of India	2
Indian Overseas Bank	57	State Bank of India	30

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Charge holder name	Amount	Charge holder name	Amount
Indian Overseas Bank	56	State Bank of India	6
The Industrial Credit and Investment	7	State Bank of Travancore	30
The Industrial Credit and Investment Company of India Limited	4	State Bank of Travancore	17
Industrial Development Bank of India	4	Union Bank of India	17
Life Insurance Corporation of India	4	Union Bank of India	30
State Bank of India	20	United Bank of India	10

For and on behalf of Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
DIN: 00026726

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Sachin Zute
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: May 10, 2022

FINANCIAL STATEMENTS

CONSOLIDATED

Independent Auditor's Report

To The Members of Zensar Technologies Limited

Report on the Audit of the Consolidated Financial 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, 2022, 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, 2022, 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.

Key Audit Matter	Auditor's Response
<p>Business combination - Acquisition of M3Bi India and M3Bi LLC:</p> <p>During the year the Company and one of its subsidiary acquired 100% equity in M3bi India Private Limited ("M3Bi India") and M3bi LLC, a USA based entity respectively and the acquisitions have been effected on July 08, 2021 and July 14, 2021 respectively. The Group has accounted for this acquisition as a business combination as per Ind AS 103. Accounting for the acquisition has involved judgement in order to:</p> <ul style="list-style-type: none"> • determine whether the acquisition constitutes a business and the date on which control is established; • determine the fair value of consideration; 	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • We evaluated the design and implementation and tested operating effectiveness of the controls relating to 1) determination of whether the acquisition constitutes a business and the date on which control is established, 2) determination of fair value of consideration, 3) identification of assets acquired (including intangible assets and goodwill) and liabilities assumed 4) purchase price allocation to identifiable assets and liabilities, 5) valuation methodology adopted to determine fair value. • We examined the terms and conditions of the share purchase agreements in order to evaluate the Group's assessment of whether the acquisition comprises a business, whether the Group obtained the control of acquiree, and the date for satisfaction of the closing conditions to determine the acquisition date. • We have checked the purchase price paid with share purchase agreements and the allocation of the purchase price to identifiable assets acquired and liabilities assumed (including contingent liabilities).

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
<ul style="list-style-type: none"> identify and measure the fair value of the identifiable assets acquired and liabilities assumed (including contingent liabilities if any); allocate the purchase consideration between identifiable assets, liabilities and goodwill. <p>This is a material acquisition for the Group and given the level of estimation and judgement required, we considered it to be a KAM matter.</p> <p>The most significant judgements relate to the identification and valuation of intangible assets acquired. The Identifiable intangible assets are Customer relationships, customer contracts, brand and non-compete agreement.</p> <p>This includes complex valuation considerations and requires the use of specialist.</p> <p>Refer note 34 to the Consolidated Financial Statements.</p>	<ul style="list-style-type: none"> We have assessed the Group's determinations of fair values for assets acquired and liabilities assumed and the methods used to fair value the said identifiable assets by: <ul style="list-style-type: none"> Reviewing the valuation report prepared by the valuation specialists appointed by Management which includes fair value of tangible and intangible assets. Evaluating the competence, objectivity and integrity of the valuation specialists appointed by Management. Involving our internal valuation specialists in evaluation of the appropriateness of the valuation model used to determine the fair values of the customer relationships, customer contracts, brand and non-compete agreement and reasonableness of the discount rates used in the valuation of intangible assets, including testing the source information underlying the determination of the discount rates, testing the mathematical accuracy of the calculation, and developing a range of independent estimates, comparing it to the discount rates used by the management Evaluated the reasonableness of management's forecasted revenue used in the valuation of intangible assets with reference to historical performance and expected future changes to business. <p>We have evaluated the appropriateness of adequate disclosures in the consolidated financial statements in accordance with the applicable accounting standards.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

- 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

Independent Auditor's Report (Contd.)

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. 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

Independent Auditor's Report (Contd.)

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

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 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, 2022 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, 2022 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.

- 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

Independent Auditor's Report (Contd.)

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 companies incorporated in India.

- iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such subsidiaries from any person or entity, including foreign

entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in note 11(a) to the financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

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

Saira Nainar
Partner
(Membership No. 040081)
(UDIN: 22040081AISQOZ4232)

Place: Pune
Date: May 10, 2022

ANNEXURE “A”

to the Independent Auditor’s 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 Companies Act, 2013 (“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, 2022, 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 Companies Act, 2013.

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 Companies Act, 2013, 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, 2022, 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: 22040081AISQOZ4232)

Place: Pune
Date: May 10, 2022

Consolidated Balance Sheet

(All amounts in INR Mn, unless otherwise stated)

Consolidated Balance Sheet as at	Note	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
(a) Property, plant and equipment	4	1,251	1,134
(b) Right of use assets	32	2,559	2,750
(c) Capital work-in-progress		12	1
(d) Goodwill	30	7,239	5,770
(e) Other intangible assets	5	1,797	1,675
(f) Financial assets			
i. Investments	6(a)	1,605	1,540
ii. Other financial assets	6(f)	257	306
(g) Income tax assets (net)	17(a)	757	642
(h) Deferred tax assets (net)	7	539	492
(i) Other non-current assets	8	68	96
Total Non-current assets		16,084	14,406
Current assets			
(a) Inventories	9	-	-
(b) Financial assets			
i. Investments	6(b)	1,636	3,633
ii. Trade receivables	6(c)	7,967	5,888
iii. Cash and cash equivalents	6(d)	5,054	3,492
iv. Other balances with banks	6(e)	3,505	3,494
v. Other financial assets	6(g)	2,641	1,895
(c) Other current assets	10	1,825	1,526
Total current assets		22,628	19,928
Total assets		38,712	34,334
Equity and liabilities			
Equity			
(a) Equity share capital	11(a)	452	451
(b) Other equity			
i. Reserves and surplus	11(b)	26,140	22,786
ii. Other components of equity	11(d)	277	186
Equity attributable to owners of the company		26,869	23,423
Non-controlling interests	29(b)	-	288
Total equity		26,869	23,711
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
i. Borrowings		-	-
ii. Lease liabilities	12(b)	2,348	2,539
iii. Other financial liabilities	12(a)	601	10
(b) Provisions	14	37	32
(c) Employee benefit Obligations	15	558	512
(d) Other non current liabilities	16	-	146
Total non-current liabilities		3,544	3,239
Current liabilities			
(a) Financial liabilities			
i. Borrowings		-	-
ii. Lease liabilities	12(b)	1,005	957
iii. Trade payables	13		
- Total outstanding dues of micro and small enterprises		76	50
- Total outstanding dues of creditors other than micro and small enterprises		3,088	2,151
iv. Other financial liabilities	12(a)	2,210	2,472
(b) Employee benefit obligations	15	395	362
(c) Other current liabilities	16	1,211	1,142
(d) Income tax liabilities (net)	17(a)	314	250
Total current liabilities		8,299	7,384
Total liabilities		11,843	10,623
Total equity and liabilities		38,712	34,334

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's registration no: 117366W / W-100018)

For and on behalf of Board of Directors of

Zensar Technologies Limited

Saira Nainar

Partner

Membership No: 040081

H.V. Goenka

Chairman

DIN: 00026726

Ajay Singh Bhutoria

CEO and Managing Director

DIN: 09013862

Sachin Zute

Chief Financial Officer

Gaurav Tongia

Company Secretary

Place: Pune

Date: May 10, 2022

Place: Mumbai

Date: May 10, 2022

Consolidated Statement of Profit and Loss

(All amounts in INR Mn, except earnings per share)

Consolidated Statement of Profit and Loss for the	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
(a) Revenue from operations	18	42,438	37,814
(b) Other income (net)	19	1,377	254
Total income		43,815	38,068
Expenses			
(a) Purchase of traded goods		1,102	1,134
(b) Consumption of spare parts for computer hardware and maintenance contracts		-	219
(c) Changes in inventories		-	51
(d) Employee benefits expense	20	25,750	21,526
(e) Subcontracting costs		6,173	5,233
(f) Finance costs	21	353	535
(g) Depreciation, amortisation and impairment expense	22	1,848	1,747
(h) Other expenses	23	2,848	2,803
Total expenses		38,074	33,248
Profit before exceptional item and tax		5,741	4,820
Exceptional item	34 (i)	-	(491)
Profit before tax		5,741	4,329
Tax expense			
(a) Current tax		1,542	1,069
(b) Deferred tax	24	(18)	190
[net of reversal of INR Nil (Previous year: INR 218 Mn) liability reclassified to exceptional item (refer note 34 (i))]			
Total tax expense		1,524	1,259
Profit for the year		4,217	3,070
Other comprehensive income/(loss)			
I) (a) Items that will not be reclassified to profit or loss			
- Remeasurements of defined employee benefit plans	15	(55)	176
- Change in fair value of equity instruments	11(d)	(0)	(27)
(b) Income tax relating to items that will not be reclassified to profit or loss	24(iii)	19	(61)
		(36)	88
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)	(44)	47
- Exchange differences in translating the financial statements of foreign operations - gain / (loss)		119	(155)
(b) Income tax relating to items that will be reclassified to profit or loss	11(d)	16	(16)
		91	(124)
Other comprehensive income/(loss) for the year, net of tax		55	(36)
Total comprehensive income/(loss) for the year		4,272	3,034
Profit for the year attributable to:			
- Owners of the Company		4,163	3,000
- Non-controlling interests		54	70
		4,217	3,070
Other comprehensive income / (loss) attributable to:			
- Owners of the Company		44	(60)
- Non-controlling interests		11	24
		55	(36)
Total comprehensive income attributable to:			
- Owners of the Company		4,207	2,940
- Non-controlling interests		65	94
		4,272	3,034
Earnings per share [Face value INR 2 each]- Before exceptional Item			
- Basic	33	18.43	15.49
- Diluted		18.27	15.34
Earnings per share [Face value INR 2 each]- After exceptional Item			
- Basic	33	18.43	13.31
- Diluted		18.27	13.18

The accompanying notes form an integral part of the consolidated 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

H.V. Goenka

Chairman

DIN: 00026726

Ajay Singh Bhutoria

CEO and Managing Director

DIN: 09013862

Sachin Zute

Chief Financial Officer

Gaurav Tongia

Company Secretary

For and on behalf of Board of Directors of

Zensar Technologies Limited

Place: Pune

Date: May 10, 2022

Place: Mumbai

Date: May 10, 2022

Consolidated Statement of Changes in Equity

(All amounts in INR Mn, unless otherwise stated)

Equity share capital

	Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
	451	0	451
	Balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
	451	1	452

Particulars	Reserves and 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	Effective portion of Cash Flow Hedges	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation			
Balance as at March 31, 2020	44	340	8,599	29	282	10,694	125	(29)	(52)	419	20,450	237	20,687
Profit for the year	-	-	3,000	-	-	-	-	-	-	-	3,000	70	3,070
Effective portion of gain / (loss) on Cash Flow Hedge (net).	-	-	-	-	-	-	-	31	-	-	31	-	31
Change in fair value of equity instruments	-	-	-	-	-	-	-	-	(27)	-	(27)	-	(27)
Exchange differences in translating the financial statements of foreign operations - gain / (loss)	-	-	-	-	-	-	-	-	-	(155)	(155)	24	(155)
Remeasurements of defined employee benefit plans (net of tax)	-	-	115	-	-	-	-	-	-	-	115	-	115
Total comprehensive income for the year	-	-	3,115	-	-	-	-	31	(27)	(155)	2,964	94	3,034
Transaction with owners in their capacity as owners:													
Dividends paid (including Dividend Distribution Tax)	-	-	(271)	-	-	-	-	-	-	-	(271)	-	(271)
Recognition of Employee Share based payment expense	-	(185)	-	-	-	-	-	-	-	-	(185)	-	(185)
Transferred (from) / to Securities premium on exercise of stock options	-	(6)	-	-	6	-	-	-	-	-	-	-	-
Received on exercise of stock options	-	-	-	-	14	-	-	-	-	-	14	-	14
Transferred to General reserve on cancellation of stock options	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred (from)/to retained earnings	-	-	125	-	-	(125)	-	-	-	-	-	-	-
Transfer to Special economic zone re-investment reserve	-	-	(255)	-	-	255	-	-	-	-	-	-	-
Dividend payable to Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(44)	(44)
Minority Adjustments	-	-	-	-	-	-	-	-	-	-	-	1	1
Balance as at March 31, 2021	44	149	11,313	29	302	10,694	255	1	(79)	264	22,972	288	23,260

Particulars	Reserves and 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	Effective portion of Cash Flow Hedges	Equity Instruments through Other Comprehensive Income				Exchange differences on translating the financial statements of a foreign operation
Profit for the year	-	-	4,163	-	-	-	-	-	-	-	4,163	54	4,217
Effective portion of gain / (loss) on Cash Flow Hedge (net).	-	-	-	-	-	-	(28)	-	-	-	(28)	-	(28)
Change in fair value of equity instruments	-	-	-	-	-	-	-	(0)	-	-	(0)	-	(0)
Exchange differences in translating the financial statements of foreign operations - gain / (loss)	-	-	-	-	-	-	-	-	119	119	119	11	119
Remeasurements of defined employee benefit plans (net of tax)	-	-	(36)	-	-	-	-	-	-	-	(36)	-	(36)
Total comprehensive income for the year	-	-	4,127	-	-	-	(28)	(0)	119	119	4,218	64	4,272
Transaction with owners in their capacity as owners:													
Dividends paid (including Dividend Distribution Tax)	-	-	(881)	-	-	-	-	-	-	-	(881)	-	(881)
Recognition of Employee Share based payment expense	-	160	-	-	-	-	-	-	-	-	160	-	160
Transferred (from) / to Securities premium on exercise of stock options	-	(84)	-	-	84	-	-	-	-	-	-	-	-
Received on exercise of stock options	-	-	-	-	31	-	-	-	-	-	31	-	31
Transferred (from)/to retained earnings	-	-	255	-	-	-	-	(255)	-	-	-	-	-
Transfer to Special economic zone re-investment reserve	-	-	(588)	-	-	-	-	588	-	-	-	-	-
Utilised on Buyback (refer note 36)	-	-	(407)	(29)	-	-	-	-	-	-	(436)	-	(436)
Reversal of Non Controlling Interest. (refer note 36)	-	-	352	-	-	-	-	-	-	-	352	(352)	-
Balance as at March 31, 2022	44	225	14,172	-	417	10,694	(27)	(79)	384	26,416	64	-	26,417

The accompanying notes form an integral part of the consolidated financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's registration no: 117366W / W-100018)

For and on behalf of Board of Directors of
Zensar Technologies Limited

Saira Nainar
Partner

H.V. Goenka
Chairman
DIN: 00026726

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Sachin Zute
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Pune

Date: May 10, 2022

Place: Mumbai

Date: May 10, 2022

Consolidated Statement of Cash Flows for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities		
Profit before taxation	5,741	4,329
Less/(add): Exceptional item (refer note 34(i))	-	(491)
Profit before exceptional item and tax	5,741	4,820
Adjustments for:		
Depreciation, amortisation and impairment expense	1,848	1,747
Employee share based payment expense	160	(185)
Profit on sale of investments (mutual funds)	(68)	(59)
Changes in fair value of financial assets/liabilities measured at fair value through profit and loss	(5)	(45)
Interest income	(235)	(139)
Interest expense	334	425
(Profit) / loss on sale of property, plant and equipment and intangible assets (net)	1	3
Provision for doubtful debts and advances (net)	(105)	(534)
Bad debts written off	74	624
Provision no longer required and credit balances written back	(476)	(61)
Unrealised exchange (gain) / loss (net)	22	236
	1,550	2,012
Operating profit before working capital changes	7,291	6,832
Change in assets and liabilities		
(Increase)/ decrease in inventories	-	-
(Increase)/decrease in trade receivables and Unbilled revenues	(2,597)	1,621
(Increase)/ decrease in other assets	92	746
Increase/ (decrease) in trade payables, other liabilities and provisions	94	769
Increase/ (decrease) in employee benefit obligations	(16)	12
Cash generated from operations	4,864	9,980
Income taxes paid (net of refunds)	(1,517)	(1,400)
Net cash inflow from operating activities	3,347	8,580
Cash flow from investing activities		
Purchases of Property, plant and equipment and intangible assets	(568)	(395)
Payment of contingent consideration (earnouts)	(143)	(71)
Payment for business acquisition (refer note 34)	(1,763)	-
Acquisition of Company / Sale of subsidiaries (refer note 34)	-	505
Disposal of investments	24	74
Sale of Property, plant and equipment and intangible assets	0	2
Fixed Deposits placed	(3,545)	(3,484)
Fixed Deposits redeemed	3,512	327
Purchase of investments (Mutual Funds)	(15,450)	(17,373)
Sale of investments (Mutual Funds)	17,317	15,301
Purchase of investments (Non Convertible Debentures)	(272)	(245)
Sale of investments (Non Convertible Debentures)	519	-
Interest income received	201	76
Net cash used in investing activities	(168)	(5,283)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from financing activities		
Proceeds from issue of equity shares	32	15
Dividend on equity shares and tax thereon	(881)	(271)
Interest paid	(6)	(37)
Payment of lease liabilities	(971)	(1,082)
Proceeds from long-term borrowings	-	-
Repayment of long-term borrowings	-	(1,059)
Proceeds from short-term borrowings	-	757
Repayment of short-term borrowings	-	(2,992)
Net cash used in financing activities	(1,826)	(4,669)
Effect of exchange differences on translation of cash and cash equivalents	14	(19)
Net increase/(decrease) in cash and cash equivalents	1,367	(1,391)
Cash and cash equivalents at the beginning of the year	3,492	4,883
Addition in cash and cash equivalents on account of acquisition (refer note 34 (iii))	195	-
Cash and cash equivalents at the end of the year	5,054	3,492

Notes:

- 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.
- Cash and cash equivalents comprise of: refer note 6(d)

	As at March 31, 2022	As at March 31, 2021
Cash on hand	1	0
Funds in transit	202	36
Cheques on hand	83	-
Balances with Banks:		
- In current accounts	3,292	2,586
- Deposits having original maturity of less than three months	1,476	870
Total	5,054	3,492
Less: Book Overdrafts	-	-
Total	5,054	3,492

The accompanying notes form an integral part of the consolidated 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

H.V. Goenka

Chairman

DIN: 00026726

Ajay Singh Bhutoria

CEO and Managing Director

DIN: 09013862

Sachin Zute

Chief Financial Officer

Gaurav Tongia

Company Secretary

For and on behalf of Board of Directors of

Zensar Technologies Limited

Place: Pune

Date: May 10, 2022

Place: Mumbai

Date: May 10, 2022

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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, 2022 were approved by the Board of Directors and authorised for issue on May 10, 2022.

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

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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.

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

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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.

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.

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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.

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

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

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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.

h) Inventories:

Inventories are valued at lower of cost and net realizable value including necessary provision

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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.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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.

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.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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.

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

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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	3-6 years
Customer relationship	4-10 years
Customer contracts	1 -3 years
Brand	3-5 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.

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

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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 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.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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 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 continuing 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 to 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 be recognized.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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 Mn, unless otherwise stated.

2.1 Recent accounting pronouncements

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Rules, 2015, and issued rules called as Companies (Indian Accounting Standards) Amendment Rules, 2022 which are applicable from 1 April 2022. Key amendments are summarised below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

Ind AS 16 – Proceeds before intended use

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification on "Cost of Fulfilling a Contract".

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Group have evaluated these accounting pronouncements and does not expect the amendments to have significant impact on its financial statements.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2022

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(O).

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.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2022

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.

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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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, 2021	405	477	149	277	256	1,152	25	2,741
Additions	-	1	6	12	4	462	7	492
Additions on Acquisition (refer note 34 (iii))	-	-	-	22	2	25	-	49
Disposals	-	(3)	(0)	(13)	(2)	(12)	-	(30)
Exchange translation differences	-	2	0	2	5	5	0	14
Gross carrying amount as at March 31, 2022	405	477	155	300	265	1,632	32	3,266
Accumulated Depreciation								
As at April 1, 2021	111	189	103	146	178	862	17	1,607
Additions on Acquisition (refer note 34 (iii))	-	-	-	19	2	16	-	37
Depreciation	19	68	15	26	34	226	3	391
Disposals	-	(4)	(0)	(12)	(2)	(12)	-	(30)
Exchange translation differences	-	1	(0)	1	4	4	(0)	10
Accumulated depreciation as at March 31, 2022	130	255	118	180	216	1,096	20	2,015
Net carrying amount as at March 31, 2022	275	222	37	120	49	536	12	1,251
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	405	525	144	273	307	1,219	28	2,901
Additions	-	56	7	23	8	136	2	232
Disposals	-	(96)	(2)	(14)	(51)	(162)	(5)	(330)
Disposal of subsidiaries (refer note 34 (i))	-	-	-	(3)	(0)	(9)	-	(12)
Exchange translation differences	-	(10)	-	(2)	(7)	(32)	-	(51)
Gross carrying amount as at March 31, 2021	405	477	149	277	256	1,152	25	2,741
Accumulated Depreciation								
As at April 1, 2020	92	220	86	136	183	871	20	1,608
Depreciation	19	74	20	28	49	189	3	382
Disposals	-	(94)	(3)	(13)	(50)	(161)	(5)	(326)
Disposal of subsidiaries (refer note 34 (i))	-	-	-	(3)	(0)	(6)	-	(9)
Exchange translation differences	-	(11)	0	(2)	(4)	(31)	-	(48)
Accumulated depreciation as at March 31, 2021	111	189	103	146	178	862	17	1,607
Net carrying amount as at March 31, 2021	294	288	46	131	78	290	8	1,134

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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, 2021	250	150	2,851	212	254	97	3,814
Additions	116	-	-	-	-	-	116
Additions on Acquisition (refer note 34 (iii))	3	-	565	45	89	97	799
Disposals	(154)	-	-	-	-	-	(154)
Exchange translation differences	(0)	-	92	8	10	5	115
Gross carrying amount as at March 31, 2022	215	150	3,508	265	353	199	4,690
Accumulated Amortisation							
As at April 1, 2021	204	27	1,462	187	162	97	2,139
Additions on Acquisition (refer note 34 (iii))	3	-	-	-	-	-	3
Amortisation	140	50	525	16	71	35	837
Disposals	(154)	-	-	-	-	-	(154)
Exchange translation differences	(0)	-	52	6	6	4	68
Accumulated amortisation as at March 31, 2022	193	77	2,039	209	239	136	2,893
Net carrying amount as at March 31, 2022	22	73	1,469	56	114	63	1,797
Particulars	Softwares (Acquired)	Softwares (Internally generated)	Customer Relationship	Non Compete Agreements	Brand	Customer contracts	Total
Gross carrying amount							
As at April 1, 2020	557	39	3,009	296	340	85	4,326
Additions	98	128	-	-	-	-	226
Disposals	(315)	(17)	-	-	-	-	(332)
Disposal of subsidiaries (refer note 34 (i))	(87)	-	(93)	(77)	(83)	-	(340)
Exchange translation differences	(3)	-	(65)	(7)	(3)	12	(66)
Gross carrying amount as at March 31, 2021	250	150	2,851	212	254	97	3,814
Accumulated Amortisation							
As at April 1, 2020	462	20	1,128	235	194	85	2,124
Amortisation	147	24	456	34	51	-	712
Disposals	(315)	(17)	-	-	-	-	(332)
Disposal of subsidiaries (refer note 34 (i))	(87)	-	(93)	(77)	(83)	-	(340)
Exchange translation differences	(3)	-	(29)	(5)	(0)	12	(25)
Accumulated amortisation as at March 31, 2021	204	27	1,462	187	162	97	2,139
Net carrying amount as at March 31, 2021	46	123	1,389	25	92	-	1,675

Research and development expenditure - Aggregate amount of research and development expenditure recognised as an expense during the year is INR Nil (March 31, 2021 : INR Nil)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

6 Financial Assets

6 (a) Investments [Non-current]

Particulars	As at March 31, 2022	As at March 31, 2021
Investment carried at Fair Value through Other Comprehensive Income (FVOCI)		
Investment in equity instruments - Quoted		
100 (March 31, 2021: 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, 2021: 100) Equity Shares of INR 9 each fully paid-up in Spencer & Company Limited	0	0
Total	0	0
Investment carried at Fair Value through Other Comprehensive Income (FVOCI) - Unquoted		
Nil (March 31, 2021: Nil) Equity Shares of USD 0.01 each of Aquila Technology Corporation (refer note 34 (ii))	-	-
Unquoted Investments carried at Fair value through Profit and Loss (FVTPL)		
- Mutual Funds	1,605	1,540
Total Non-current Investments	1,605	1,540
Aggregate amount of quoted investments & market value thereof	0	0
Aggregate amount of unquoted investments	1,605	1,540

6 (b) Investments [Current]

Particulars	As at March 31, 2022	As at March 31, 2021
- Mutual Funds (carried at Fair value through Profit and Loss)	1,636	3,388
- Non Convertible Debentures (carried at amortised cost)	-	102
- Non Convertible Debentures (carried at Fair value through Profit and Loss)	-	143
Total	1,636	3,633
Aggregate amount of quoted investments & market value thereof	1,636	3,234
Aggregate amount of unquoted investments	-	399

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

6 (c) Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Considered good	7,967	5,888
Credit impaired	230	326
	8,197	6,214
Less: Allowance for credit loss	(230)	(326)
Total	7,967	5,888

For ageing, refer Note 41

6 (d) Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	1	0
Funds in transit	202	36
Cheques on hand	83	-
Balances with banks :		
- In current accounts	3,292	2,586
- Deposits having original maturity of less than three months	1,476	870
Total	5,054	3,492

6 (e) Other balances with banks

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked Balances with Banks - Unclaimed Dividend	23	23
Deposits having original maturity of more than three months	3,445	3,412
Balance held in Escrow accounts	37	59
Total	3,505	3,494

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

6 (f) Other financial assets : Non-current

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Security deposits		
Considered good	188	137
Credit impaired	12	12
	200	149
Less: Allowance for credit loss	(12)	(12)
	188	137
Amount deposited under protest		
Considered good	-	2
Credit impaired	160	158
	160	160
Less: Allowance for credit loss	(160)	(158)
	-	2
Lease Receivable (refer note 32)	69	167
Others	-	-
Total	257	306

6 (g) Other financial assets : Current

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Unbilled revenues	2,129	1,507
Foreign currency derivative assets	44	66
Security deposits		
Considered good	3	1
Credit impaired	2	9
	5	10
Less: Allowance for credit loss	(2)	(9)
	3	1
Lease Receivable (refer note 32)	236	186
Interest accrued on bank deposits and Non Convertible Debentures	99	64
Sales consideration receivable (refer note 34(i) & 34(ii))	28	31
Contractually reimbursable expenses	19	19
Others	83	21
Total	2,641	1,895

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

7 Deferred Tax Asset (net)

The components of deferred tax assets and liabilities are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
The major components of the deferred tax asset are		
Depreciation/amortisation of Property, plant and equipment and Intangible assets	28	108
Allowance for credit loss on trade receivables and advances	53	74
Expenses allowable on payment/exercise basis	546	340
Fair value changes of cash flow hedges	16	0
Net operating losses	37	71
Capital losses	19	19
Others	0	1
	699	613
The major components of the deferred tax liability are		
Depreciation/amortisation of Property, plant and equipment and Intangible assets	126	82
Gain on mutual fund investments mandatorily measured at FVTPL	32	25
Items allowed on consumption basis	2	14
Others	0	-
	160	121
Net deferred tax asset / (liability)	539	492

(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, 2020	141	236	448	15	59	-	5	904
(Charged)/credited:								
- to statement of profit and loss	(33)	(162)	(101)	1	27	19	(4)	(253)
- to other comprehensive income	-	-	-	(16)	-	-	-	(16)
Group Relief Tax Aggregation	-	-	-	-	(15)	-	-	(15)
Exchange differences	-	0	(7)	-	-	-	-	(7)
As at March 31, 2021	108	74	340	0	71	19	1	613
(Charged)/credited:								
- to statement of profit and loss	(86)	(21)	196	0	(34)	0	(1)	54
- to other comprehensive income	-	-	-	16	-	-	-	16
Additions on Acquisition (refer note 34(iii))	6	-	-	-	-	-	-	6
Exchange differences	-	-	10	-	-	-	-	10
As at March 31, 2022	28	53	546	16	37	19	0	699

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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	Fair value changes of cash flow hedges	Invest- ments measured at fair value through OCI	Items allowed on consump- tion basis	Net operat- ing losses	Others	Total
As at April 1, 2020	40	7	-	-	268	-	93	408
Charged/(credited):								
- to statement of profit and loss	42	18	-	-	(30)	-	(93)	(63)
- to exceptional item	-	-	-	-	(218)	-	-	(218)
- to other comprehensive income	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	(6)	-	-	(6)
As at March 31, 2021	82	25	-	-	14	-	-	121
Charged/(credited):								
- to statement of profit and loss	44	4	-	-	(12)	-	0	36
- to other comprehensive income	-	-	-	-	-	-	-	-
Additions on Acquisition (refer note 34(iii))	-	-	-	-	-	-	-	-
Exchange differences	-	3	-	-	-	-	-	3
As at March 31, 2022	126	32	-	-	2	-	0	160

8 Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	63	94
Capital advances	5	2
Total	68	96

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

9 Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Spare parts in support of computer hardware maintenance contracts [Goods in transit: INR Nil (March 31, 2021: INR Nil)]	-	-
Total	-	-

Amounts recognised in statement of profit or loss:

Write-downs of inventories to net realisable value amounted to INR Nil (March 31, 2021: INR 65 Mn). These were recognised as an expense during the year and included in 'Changes in inventories' in consolidated statement of profit and loss.

10 Other Current assets

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Advances other than capital advances:		
- advances to employees		
Considered good	53	30
Credit impaired	-	3
	53	33
Less: Allowance for credit loss	-	(3)
	53	30
- advances to suppliers		
Considered good	62	49
Credit impaired	12	12
	74	61
Less: Allowance for credit loss	(12)	(12)
	62	49
Unbilled revenues	1,126	913
Prepaid expenses	302	209
Balances with government authorities	187	215
Surplus of plan assets over obligations (refer note 15)	87	95
Others	8	15
Total	1,825	1,526

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

11 (a) Equity share capital

Particulars	As at	
	March 31, 2022	March 31, 2021
Authorised:		
237,500,000 equity shares of INR 2 each	475	475
237,500,000 shares of INR 2 each at March 31, 2021)		
Total	475	475
Issued, subscribed and Paid up :		
226,201,471 equity shares of INR 2 each	452	451
(225,620,285 shares of INR 2 each at March 31, 2021)		
Total	452	451

(i) Reconciliation of the shares outstanding as at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos	INR In Mn	Nos	INR In Mn
At the beginning of the year	225,620,285	451	225,416,970	451
Add: Shares issued on exercise of employee stock options	581,186	1	203,315	0
Outstanding at the end of the year	226,201,471	452	225,620,285	451

(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 held on May 10, 2022 have recommended a final dividend of INR 3.50 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, 2022		As at March 31, 2021	
	%	NO. of shares	%	NO. of shares
Swallow Associates LLP	26.78%	60,586,344	26.85%	60,586,344
Marina Holdco (FPI) Limited	-	-	22.83%	51,506,470
Summit Securities Limited	11.04%	24,972,427	11.07%	24,972,427
Instant Holdings Limited	8.42%	19,051,374	8.44%	19,051,374
Amansa Holdings Private Limited	5.84%	13,208,157	6.31%	14,234,785

(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, 2022 - Nil

(v) For details of Employee Stock Option Plan (ESOP), refer note 38

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

11 (b) Reserves and surplus:

Particulars	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve	44	44
Share based payment reserve	225	149
Retained earnings	14,172	11,313
Capital reserve	-	29
Securities premium	417	302
General reserve	10,694	10,694
Special economic zone re-investment reserve	588	255
Total reserves and surplus	26,140	22,786

11 (c) Movement of Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve		
Balance at the beginning and end of the year	44	44
Share based payment reserve		
Balance as at the beginning of the year	149	340
Add: Employee Share based payment expense (net)	160	(185)
Less: Transferred to General reserve on cancellation of stock options	-	-
Less: Transferred to Securities premium on exercise of stock options	84	6
Balance as at the end of the year	225	149
Retained earnings		
Balance as at the beginning of the year	11,313	8,599
Add: Profit for the year	4,163	3,000
Add / (less) items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit plans (net of tax)	(36)	115
Less: Equity Dividends paid (including Dividend Distribution Tax)	881	271
Add: Utilisation of Special Economic Zone Re-investment Reserve	255	125
Less: Transferred to Special Economic Zone Re-investment Reserve	588	255
Less: Utilised on Buyback (refer note 36)	407	-
Add: Reversal of Non Controlling Interest (refer note 36)	352	-
Balance as at the end of the year	14,172	11,313
Capital reserve		
Balance at the beginning of the year	29	29
Less:- Utilised during the year (refer note 36)	29	-
	-	29

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium		
Balance as at the beginning of the year	302	282
Add: Transferred from share based payment reserve on exercise of stock options	84	6
Add: Received on exercise of stock options	31	14
Balance as at the end of the year	417	302
General reserve		
Balance at the beginning and end of the year	10,694	10,694
Special Economic Zone Re-investment Reserve		
Balance as at the beginning of the year	255	125
Add: Transferred from retained earnings	588	255
Less: Utilised during the year	255	125
Balance as at the end of the year	588	255

11 (d) Other components of equity:

Particulars	As at March 31, 2022	As at March 31, 2021
Effective portion of Cash Flow Hedges		
Balance at the beginning of the year	1	(29)
Effective portion of gain/(loss) on Cash Flow Hedge (net)	(44)	47
Tax impact	16	(16)
Balance as at the end of the year	(27)	1
Equity Instruments through Other Comprehensive Income		
Balance at the beginning of the year	(79)	(52)
Change in fair value of equity instruments	(0)	(27)
Tax impact	-	-
Balance as at the end of the year	(79)	(79)
Exchange differences on translating the financial statements of a foreign operation		
Balance at the beginning of the year	264	419
Currency translation adjustments (net)	119	220
Reclassified to Consolidated Statement of Profit & Loss (refer note 34(i))	-	(375)
Balance as at the end of the year	384	264
Total	277	186

Notes to the Consolidated Financial Statements

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(All amounts in INR Mn, unless otherwise stated)

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.

(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) Effective portion of Cash Flow Hedges

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) Equity Instruments through Other Comprehensive Income

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) Exchange differences on translating the financial statements of a foreign operation

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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

12 (a) Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Fair value of financial liability (Refer note 40)	296	-
Contingent consideration payable	283	-
Accrued salaries and benefits	22	10
Total	601	10
Current		
Contingent consideration payable	441	561
Fair value of financial liability (refer note 36)	-	285
Foreign Currency derivative liabilities	181	43
Accrued salaries and benefits	1,473	1,449
Unclaimed dividend	23	23
Capital creditors	84	29
Dividend payable to Non-controlling interests	-	44
Others	8	38
Total	2,210	2,472

12 (b) Lease Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Lease Liabilities	2,348	2,539
Current		
Lease Liabilities	1,005	957
Total	3,353	3,496

13 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade payables	3,164	2,201
Total	3,164	2,201

For ageing, refer Note 41

During the year ended March 31, 2022 and March 31, 2021 an amount of INR 26 Mn and INR 32 Mn 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 0 Mn [previous year INR 1 Mn]. Interest paid INR 1 Mn (previous year INR 1 Mn)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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, 2022	As at March 31, 2021
Provision for Contingencies	37	32
Total	37	32

(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, 2022	As at March 31, 2021
Opening Balances	32	26
Additional provisions accrued	5	6
Unused amounts reversed	-	-
Amounts used during the year	-	-
Closing Balances	37	32

15 Employee benefit obligations

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for compensated absences	558	512
Total	558	512
Current		
Provision for compensated absences	391	362
Provision for gratuity (refer note (i) below)	4	-
Total	395	362

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(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
As at April 1, 2020	1,247	(1,074)	173
Current service cost	210	-	210
Past service cost	-	-	-
Interest expense / (income)	75	(65)	10
Total amount recognised in statement of profit and loss	285	(65)	220
Remeasurements			
Return on plan assets	-	(9)	(9)
(Gain) / loss from change in demographic assumptions	(20)	-	(20)
(Gain) / loss from change in financial assumptions	(70)	-	(70)
Experience (gains) / losses	(77)	-	(77)
Total amount recognised in Other comprehensive income	(167)	(9)	(176)
Exchange differences	-	-	-
Liability Transferred Out/Disinvestments	-	-	-
Contributions by the company	-	(178)	(178)
Benefit payments	(135)	1	(134)
As at March 31, 2021	1,230	(1,325)	(95)
Current service cost	185	-	185
Past service cost	-	-	-
Interest expense / (income)	84	(92)	(8)
Total amount recognised in statement of profit and loss	269	(92)	177
Remeasurements			
Return on plan assets	-	(6)	(6)
(Gain) / loss from change in demographic assumptions	(14)	-	(14)
(Gain) / loss from change in financial assumptions	86	-	86
Experience (gains) / losses	(11)	-	(11)
Total amount recognised in Other comprehensive income	61	(6)	55
Exchange differences	-	-	-
Additions on Acquisition (refer note 34 (iii))	11	(13)	(2)
Liability Transferred In/Out	-	-	-
Contributions by the company	(0)	(3)	(3)
Benefit payments	(219)	4	(215)
As at March 31, 2022	1,352	(1,435)	(83)

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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

b The net liability/(asset) disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	1,352	1,230
Fair value of plan assets	(1,435)	(1,325)
Net Liability/(Asset)	(83)	(95)

c As at March 31, 2022 and March 31, 2021, 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 138 Mn (March 31, 2021 INR 86 Mn) to the defined benefit plan during the next annual reporting period.

Weighted average duration of the Projected Benefit Obligation is 6 Years (March 31, 2021 - 8 Years)

Estimated benefit payments from the fund for year ending	As at March 31, 2022	As at March 31, 2021
March 31, 2022	N.A.	106
March 31, 2023	139	97
March 31, 2024	135	106
March 31, 2025	152	121
March 31, 2026	136	108
March 31, 2027	144	N.A.
Thereafter	643	557

The expected benefits are based on the same assumptions used to measure the Group's benefit obligations as of March 31, 2022.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

- fa** Sensitivity analysis - the increase / (decrease) in present value of defined benefit obligation to changes in principal assumptions:

Particulars	As at March 31, 2022	As at March 31, 2021
- 1% increase in discount rate	(5.58%)	(6.55%)
- 1% decrease in discount rate	6.23%	7.40%
- 1% increase in salary escalation rate	6.08%	7.32%
- 1% decrease in salary escalation rate	(5.56%)	(6.60%)
- 1% increase in rate of employee turnover	(1.04%)	(0.44%)
- 1% decrease in rate of employee turnover	1.29%	0.45%

The above sensitivity analyses 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.

- g Provident fund :** The Group 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. The Group 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, 2022	As at March 31, 2021
Balance as at the beginning of the year	4,485	4,004
Liability transferred	200	112
Interest cost	369	317
Current service cost	271	190
Employee contribution	417	321
Benefits paid	(577)	(459)
Actuarial (gains)/losses	-	-
Balance as at the end of the year	5,166	4,485

gb Fair value of Plan Assets (Restricted to the extent of Present Value of Obligation)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	4,614	4,052
Expected return on plan assets	396	399
Contributions by the Company	689	510
Transfer from other Company	200	112
Benefits paid	(577)	(459)
Actuarial gains/(losses)	-	-
Balance as at the end of the year	5,322	4,614

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

gc Particulars	As at March 31, 2022	As at March 31, 2021
Assets / (liabilities) recognised in the Balance Sheet	-	-

gd Expenses recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
Current service cost	271	190
Interest cost	369	317
Expected return on plan assets	(396)	(399)
Total expenses recognised in the statement of profit and loss	244	108

ge The plan assets have been primarily invested as follows :

Category of Assets	As at March 31, 2022	As at March 31, 2021
Central Government of India Assets	619	623
State Government of India Assets	1,933	1,545
Special Deposits Scheme	25	25
Private Sector Bonds	2,227	1,991
Equity / Mutual Funds	331	254
Cash and Cash Equivalents	14	16
Others	173	160
Total	5,322	4,614

gf The principal assumptions used for the purpose of all defined benefit obligations are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate *	6.70%	6.82%
Salary Escalation Rate **	8.00%	7.00%
Rate of Employee Turnover		
-For services 4 years and below	18.00%	16.00%
-For services 5 years and above	12.00%	9.00%

* 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 to the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(ii) Defined contribution plans:

The Group has recognised the following amounts in the Statement of Profit and Loss:

Particulars	As at March 31, 2022	As at March 31, 2021
Contribution to Employees' Provident Fund	286	197
Contribution to Employees' Family Pension Fund	130	117
Contribution to Employees' Superannuation Fund	5	5
Contribution to Employees' Social Security Fund	446	437
Contribution to Employees' 401(K) Fund	169	140
Contribution to Central Provident Fund in Singapore	10	19
Contribution to National Insurance of UK	319	270
Contribution to National Pension Schemes	25	27
Contribution to Infonavit Credit	2	3
Contribution to Medicare Fund	115	113

16 Other Current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Statutory dues	-	146
Total	-	146
Current		
Unearned revenue	460	324
Statutory dues	751	818
Others	0	-
Total	1,211	1,142

17(a) Income Taxes

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax assets (net)	757	642
Income tax liabilities (net)	(314)	(250)
Net total	443	392

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

17(b) Movement

Movement in the Income Tax balances is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	392	116
Income tax paid (net of refunds)	1,517	1,400
Current income tax expense (refer note 24 (i))	(1,542)	(1,069)
Income tax on other comprehensive income (refer note 24 (iii))	19	(61)
Research & Development Expenditure Credit	55	-
Translation difference	0	1
Group Relief Tax Aggregation	-	15
Additions on Acquisition (refer note 34(iii))	2	-
Transferred on Disposal of subsidiaries	-	(10)
Others	-	-
Net total	443	392

18 Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Software development, its allied services and maintenance services	41,254	36,553
Sale of licenses, hardware and other equipments	1,184	1,261
Total	42,438	37,814

(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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	Verticals	
	Digital and Application Services	Digital Foundation Services
Revenue by Geography		
-Americas	24,233	5,678
	[21,945]	[5,328]
-Europe	6,561	1,020
	[5,230]	[1,064]
- Rest of the world	4,621	325
	[3,991]	[256]
Revenue by Contract Type		
-Fixed Price Contracts/ Fixed Monthly	19,962	5,541
	[20,024]	[5,481]
-Time and Material	15,453	1,482
	[11,142]	[1,167]

Figures in brackets are for previous year i.e. March 31, 2021

(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.

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to clients is based on milestones as defined in the 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 revaluations, 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 3,020 Mn [March 31, 2021: INR 3,582 Mn] out of which INR 1,850 Mn [March 31, 2021: INR 1,709 Mn] 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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

19 Other income (net)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income		
- On deposits with banks	205	110
- Others	29	29
Net gain /(loss) on financial assets mandatorily measured at FVTPL	114	127
Profit on sale of investments (mutual funds)	68	59
Foreign exchange gain / (loss) (net)	469	(112)
Fair value of financial liability (refer note 40)	(110)	(82)
Profit /(Loss) on sale of fixed assets (net)	(1)	(3)
Provisions no longer required and credit balances written back (refer note 36 and 37)	476	61
Miscellaneous Income	127	65
Total	1,377	254

20 Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	22,850	19,178
Contribution to provident and other funds (refer note 15)	1,884	1,602
Employee share-based payment expense (refer note 38)	160	(185)
Staff welfare expenses	856	931
Total	25,750	21,526

21 Finance Costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on :		
- Loans	-	36
- Fair value of contingent consideration	(13)	123
- Lease Liabilities	236	264
- Others	111	1
Bank charges	19	111
Total	353	535

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

22 Depreciation, amortisation and impairment expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of Property, plant and equipment#	391	382
Depreciation of Right of use assets##	620	641
Amortization of intangible assets###	837	724
Total	1,848	1,747

includes impairment charge of INR Nil (previous year INR 4 Mn)

includes impairment charge of INR Nil (previous year INR 4 Mn)

includes impairment charge of INR Nil (previous year: INR 12 Mn)

23 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent (refer note 14)	85	183
Rates and taxes	133	289
Electricity and power	64	78
Travelling and conveyance	241	157
Recruitment expenses	479	213
Training expenses	94	54
Repairs and maintenance to :		
-Building	122	127
-Electrical Installations and equipments	22	18
-Data Processing Equipments	289	198
-Others	17	42
Insurance	63	44
Legal and professional charges	654	596
Communication expenses	136	228
General Office expenses	30	41
Carriage, freight and octroi	1	117
Advertisement and publicity	150	105
Expenditure towards Corporate social responsibility (refer note 23 (a))	67	58

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Allowance for doubtful trade receivables		
- Provided	72	170
- Bad debts written off	74	619
- Less: Reversed	(173)	(713)
	(27)	76
Allowance for doubtful loans and advances		
- Provided	4	25
- Loans and advances written off	-	5
- Less: Reversed	(8)	(16)
	(4)	14
Miscellaneous expenses	232	165
Total	2,848	2,803

23 (a) Expenditure towards Corporate social responsibility

CSR activities undertaken by the Company are in relation to education, employability and community development

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gross amount required to be spent by the Company during the year	67	58
Total	67	58

Amount spent during the year	Year ended March 31, 2022	Year ended March 31, 2021
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	64	54
Total	64	54

The unspent CSR amount of INR 3 Mn (previous year INR 4 Mn) has been transferred to a separate bank account post the Balance Sheet date.

Cumulative value of previous years shortfall - INR 7 Mn

The Company allocates CSR funds to on-going project(s) which are implemented beyond 1 financial year. These projects have set milestones, upon achievement of which, the next tranche(s) of funds are released. A part of the total CSR allocation is ear-marked for such ongoing projects and will be released/utilised in the next financial year(s) with the intent to achieve optimal objective of CSR funds, so allocated by the Company.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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	For the year ended March 31, 2022	For the year ended March 31, 2021
Income tax expense		
Current Tax		
Current tax expense	1,542	1,069
Current tax expense	1,542	1,069
Deferred tax		
Decrease / (increase) in deferred tax assets	(54)	253
(Decrease) / increase in deferred tax liabilities	36	(63)
Deferred tax expense / (benefit)	(18)	190
Income tax expense	1,524	1,259

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% 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% 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.

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	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before taxes	5,741	4,329
Indian statutory income tax rate	34.94%	34.94%
Computed expected tax expenses	2,006	1,513
Income exempt from tax	(457)	(360)
Non-deductible expenses	79	244
Changes in unrecognized deferred tax assets (net)	183	4
Effect of differential tax rates	(196)	(196)
True-up of tax provisions related to previous years	(80)	89
Other items	(11)	(35)
Total Income tax expense	1,524	1,259

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

iii. Tax on the amounts recognised directly in OCI – expense / (reversal):

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Current tax	Deferred tax	Current tax	Deferred tax
Fair value changes on cash flow hedges	-	(16)	-	16
Remeasurements of post-employment benefit obligations	(19)	-	61	-
Change in fair value of equity instruments	-	-	-	-
Total	(19)	(16)	61	16

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, 2022				As at March 31, 2021			
	FVTPL	FVOCI	Derivative financial assets/ liabilities	Amortised cost	FVTPL	FVOCI	Derivative financial assets/ liabilities	Amortised cost
Financial assets								
Investments:								
- mutual funds and NCD's	3,241	-	-	-	5,071	-	-	102
Trade receivables	-	-	-	7,967	-	-	-	5,888
Cash and cash equivalents	-	-	-	5,054	-	-	-	3,492
Other balances with banks	-	-	-	3,505	-	-	-	3,494
Derivative financial assets	-	-	44	-	-	-	66	-
Security deposits	-	-	-	191	-	-	-	138
Unbilled revenues	-	-	-	2,129	-	-	-	1,507
Lease receivable	-	-	-	305	-	-	-	353
Others	-	-	-	229	-	-	-	137
Total financial assets	3,241	-	44	19,380	5,071	-	66	15,111
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	-	3,164	-	-	-	2,201
Capital creditors	-	-	-	84	-	-	-	29
Accrued salaries and benefits	-	-	-	1,495	-	-	-	1,459
Derivative financial liabilities	-	-	181	-	-	-	43	-
Contingent consideration	724	-	-	-	561	-	-	-
Lease liabilities	-	-	-	3,353	-	-	-	3,496
Other financial liabilities	296	-	-	31	285	-	-	105
Total financial liabilities	1,020	-	181	8,127	846	-	43	7,290

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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, 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds and NCD's	3,241	-	-	3,241
Financial investments at FVOCI				
Equity instruments	-	-	-	-
Derivatives designated as hedges				
Foreign currency derivative assets	-	44	-	44
Total financial assets	3,241	44	-	3,285
Financial liabilities				
Contingent consideration	-	-	724	724
Foreign currency derivative liabilities	-	181	-	181
Fair value of financial liability	-	-	296	296
Total financial liabilities	-	181	1,020	1,201

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	4,928	245	-	5,173
Financial investments at FVOCI				
Equity instruments	-	-	-	-
Derivatives designated as hedges				
Foreign currency derivative assets	-	66	-	66
Total financial assets	4,928	311	-	5,239
Financial liabilities				
Contingent consideration	-	-	561	561
Foreign currency derivative liabilities	-	43	-	43
Fair value of financial liability	-	-	285	285
Total financial liabilities	-	43	846	889

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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, 2022 and 2021

Particulars	Unlisted Equity Securities	Financial liability	Contingent Consideration
As at April 1, 2020	114	171	569
Fair value gain/(loss) recognized in other comprehensive income	(27)	-	-
Fair value (gain)/loss recognized in statement of profit and loss	-	82	123
Deduction on Payment	-	-	(71)
Reversal of liability	-	-	(41)
Foreign Exchange fluctuations – gain/(loss)	9	(32)	19
Disposal of investment	(96)	-	-
As at March 31, 2021	-	285	561
Fair value gain/(loss) recognized in other comprehensive income	-	-	-
Fair value (gain)/loss recognized in statement of profit and loss	-	110	(13)
Addition on account of issue of shares (refer note 36)	-	183	-
Addition on account of Business combination (refer note 34(iii))	-	-	487
Deduction on Payment	-	-	(143)
Reversal of liability	-	(301)	(195)
Foreign Exchange fluctuations – (gain)/loss	-	19	27
Disposal of investment	-	-	-
As at March 31, 2022	-	296	724

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Valuation inputs and relationships to fair value:

Particulars	Fair value		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021	
Financial liability	296	285	Weighted cost of Capital	17.60%	25.19%	Increasing/decreasing the discount rate by 100 bps would decrease/increase the FV by INR 10 Mn [March 2021 - INR 11 Mn]
			Expected cash outflows	724	668	If expected cash flows were 10% lower, the FV would decrease by INR 49 Mn [March 2021 - INR 59 Mn]
Contingent consideration	724	561	Discount rate	0.27%-0.71%	21.80%	A change in discount rate by 100bps would increase/decrease the FV by INR 4Mn [March 2021 - INR 3 Mn]

iii. 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, 2022, 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.

iv. 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

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

10. Trade payables
11. Capital creditors
12. Unclaimed dividends
13. Accrued salaries and benefits
14. Other payables

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 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, 2022 in INR Mn is as follows:

Particulars	USD	GBP	ZAR	EUR	Other currencies	Total
Financial assets						
Cash and cash equivalents	65 [119]	- [-]	- [-]	30 [59]	- [-]	95 [178]
Trade receivables	53 [40]	1 [-]	1 [6]	32 [19]	48 [32]	135 [97]
Other assets	13 [25]	6 [-]	1 [1]	11 [9]	32 [20]	63 [55]
Financial liabilities						
Trade payables	162 [84]	0 [2]	- [(1)]	0 [18]	1 [3]	163 [106]
Other liabilities	2 [6]	0 [-]	33 [25]	0 [-]	0 [-]	35 [31]

Figures in brackets are for previous year i.e. as at March 31, 2021

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Sensitivity:

For the year ended March 31, 2022 and March 31, 2021, every percentage point appreciation/depreciation in the exchange rate would have affected the Company's operating margins respectively:

- INR/USD by approximately 0.01% and 0.09%,
- INR/GBP by approximately 0.00% and 0.00%,
- INR/ZAR by approximately 0.01% and 0.01%,
- INR/EUR by approximately 0.02% and 0.03%

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, 2022		As at March 31, 2021	
	Amount of contracts in Mn	Fair Value – Gain / (Loss) (INR in Mn)	Amount of contracts in Mn	Fair Value – Gain / (Loss) (INR in Mn)
Derivative designated as cash flow hedges				
Forward Contract				
In USD	26	4	23	11
In GBP	3	6	7	(1)
In ZAR	240	(53)	115	(10)
Total Forwards		(43)		0
Option Contracts				
In USD	-	-	6	1

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, 2022	As at March 31, 2021
Not later than one month	(21)	(3)
Later than one month and not later than three months	(11)	(1)
Later than three months and not later than one year	(11)	5

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

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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.

The following table provides the reconciliation of cash flow hedge reserve:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1	(29)
Gain / (Loss) during the year on Cash Flow Hedges [includes reclassification to statement of profit and loss [FY 2021-22 INR 77 Mn [FY 2020-21 - INR 94 Mn]	(44)	47
Tax impact	16	(16)
Balance as at the end of the year	(27)	1

Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings (floating rate linked to libor)	-	-
Fixed rate borrowings	-	-
Total borrowings	-	-

Sensitivity

Profit after tax of the Group is sensitive to changes in interest rates, whose impact is given below.

Particulars	Increase / (Decrease) on profit after tax	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest rates - increase by 50 basis points (50 bps)	-	-
Interest rates - decrease by 50 basis points (50 bps)	-	-

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 7,967 Mn and INR 5,888 Mn as of March 31, 2022 and March 31, 2021, respectively and unbilled revenues amounting to INR 3,255 Mn and INR 2,420 Mn as of March 31, 2022 and March 31, 2021, 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.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

The movement in allowance for life time expected credit loss on customer balances for the year ended March 31, 2022 and March 31, 2021 is given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	326	889
Allowance for doubtful debts	72	170
Reversal of allowance for doubtful debts	(173)	(713)
Transferred on disposal on subsidiary	-	(32)
Foreign exchange differences	5	12
Balance at the end	230	326

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, 2022, 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, 2022				
	Contractual cash flows				
	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	-	-	-	-	-
Trade payables	3,164	3,164	-	-	3,164
Lease liabilities	3,353	1,005	2,425	606	4,036
Other liabilities	2,811	2,210	331	296	2,837

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	2,201	2,201	-	-	2,201
Lease liabilities	3,496	957	2,535	527	4,019
Other liabilities	2,482	2,472	10	-	2,482

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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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 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, autonomies 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	For the year ended March 31, 2022			For the year ended March 31, 2021		
	DAS	DFS	Total	DAS	DFS	Total
Revenue from external customers	35,415	7,023	42,438	31,167	6,647	37,814
Segment profit	5,773	1,083	6,856	6,050	980	7,030
Finance income	-	-	234	-	-	139
Fair value gain on financial assets at fair value through profit or loss	-	-	114	-	-	127
Finance costs			(353)	-	-	(535)
Unallocated expenses net of other income			(1,110)	-	-	(1,941)
Profit before exceptional item and tax			5,741	-	-	4,820

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	As at March 31, 2022			As at March 31, 2021		
	DAS	DFS	Total	DAS	DFS	Total
A. Segment Assets						
Trade Receivables	6,262	1,705	7,967	5,028	860	5,888
Unbilled Revenue	2,628	627	3,255	2,105	315	2,420
Goodwill	5,814	1,425	7,239	4,395	1,375	5,770
Unallocable Assets	-	-	20,251	-	-	20,256
TOTAL ASSETS			38,712			34,334
B. Segment Liabilities						
Unearned Revenue	303	157	460	258	66	324
Unallocable Liabilities	-	-	11,383	-	-	10,299
TOTAL LIABILITIES			11,843			10,623

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	For the year ended March 31, 2022	For the year ended March 31, 2021
Americas	29,910	27,273
United Kingdom	7,581	6,294
Rest of the World	4,947	4,247
Total	42,438	37,814

Revenue of INR 8,408 Mn (March 31, 2021 INR 8,952 Mn) are derived from single external customer. These revenues are attributed to the DAS and DFS segment.

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, 2022	As at March 31, 2021
Zensar Technologies (Singapore) Pte. Limited	Singapore	100	100
Zensar Info Technologies (Singapore) Pte. Limited		-	(refer note (i))
Foolproof (SG) Pte Limited		100	100

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Name of Entity	Country	Proportion of Ownership interest	
		As at March 31, 2022	As at March 31, 2021
Zensar (Africa) Holdings Proprietary Limited	South Africa	100	100
Zensar (South Africa) Proprietary Limited (refer note 36)		75	75
Zensar Technologies (Shanghai) Company Limited	China	-	(refer note (i))
Zensar Technologies (UK) Limited	United Kingdom	100	100
Foolproof Limited		100	100
Knit Limited		-	(refer note (i))
Zensar Technologies, Inc.	United States of America	100	100
PSI Holding Group, Inc.		-	note (iii)
Zensar Technologies IM, Inc.		-	note (iii)
Keystone Logic Inc.		note (vii)	100
Cynosure Inc.		note (vii)	100
Indigo Slate Inc.		note (vii)	100
Professional Access Limited		note (vii)	100
M3BI LLC (refer note (viii))		100	-
Aquila Technology Corporation		-	note (vi)
Keystone Logic Mexico, S. DE R.L. DE C.V	Mexico	100	100
Keystone Technologies Mexico, S. DE R.L. DE C.V		note (ix)	100
Zensar Technologies IM B.V.	Netherlands	-	note (iii)
Zensar Information Technologies B.V. (refer note (v))		100	100
Cynosure Interface Services Private Limited	India	100	100
Zensar IT Services Limited		-	note (ii)
M3BI India Private Limited (refer note (viii))		100	-
Zensar Technologies (Canada) Inc.	Canada	100	100
Zensar Colombia S.A.S. (refer note (iv))	Colombia	100	-
Zensar Technologies GmbH	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)
- (iv) During the year ended March 31, 2022, a 100% subsidiary in Colombia namely Zensar Colombia S.A.S. was incorporated.
- (v) During the previous year ended March 31, 2021, a 100% subsidiary in Netherlands namely Zensar Information Technologies B.V. was incorporated
- (vi) Refer note 34 (ii)
- (vii) During the year ended March 31, 2022, Keystone Logic Inc., Cynosure Inc., Indigo Slate Inc. and Professional Access Limited were merged into its holding company - Zensar Technologies Inc.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(viii) Refer note 34 (iii)

(ix) During the year ended March 31, 2022, Keystone Technologies Mexico, S. DE R.L. DE C.V got merged with Keystone Logic Mexico, S. DE R.L. DE C.V.

b. Non-controlling interests (NCI)

Summarised financial information for Zensar (South Africa) Proprietary Limited, where there was non-controlling interests till March 30, 2022. The amount disclosed below are before inter-company eliminations. Balance sheet amounts are not disclosed since there is no non-controlling interests as on March 31, 2022. Also refer to note 36 below

Summarised Balance Sheet	As at March 31, 2022	As at March 31, 2021
Current assets	-	1,890
Current liabilities	-	1,312
Net current assets	-	578
Non-current assets	-	129
Non-current liabilities	-	56
Net non-current assets	-	73
Net assets	-	651
Accumulated NCI	-	288
<hr/>		
Summarised statement of profit and loss	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue	4,726	3,907
Profit after tax for the year	213	278
Other comprehensive income	46	98
Total Comprehensive income	259	376
Profit allocated to NCI	54	70
OCI allocated to NCI	11	24
<hr/>		
Summarised statement of profit and loss	For the year ended March 31, 2022	For the year ended March 31, 2021
Net cash inflow/(outflow)	800	320

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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 March 31, 2022	As at March 31, 2021
Digital and Application Services (DAS)	5,814	4,395
Digital Foundation Services (DFS)	1,425	1,375
Total	7,239	5,770

Goodwill and other Intangible Assets with respect to DAS and DFS operating segment acquired through acquisitions is further allocated to identified CGU as provided below.

CGU	Amount As at March 31, 2022	Amount As at March 31, 2021
HiTech and Manufacturing	611	590
Retail Consumer Services	1,938	1,899
Cloud and Infrastructure management Services	1,425	1,375
Financial services	2,511	1,142
Foolproof	754	764

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 8.1-11.5% 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 March 31, 2022	As at March 31, 2021
Opening Balance	5,770	6,466
Add: On acquisition (refer note 34(iii))	1,309	-
Less: Impairment (refer note 34(i))	-	589
Add: Translation differences	160	(107)
Closing Balance	7,239	5,770

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31. Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Income Tax:		
Matters decided in favour of the Company by appellate authorities, where the Income Tax Department is in further appeal	75	75
Matters on which the Company is in appeal	213	186
(b) Sales Tax / Value Added Tax:		
Claims against Group regarding sales tax against which the Group has preferred appeals	55	48
(c) Claims against Group regarding service tax against which the Group has preferred appeal	2	2
(d) Claims against the Company not acknowledged as debts	1	3
(e) Corporate Guarantees given	-	-
(f) Bank Guarantees	122	157

32. 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, 2022	As at March 31, 2021
Property plant and equipments	23	59
Intangible assets	5	18

b. The details of the right-of-use asset held by the Group are as follows:

Particulars	Additions for FY 2021-22	As at March 31, 2022	Depreciation charge for FY 2021-22
Leasehold land	-	20	0
	[-]	[20]	[0]
Buildings/Office premises	421	2,539	620
	[142]	[2,730]	[616]
Data Processing Equipments	-	-	-
	[-]	[-]	[25]
Total	421	2,559	620
	[142]	[2,750]	[641]

Figures in brackets are for previous year i.e. March 31, 2021

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

c. The Group has entered into agreements for providing certain products on finance lease. The future receivable are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Minimum lease receivable		
- Less than one year	236	186
- One to five years	77	179
Total	313	365
Present value of minimum lease receivable		
- Less than one year	236	186
- One to five years	69	167
Total	305	353

Unearned finance income of assets leased under finance leases at the end of the reporting period are INR 8 Mn (March 31, 2021: INR 12 Mn)

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 March 31, 2022	Year Ended March 31, 2021
Profits before exceptional item attributable to equity shareholders	4,163	3,491
Exceptional item (refer note 34 (i))	-	(491)
Profits attributable to equity shareholders	4,163	3,000
Basic Earnings Per Share		
Weighted average number of equity shares outstanding during the year (in nos)	225,879,925	225,458,848
Basic EPS (INR)- Before Exceptional Item	18.43	15.49
Basic EPS (INR)- After Exceptional Item	18.43	13.31
Diluted Earnings Per Share		
Weighted average number of equity shares outstanding during the year (in nos)	225,879,925	225,458,848
Effect of dilutive issue of stock options (in nos)	1,997,084	2,151,868
Weighted average number of equity shares outstanding for diluted EPS (in nos)	227,877,009	227,610,716
Diluted EPS (INR)- Before Exceptional Item	18.27	15.34
Diluted EPS (INR)- After Exceptional Item	18.27	13.18

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

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34. Business Combination

- i. During the previous 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 Mn receivable upfront (subject to working capital adjustment) and USD 5 Mn 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 374 Mn 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 had 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 had no ability to direct the relevant activities of and exercise control over Aquila. Therefore, Aquila was 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 accounted 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 Mn receivable upfront (subject to working capital adjustment and novation of customer contracts) and an amount upto USD 0.60 Mn 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 27 Mn [USD 0.38 Mn] has been accounted under other comprehensive income. Further, adjustment to consideration is due to be finalized within 24 months after the closing date and adjustment if any would be accounted then.

- iii. M3Bi India Private Limited (M3Bi India) and M3Bi LLC delivers high quality data engineering, analytics and AI/ML and advanced engineering services which would enhance Zensar's existing data engineering and digital engineering capabilities.

On 8 July 2021, Company acquired 100% equity stake in M3Bi India for an upfront consideration of INR 178 Mn.

On 14 July 2021, Zensar Technologies Inc (wholly owned subsidiary of the Company) acquired 100% of voting interest in M3Bi LLC for an upfront consideration of USD 21.60 Mn adjusted for estimated net assets to INR 1,645 Mn (USD 22.13 Mn), further performance based deferred earnouts payable upto INR 520 Mn (USD 7 Mn) over next 36 months.

The excess of the purchase consideration paid over the fair value of assets including intangible assets acquired has been attributed to goodwill. Adjustment to consideration on account of working capital was due to be finalized within 120 days from the respective closing dates, which has been extended further with mutual consent. Purchase Price Allocation was adjusted provisionally, further deliberation between the parties on settlement is in progress, any change thereon would be accounted once concluded.

The following table summarizes the purchase price allocation

Particulars	M3BI India	M3BI LLC
Net assets	(34)	234
Intangibles	-	796
Total	(34)	1,030
Goodwill	212	1,097

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	M3BI India	M3BI LLC
Total Purchase price	178	2,127
Liability assumed	-	55
Cash paid	178	1,585
Contingent consideration	-	487

Net assets acquired wrt

- M3BI India include INR 46 Mn, INR Nil and INR 73 Mn of cash and cash equivalents, trade receivables and unearned revenues respectively.
- M3BI LLC include INR 149 Mn, INR 100 Mn and INR 191 Mn of cash and cash equivalents, trade receivables and unbilled revenues respectively.

Goodwill was allocated to Digital and Application Services segment and CGU of Financial services. Goodwill of INR 1,097 Mn is deductible under local regulation of federal and state tax laws in the United States.

During the year ended 31 March 2022, M3BI India and M3BI LLC in an aggregated manner contributed revenues and profit after tax of INR 2,146 Mn and INR 257 Mn respectively.

If the above mentioned business combinations were consummated wef April 1, 2021, the consolidated revenues and profit after tax for the year ended March 31, 2022 would have been higher by INR 867 Mn and INR 104 Mn respectively.

These financials for the year ended 31 March 2022 include the results of M3Bi India and M3Bi LLC and are therefore not comparable with the previous year.

35. Related Party Disclosure

A. List of related parties

(i)	Aquila Technology Corporation	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	Upto January 31, 2022
	Sachin Zute	Chief Financial Officer	W.e.f May 10, 2022
	Gaurav Tongia	Company Secretary	
	A.T. Vaswani	Non-Executive Director	
	Arvind Agrawal	Non-Executive Director	
	Venkatesh Kasturirangan	Non-Executive Director	
	Shashank Singh	Non-Executive Director	Upto December 10, 2021
	Ben Druskin	Non-Executive Director	
	Ketan Dalal	Non-Executive Director	
	Harsh Mariwala	Non-Executive Director	
	Anant Goenka	Non-Executive Director	
	Radha Rajappa	Non-Executive Director	

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(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

RPG Life Sciences Limited

RPG Foundation

RPG Art Foundation

CEAT Limited

Katalyst Advisors LLP

Katalyst Advisors Private Limited

Rainetree Capital, LLC

(c) Entities which have the ability to exercise influence / significant influence over the company:

Swallow Associates LLP

Summit Securities Limited

Marina Holdco (FPI) Ltd. - Upto December 10, 2021

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:

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
A.	Revenue from rendering services				
(i)	RPG Life Sciences Limited	-	-	-	1
(ii)	RPG Enterprises	-	1	-	-
(iii)	Harrisons Malayalam Limited	-	-	-	0
	Total - Revenue from rendering services	-	1	-	1

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
B.	Other Income / (expenses)				
(i)	CEAT Limited	1	1	2	1
(ii)	RPG Enterprises	(140)	(160)	(2)	(13)
(iii)	Katalyst Advisors LLP	-	(2)	-	(0)
(iv)	Katalyst Advisors Private Limited	(2)	-	-	-
(v)	Rainetree Capital, LLC	(12)	(5)	-	-
(vi)	KEC International Limited	0	-	-	-
	Total - Other Income/ (expenses)	(153)	(166)	0	(12)
C.	Reimbursements to /(by) the company [net]				
(i)	Harrisons Malayalam Limited	-	(0)	-	-
(ii)	Ben Druskin	-	(0)	-	-
	Total - Reimbursements to /(by) the company [net]	-	(0)	-	-
D.	Dividend on Equity Shares Paid				
(i)	Swallow Associates LLP	236	73	-	-
(ii)	Summit Securities Limited	97	30	-	-
(iii)	Instant Holdings Limited	74	23	-	-
(iv)	Sofreal Mercantrade Private Limited	23	7	-	-
(v)	H.V. Goenka	1	0	-	-
(vi)	Anant Goenka	0	-	-	-
(vii)	A.T. Vaswani	0	0	-	-
(viii)	Harsh Mariwala	0	0	-	-
(ix)	Marina Holdco (FPI) Ltd.	62	62	-	-
(x)	Other Promoter / Promoter Group entities	2	0	-	-
	Total - Dividend on Equity Shares paid	495	195	-	-
E.	Donations				
(i)	RPG Foundation	67	83	-	-
(ii)	RPG Art Foundation	2	-	-	-
	Total - Donations	69	83	-	-

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

	Particulars	Transactions during year ended		Amount outstanding as at	
		March 31, 2022	March 31, 2021	March 31, 2022 Receivable / (Payable)	March 31, 2021 Receivable / (Payable)
F	Directors Fees and Commission paid**				
(i)	H.V. Goenka	30	1	(32)	(30)
(ii)	A.T. Vaswani	2	3	(1)	(1)
(iii)	Arvind Agrawal	2	3	(1)	(1)
(iv)	Venkatesh Kasturirangan	2	2	(1)	(1)
(v)	Sudip Nandy	-	0	-	-
(vi)	Shashank Singh ##	2	2	(1)	(1)
(vii)	Ben Druskin	1	1	-	-
(viii)	Ketan Dalal	2	2	(1)	(1)
(ix)	Tanuja Randery	-	0	-	-
(x)	Harsh Mariwala	2	2	(1)	(1)
(xi)	Anant Goenka	2	2	(1)	(1)
(xii)	Radha Rajappa	2	1	(2)	(1)
	Total - Directors Fees and Commission paid	47	19	(41)	(38)
G	Compensation of Key management personnel #	Ajay Singh Bhutoria@	Sandeep Kishore^	Gaurav Tongia	Navneet Khandelwal
	Short Term Benefits	278 [65]	- [228]	7 [6]	15 [18]
	Post-Employment Benefits	3 [1]	- [1]	0 [0]	1 [0]
	Long-term Employee benefits	- [-]	- [-]	- [-]	- [-]
	Perquisites value of Employee Stock options	- [-]	- [-]	- [-]	17 [-]
	Total - Compensation of Key management personnel	281 [66]	- [229]	7 [6]	33 [18]
	Outstanding amounts *	109 [1]	- [-]	- [-]	- [8]

Figures in brackets are for previous year i.e. as at March 31, 2021

Details in the above table are on accrual and amortization basis, wherever applicable. Doesn't include Gratuity and compensated absences related provisions /payments.

@ In the previous year, 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.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

- ## paid to Marina Holdco (FPI) Limited, which has nominated Shashank Singh on the Board of the Company
- @ For the previous year, compensation of Ajay Singh Bhutoria included from his joining date, Jan 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 was paid INR 7 Mn [USD 98,302] in previous year for the transition period
- ^ Short term benefits of Sandeep Kishore for FY 2020-21 included 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. (a) During the year ended March 31, 2022, Zensar (South Africa) Proprietary Limited (ZSAPTY) bought back the entire shareholding of 250,001 shares held by Clusten 16 Proprietary Limited (Clusten) (including their associated parties), through execution of relevant agreements. The difference between the buyback consideration paid and the amount of non-controlling interest recognized till the date of buyback amounting to INR 144 Mn has been adjusted against reserves in the consolidated financial results.

(b) The Share Subscription and Shareholders' Agreement between Zensar (Africa) Holdings Proprietary Limited (Z AHL), ZSAPTY and Clusten came to an end. As part of this Shareholders' Agreement Z AHL had entered into a call/put option to buy back the aforesaid shares at fair value as at the date of exercise of the call/put option. During the quarter ended 31 March 2022, since the aforesaid Share Subscription and Shareholders' Agreement came to an end and the call/put option was no longer exercisable, the Group reversed liability amounting to INR 239 Mn accrued through statement of profit and loss over previous periods for the call/put option which is included in the other income for the year ended March 31, 2022

37. The Group reversed contingent consideration during the year ended 31 March 2022 and 2021 amounting to INR 195 Mn (USD 2.56 Mn) and INR 41 Mn (USD 0.55 Mn) respectively payable on business combinations consummated in prior years based on Company's assessment that these are 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.

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Stock option activity under the “2002 ESOP” scheme is as follows:

Particulars	2021-22		2020-21	
	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	13,930	15.01	28,335	15.28
Granted during the year	-	-	-	-
Cancelled during the year	5,000	17.6	8,280	15.38
Exercised during the year	6,430	14.18	6,125	15.76
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	2,500	12	13,930	15.01
Vested and Exercisable at the year end	2,500	-	13,930	-

Stock option activity under the “2006 ESOP” scheme is as follows:

Particulars	2021-22		2020-21	
	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	635,960	80.21	860,310	87.16
Granted during the year	-	-	-	-
Cancelled during the year	22,870	65.53	27,160	213.03
Exercised during the year	249,210	124.87	197,190	73.15
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	363,880	50.54	635,960	80.21
Vested and Exercisable at the year end	363,880	-	635,960	-

(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	2021-22		2020-21	
	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	1,785,000	2	2,619,000	2
Granted during the year	1,234,564	2	400,000	2
Cancelled during the year	1,008,501	2	1,234,000	2
Exercised during the year	325,546	2	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	1,685,517	2	1,785,000	2
Vested and Exercisable	-	-	-	-

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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	
				March 31,2022	March 31,2021
2006 ESOP	FY 2006-2009	10 - 30	FY 2021-2024	-	2,000
	FY 2010-2013	10 - 55	FY 2021-2028	327,470	444,630
	FY 2014-2017	50 - 220	FY 2026-2031	36,410	189,330
Weighted average remaining contractual life of options outstanding at the end of the year				5.13 years	5.51 years
2002 ESOP	FY 2002-2005	6 - 16	FY 2018-2020	-	-
	FY 2006-2009	12- 20	FY 2021-2024	2,500	13,930
Weighted average remaining contractual life of options outstanding at the end of the year				0.32 years	0.77 Years
EPAU 2016	FY 2017-2021	2	FY 2021-2024	508,033	1,785,000
	FY 2022-2022	2	FY 2022-2027	1,177,484	-
Weighted average remaining contractual life of options outstanding at the end of the year				2.55 years	1.18 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, 2022, and the resulting fair value of the options at the various grant dates:

Employee Performance Award Unit Plan, 2016 (EPAU 2016)

Particulars	Grant Date				
	20-01-2022	20-01-2022	30-03-2021	21-06-2019	29-04-2019
	Vest 2	Vest 1	Vest 1	Vest 1	Vest 1
Expected Life (years)	1.59	1.59	1.5	2.38	2.53
Volatility (%) *	46.87	46.87	53.84	32.96	33.22
Risk free rate (%)	4.40	4.40	4.23	6.28	6.85
Exercise price (Rs.)	2	2	2	2	2
Dividend yield (%)	0.64	0.64	0.66	3.15	3.46
Fair value per vest	467.34	467.34	273.88	233.93	210
Vest %	32.43%	25%	100%	100%	100%
Option fair value	464.37	463.02	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, 2022

(All amounts in INR Mn, unless otherwise stated)

39. Additional Information as per Section 129 of the Companies Act, 2013 – Annexure I

40. Zensar (South Africa) Proprietary Limited (ZSAPTY) issued 250,001 shares to Riverbend Trade & Invest 58 Proprietary Limited (Riverbend) by way of entering into Subscription and Shareholders' Agreement between ZSAPTY, Riverbend, Cloudberry Fund Manager Proprietary Limited (Cloudberry), Kapela Fund 2 and Zensar (Africa) Holdings Proprietary Limited (Z AHL). As part of the aforesaid Shareholders' Agreement, ZSAPTY and Riverbend have entered into a call/put option (exercisable after 7 years from the effective date of the aforesaid Shareholders' Agreement) which gives ZSAPTY the right to buy back and Riverbend to enforce a buyback, of the aforesaid shares at fair market value as at the date of exercise of the call/put option respectively. The fair value loss of INR 110 Mn for these call/put options for the year ended March 31, 2022 has been included in other income in the consolidated financial statements.

41. Additional disclosures

(i) Trade Receivables ageing:

Particulars	Not due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	6,849 [4,475]	1,103 [1,387]	17 [16]	(1) [(5)]	- [(2)]	(1) [(1)]	7,967 [5,870]
Undisputed Trade Receivables – which have significant increase in credit risk	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Undisputed Trade Receivables – credit impaired	- [-]	25 [22]	18 [36]	22 [47]	9 [89]	101 [94]	175 [288]
Disputed Trade Receivables – considered good	- [-]	- [-]	- [18]	- [-]	- [-]	- [-]	- [18]
Disputed Trade Receivables – which have significant increase in credit risk	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Disputed Trade Receivables – credit impaired	- [-]	- [-]	- [18]	33 [20]	22 [-]	- [-]	55 [38]
Total	6,849 [4,475]	1,128 [1,409]	35 [88]	54 [62]	31 [87]	100 [93]	8,197 [6,214]

Details above are computed from the due date of payment

Figures in brackets are for previous year i.e. as at March 31, 2021

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(ii) Trade Payables ageing:

Particulars	Not Due	Accruals	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	9 [2]	65 [46]	2 [1]	- [1]	- [-]	- [0]	76 [50]
Others	1,626 [246]	1,072 [1,429]	229 [332]	110 [37]	9 [39]	42 [47]	3,088 [2,130]
Disputed dues – MSME	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]
Disputed dues – Others	- [-]	- [21]	- [-]	- [-]	- [-]	- [-]	- [21]
Total	1,635 [248]	1,137 [1,496]	231 [333]	110 [38]	9 [39]	42 [47]	3,164 [2,201]

Figures in brackets are for previous year i.e. as at March 31, 2021

(iii) Shares held by promoters at the end of year:

Particulars	No of Shares	% of total Shares	% Change during the year
Swallow Associates LLP	60,586,344 [60,586,344]	26.78 [26.85]	- [-]
Summit Securities Limited	24,972,427 [24,972,427]	11.04 [11.07]	- [-]
Instant Holdings Limited	19,051,374 [19,051,374]	8.42 [8.44]	- [-]
Sofreal Mercantrade Private Limited	5,899,472 [5,846,472]	2.61 [2.59]	1 [0]
Chattarpati Apartments LLP	228,500 [228,500]	0.1 [0.1]	- [-]
Harsh Vardhan Goenka	149,990 [149,990]	0.07 [0.07]	- [1]
RPG Ventures Limited	143,660 [143,660]	0.06 [0.06]	- [0]
AVG Family Trust through Trustees, Mr. Harsh Vardhan Goenka And Mr Anant Goenka	10 [10]	0 [0]	- [-]
Ishaan Goenka Trust through Trustee, Mr. Harshvardhan Goenka	10 [10]	0 [0]	- [-]
Navya Goenka Trust through Trustee, Mr. Harshvardhan Goenka	10 [10]	0 [0]	- [-]
RG Family Trust through Trustee, Mr. Harsh Vardhan Goenka And Mr Anant Goenka	10 [10]	0 [0]	- [-]

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Particulars	No of Shares	% of total Shares	% Change during the year
Nucleus Life Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Prism Estates Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Secura India Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Stellar Energy Trust through Trustee, Mr. Harshvardhan Goenka	5 [5]	0 [0]	- [-]
Sudarshan Electronics and TV LTD	5 [5]	0 [0]	- [-]

Figures in brackets are for previous year i.e. as at March 31, 2021

(iv) Capital work-in-progress Ageing:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	12 [1]	- [-]	- [-]	- [-]	12 [1]
Projects temporarily suspended	- [-]	- [-]	- [-]	- [-]	- [-]

Figures in brackets are for previous year i.e. as at March 31, 2021

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(v) Registration of charges or satisfaction with Registrar of Companies

The Company does not have any outstanding borrowings as at 31 March 2021 and 31 March 2022. However, as per the records available on the Registrar of Companies (RoC) portal, the below charges which were created by the Company in earlier years (more than 25 years back) for borrowings availed are still appearing as unsatisfied. The Company is in the process of obtaining no-dues certificates/ other relevant documents from the respective lenders for taking the required action.

Charge holder name	Amount	Charge holder name	Amount
Bank of India	1	State Bank of India	31
Bank of India	5	State Bank of India	37
Bank of Maharashtra	38	State Bank of India	4
Citibank N.A.	0	State Bank of India	7
General Insurance Corporation of India	4	State Bank of India	6
Indian Overseas Bank	38	State Bank of India	2
Indian Overseas Bank	57	State Bank of India	30
Indian Overseas Bank	56	State Bank of India	6
The Industrial Credit and Investment	7	State Bank of Travancore	30
The Industrial Credit and Investment Company of India Limited	4	State Bank of Travancore	17
Industrial Development Bank of India	4	Union Bank of India	17
Life Insurance Corporation of India	4	Union Bank of India	30
State Bank of India	20	United Bank of India	10

For and on behalf of Board of Directors of
Zensar Technologies Limited

H.V. Goenka
Chairman
DIN: 00026726

Ajay Singh Bhutoria
CEO and Managing Director
DIN: 09013862

Sachin Zute
Chief Financial Officer

Gaurav Tongia
Company Secretary

Place: Mumbai
Date: May 10, 2022

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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, 2022	77.5%	20,814	77.1%	3,208	-137.9%	(61)	74.8%	3,147
March 31, 2021	78.4%	18,357	96.5%	2,896	-236.5%	144	103.4%	3,040
Subsidiaries								
Zensar Technologies Inc.								
March 31, 2022	12.7%	3,405	12.5%	520	207.2%	92	14.5%	612
March 31, 2021	12.0%	2,806	-70.9%	(2,127)	408.2%	(248)	-80.8%	(2,376)
PSI Holding Group, Inc.								
March 31, 2022	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
December 02, 2020	-	-	49.1%	1,472	0.9%	(1)	50.0%	1,471
Zensar Technologies IM, Inc								
March 31, 2022	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
December 02, 2020	0.3%	77	-1.7%	(52)	30.7%	(19)	-2.4%	(71)
Zensar Technologies IM, B.V.								
March 31, 2022	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
December 02, 2020	-	-	-1.7%	(51)	-22.4%	14	-1.3%	(37)
Professional Access Limited								
April 1, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
March 31, 2021	0.4%	84	1.7%	50	2.8%	(2)	1.6%	48
Zensar Technologies (Singapore) Pte Limited								
March 31, 2022	0.1%	22	0.0%	(2)	0.8%	0	-0.1%	(2)
March 31, 2021	0.1%	23	0.3%	9	-0.6%	0	0.3%	10
Zensar Technologies (Shanghai) Company Limited								
March 31, 2022	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
December 23, 2020	-	-	1.1%	32	2.2%	(1)	1.0%	30
Zensar Technologies (UK) Limited								
March 31, 2022	12.2%	3,277	8.0%	331	-134.0%	(60)	6.4%	271
March 31, 2021	12.8%	3,005	3.8%	115	-404.0%	246	12.3%	361
Foolproof Limited								
March 31, 2022	0.1%	19	-0.3%	(14)	15.3%	7	-0.2%	(7)
March 31, 2021	0.1%	32	1.2%	37	-27.9%	17	1.8%	54
Knit Limited								
March 31, 2022	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
September 22, 2020	-	-	0.0%	0	-	-	0.0%	0
Foolproof (SG) Pte Limited								
March 31, 2022	0.0%	4	0.3%	15	-0.3%	(0)	0.3%	14
March 31, 2021	0.0%	(10)	-0.9%	(26)	31.7%	(19)	-1.5%	(45)

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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
Zensar (Africa) Holdings Proprietary Limited								
March 31, 2022	0.1%	14	4.2%	176	-70.7%	(31)	3.4%	145
March 31, 2021	-0.6%	(141)	2.3%	68	-51.5%	31	3.4%	99
Zensar (South Africa) Proprietary Limited								
March 31, 2022	1.1%	305	2.5%	103	407.6%	181	6.8%	284
March 31, 2021	2.8%	651	9.3%	278	-64.0%	39	10.8%	317
Keystone Logic Inc.								
April 1, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
March 31, 2021	1.1%	261	2.6%	78	12.1%	(7)	2.4%	70
Zensar Info Technologies (Singapore) Pte. Limited								
March 31, 2022	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
May 04, 2020	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Zensar Colombia S.A.S.								
March 31, 2022	0.1%	17	-0.1%	(3)	3.7%	2	0.0%	(1)
March 31, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Indigo Slate Inc								
April 1, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
March 31, 2021	0.7%	157	4.8%	145	6.6%	(4)	4.8%	141
Cynosure Inc								
April 1, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
March 31, 2021	1.8%	430	4.7%	140	22.0%	(13)	4.3%	127
Cynosure Interface Services Private Limited								
March 31, 2022	0.1%	16	0.0%	2	0.3%	0	0.0%	2
March 31, 2021	0.1%	14	-0.1%	(4)	-2.7%	2	-0.1%	(2)
Keystone Logic Mexico, S. DE R.L. DE C.V								
March 31, 2022	0.4%	116	0.1%	2	18.4%	8	0.2%	10
March 31, 2021	0.4%	104	0.8%	25	-16.3%	10	1.2%	35
Keystone Technologies Mexico, S. DE R.L. DE C.V								
October 31, 2021	N.A.	N.A.	0.0%	(1)	-1.1%	(0)	0.0%	(1)
March 31, 2021	0.0%	2	-0.1%	(2)	-1.3%	1	0.0%	(1)
Zensar IT Services Limited								
March 31, 2022	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
June 22, 2020	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Zensar Technologies (Canada) Inc								
March 31, 2022	0.1%	15	0.2%	6	1.1%	0	0.1%	6
March 31, 2021	0.0%	8	0.1%	3	-0.9%	1	0.1%	3
Zensar Information Technologies B.V.								
March 31, 2022	0.0%	9	0.1%	3	-0.4%	(0)	0.1%	3
March 31, 2021	0.0%	6	0.1%	4	0.0%	(0)	0.1%	4

Notes accompanying the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

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
Zensar Technologies GmbH								
March 31, 2022	0.0%	5	0.0%	(0)	0.0%	(0)	0.0%	(0)
March 31, 2021	0.0%	2	0.0%	0	0.2%	(0)	0.0%	0
M3Bi India Private Limited								
March 31, 2022	0.3%	68	2.5%	104	-5.6%	(3)	2.4%	100
March 31, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
M3Bi LLC								
March 31, 2022	1.5%	394	3.7%	153	4.9%	2	3.7%	154
March 31, 2021	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Adjustments arising out of consolidation								
March 31, 2022	-6.1%	(1,630)	-10.6%	(441)	-209.3%	(93)	-12.7%	(534)
March 31, 2021	-10.4%	(2,445)	-3.0%	(90)	410.2%	(247)	-11.5%	(338)
Total								
March 31, 2022	100.0%	26,869	100.0%	4,163	100.0%	44	100.0%	4,207
March 31, 2021	100.0%	23,423	100.0%	3,000	100.0%	(60)	100.0%	2,940
Non controlling Interest								
Zensar (South Africa) Proprietary Limited								
March 31, 2022	0.0%	-	1.3%	54	19.6%	11	1.5%	65
March 31, 2021	1.2%	288	2.3%	70	-68.1%	24	3.1%	94

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

Annexure - 1 (FY 2021-22) 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

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 2021 -March 2022	USD Closing Rate 75.79	2,253	1,847	-695	16,056	12,651	2,196	26,108	753	233	520	-	100%
2 Zensar Technologies (Singapore) Pte Limited, Singapore	April 2021 -March 2022	SGD Closing Rate 55.97	8	4	10	24	2	-	22	-1	1	-2	-	100%
3 Zensar (South Africa) Proprietary Limited, South Africa	April 2021 -March 2022	ZAR Closing Rate 5.22	186	58	61	3,302	2,997	-	4,726	191	88	103	173	75%
4 Zensar (Africa) Holdings Proprietary Limited, South Africa	April 2021 -March 2022	ZAR Closing Rate 5.22	6	8	-	16	2	4	-	178	2	176	321	100%
5 Zensar Technologies (UK) Limited, UK	April 2021 -March 2022	GBP Closing Rate 99.45	4	2,978	295	5,055	1,778	1,077	7,685	393	62	331	-	100%
6 Foolproof Limited, UK	April 2021 -March 2022	GBP Closing Rate 99.45	0	23	-4	887	868	-	1,671	-12	2	-14	-	100%
7 Foolproof (SG) Pte. Limited, Singapore	April 2021 -March 2022	SGD Closing Rate 55.97	3	-8	10	49	45	-	121	14	-1	15	-	100%
8 Cynosure Inter-face Services Private Limited, India	April 2021 -March 2022	INR	1	15	-	25	9	-	74	3	1	2	-	100%

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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 plus	Other components of equity	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend/Dividend Approved	% of share-holding
9	Keystone Logic Mexico, S. DE R.L. DE C.V., Mexico **	April 2021 -March 2022	3	107	6	129	13	-	71	4	1	2	-	100%
		MXN Closing Rate 3.79												
10	Keystone Technologies Mexico, S. DE R.L. DE C.V., Mexico **	April 2021 -October 2021	-	-	-	-	-	-	14	-0	0	-1	-	Refer note (2) below
		MXN Closing Rate 3.79												
11	M3Bi India Private Limited, India	July 2021 -March 2022	0	68	-	202	134	-	604	129	25	104	-	100%
		INR												
12	M3Bi LLC, USA	July 2021 -March 2022	-	387	7	911	517	-	2,133	184	31	153	-	100%
		USD Closing Rate 75.79												
13	Zensar Colombia S.A.S., Colombia	September 2021 -March 2022	18	-3	2	19	2	-	-	-4	-1	-3	-	100%
		COP Closing Rate 0.02												
14	Zensar Technologies (Canada) Inc, Canada	April 2021 -March 2022	4	10	1	26	12	-	125	9	3	6	-	100%
		CAD Closing Rate 60.49												
15	Zensar Information Technologies B.V., Netherlands	April 2021 -March 2022	2	7	-0	21	12	-	26	4	1	3	-	100%
		EUR Closing Rate 84.22												
16	Zensar Technologies GmbH, Germany	April 2021 -March 2022	2	0	-0	5	3	-	9	-0	-0	-0	-	100%
		EUR Closing Rate 84.22												

** Accounting year of these entities as per local statute is January to December. However for consolidation and above disclosure, April to March is considered

Notes :

1. Name of subsidiary yet to commence operations Nil
2. Name of subsidiaries which have been liquidated or sold during the year During the year ended March 31, 2022, Keystone Logic Inc., Cynosure Inc., Indigo Slate Inc. and Professional Access Limited were merged into its holding company - Zensar Technologies Inc.
During the year ended March 31, 2022, Keystone Technologies Mexico, S. DE R.L. DE C.V got merged with Keystone Logic Mexico, S. DE R.L. DE C.V.

Part "B": Associates and Joint Ventures is not applicable to the Company as the Group does not have any Associate Companies and Joint Ventures

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, unless otherwise stated)

(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

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/Approved	% of share-holding
1 Zensar Technologies Inc, USA	April 2020 -March 2021	USD Closing Rate 73.11	1,142	1,217	448	13,433	10,626	5,903	21,316	-1,909	218	-2,127	-	100%
2 Professional Access Limited, USA	April 2020 -March 2021	USD Closing Rate 73.11	0	74	10	292	207	-	534	69	19	50	-	100%
3 PSJ Holding Group Inc, USA	April 2020 -Dec 2020	USD Closing Rate 73.11	-	-	-	-	-	-	-	1,472	-	1,472	-	Refer note (2) below
4 Zensar Technologies IM Inc, USA	April 2020 -Dec 2020	USD Closing Rate 73.11	-	-	-	-	-	-	1,141	-53	-1	-52	-	Refer note (2) below
5 Zensar Technologies IM BV, Netherlands	April 2020 -Dec 2020	EUR Closing Rate 85.75	-	-	-	-	-	-	273	-61	-10	-51	-	Refer note (2) below
6 Zensar Technologies (Shanghai) Co. Limited, China **	Apr-2020 -Dec 2020	CNY Closing Rate 11.14	-	-	-	-	-	-	-	32	0	32	-	Refer note (2) below
7 Zensar Technologies (Singapore) Pte Limited, Singapore	April 2020 -March 2021	SGD Closing Rate 54.35	8	6	10	25	2	-	19	9	-1	9	-	100%
8 Zensar (South Africa) Proprietary Limited, South Africa	April 2020 -March 2021	ZAR Closing Rate 4.94	45	587	19	1,999	1,348	-	3,907	389	111	278	-	75%
9 Zensar (Africa) Holdings Proprietary Limited, South Africa	April 2020 -March 2021	ZAR Closing Rate 4.94	6	-148	1	145	286	4	-	68	0	68	194	100%

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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/Approved	% of share-holding
10	Zensar Technologies (UK) Limited, UK	April 2020 -March 2021 GBP Closing Rate 100.75	4	2,646	355	4,843	1,838	1,091	6,624	143	28	115	-	100%
11	Foolproof Limited, UK	April 2020 -March 2021 GBP Closing Rate 100.75	0	27	4	746	715	-	1,097	42	5	37	-	100%
12	Knit Limited, UK	Apr-2020 -Sep 2020 GBP Closing Rate 100.75	-	-	-	-	-	-	-	0	0	0	-	Refer note (2) below
13	Foolproof (SG) Pte. Limited, Singapore.	April 2020 -March 2021 SGD Closing Rate 54.35	3	-23	10	48	58	-	66	-27	-1	-26	-	100%
14	Keystone Logic Inc, USA	April 2020 -March 2021 USD Closing Rate 73.11	3	240	18	634	373	-	818	94	16	78	-	100%
15	Zensar Info Technologies (Singapore) Pte Limited, 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	1	389	41	888	458	-	1,800	178	38	140	-	100%
17	Cynosure Interface Services Private Limited, India	April 2020 -March 2021 INR	1	13	-	35	21	-	87	-5	-1	-4	-	100%
18	Keystone Logic Mexico, S. DE R.L. DE C.V., Mexico **	April 2020 -March 2021 MXN Closing Rate 3.55	2	105	-2	114	10	-	107	26	1	25	-	100%
19	Keystone Technologies Mexico, S. DE R.L. DE C.V., Mexico **	April 2020 -March 2021 MXN Closing Rate 3.55	2	0	0	13	11	-	124	5	7	-2	-	100%
20	Indigo Slate Inc., USA	April 2020 -March 2021 USD Closing Rate 73.11	0	160	-3	444	287	-	2,112	205	60	145	-	100%

Notes accompanying the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(All amounts in INR Mn, 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 plus	Other components of equity	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend/Dividend Approved	% of share-holding
21	Zensar IT Services Limited, India	April 2020 -Jun 2020	-	-	-	-	-	-	-	-	-	-	-	Refer note (2) below
22	Zensar Technologies (Canada) Inc, Canada	April 2020 -March 2021	4	4	1	10	2	-	49	4	1	3	-	100%
23	Zensar Information Technologies B.V, Netherlands	May 2020 -March 2021	2	4	-0	26	21	-	23	4	1	4	-	100%
24	Zensar Technologies GmbH, Germany	April 2020 -March 2021	2	0	-0	5	2	-	3	0	0	0	-	100%

** Accounting year of these entities as per local statute is January to December. However for consolidation and above disclosure, April to March is considered

Notes:

- Name of subsidiary yet to commence operations
- Name of subsidiaries which have been liquidated or sold during the year
 - PSI Holding Group Inc
 - Zensar Technologies IM Inc
 - Zensar Technologies IM B.V.
 - Zensar IT Services Limited
 - Zensar Info Technologies (Singapore) Pte. Limited
 - Knit Limited
 - Zensar Technologies (Shanghai) Co. Ltd
- Aquila Tech Corp has not been included in the above statement (refer note 29 (a))

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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 **hello happiness**

Zensar Technologies Limited

Zensar Knowledge Park, Kharadi, Plot #4, MIDC, Off Nagar Road, Pune 411014, India

Tel: +91(20)66074000, 27004000 Fax: +91(20)66074433

www.zensar.com

An  **RPG** Company