Zensar Technologies

Analyst Presentation - For the Quarter ending June 30th, 2016

Safe Harbor

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

The information contained in these materials has not been independently verified. None of the Company, its Directors, Promoter or affiliates, nor any of its or their respective employees, advisers or representatives or any other person accepts any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this document or its contents or otherwise in connection with this document, and makes no representation or warranty, express or implied, for the contents of this document including its accuracy, fairness, completeness or verification or for any other statement made or purported to be made by any of them, or on behalf of them, and nothing in this document or at this presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The information and opinions contained in this presentation are current, and if not stated otherwise, as of the date of this presentation. The Company undertake no obligation to update or revise any information or the opinions expressed in this presentation as a result of new information, future events or otherwise. Any opinions or information expressed in this presentation are subject to change without notice.

This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Zensar Technologies Limited (the “Company”), nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment therefore. Any person/ party intending to provide finance / invest in the shares/businesses of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. This presentation is strictly confidential and may not be copied or disseminated, in whole or in part, and in any manner or for any purpose. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person. Failure to comply with this restriction may constitute a violation of the applicable securities laws. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

Agenda

- Zensar Q1 FY17 Business Performance
- Market Opportunity and Company Outlook
- RPG Group Overview

Highlights for Q1 FY17

Zensar TECHNOLOGIES
Your Transformation Partner

- **Revenue Performance :**
  - Revenue grew 3.1% Quarter-on-quarter and 2.6% Year-on-Year both in $ terms.
  - In CC terms, the revenue grew 2.6% Quarter-on-quarter
  - Large deal conversations picking up momentum with a current pipeline of over $200 Mn

- **Profitability & EPS Performance :**
  - Operating Margin grew 10.1% Quarter-on-Quarter to 14.0% of the revenue
  - Profit after Tax grew 9.6% Quarter-on-Quarter to 10.1% of the revenue
  - EPS grew 9.0% sequentially

- **Digital Business Performance :**
  - Digital accounted for 27.3% of the overall revenue
  - We continue to witness traction in across all aspects of Digital

Highlights for Q1 FY17

Zensar TECHNOLOGIES
Your Transformation Partner

- **Key Territory Performance:**
  - Africa grew 9.7% Quarter-on-Quarter in Constant currency
  - Europe grew 2.7% Quarter-on-Quarter in Constant currency
  - US declined marginally by 0.6% Quarter-on-Quarter in Constant currency, however the region had good new deal in-flow

- **Key Verticals Performance:**
  - Manufacturing grew 4.2% Quarter-on-Quarter in Constant currency
  - Retail and Consumer Services grew 3.5% Quarter-on-Quarter in Constant currency
  - BFSI and Emerging verticals witnesses declines of 0.8% and 8.1% respectively

Key Wins in Q1 FY17

- **Americas:**
  - Signed a Digital Commerce Consulting deal with a US based provider of customer engagement and loyalty programs
  - Signed a deal with a publicly traded Mexican grocery & department store chain for Digital Commerce Implementation
  - Won a deal with a large hospitality services company to enable cloud and create a digital business platform for the enterprise
  - Signed a Multi-Year Application Development and Integration deal with a large Specialty Insurer
  - Won an Oracle EBS Global Design and Implementation deal with a floral and gourmet foods gift retailer

- **UK and Europe:**
  - Chosen by a British motoring association for a multi-million Application Development, Integration, Support & Enhancement
  - Chosen for Testing Consulting by the provider of financial and insurance services for the purchase and long term automobile rentals

- **Others Regions:**
  - Named as Digital Transformation Partner for leading East African Retailer
  - Won the Digital Enterprise Advisory and Business Consulting deal with an Indian provider of tyres
  - Signed a Remote Infrastructure Management Services deal with a South Africa-based financial services group

Analyst Recognition for Zensar

ZenSar TECHNOLOGIES
Your Transformation Partner

- Gartner Digital Commerce Vendor Guide, 2016: Zensar named as a Digital Commerce Service Provider
- Markets & Markets Report on Manufacturing Analytics Market – Global Forecast to 2021: Zensar is one of the 10 providers covered in detail
- Gartner 2016 Market Trends: Application Testing Services Must Address the Shift to Digital Business Requirements – Zensar listed as a ‘key player’ and ‘one of 27 vendors globally to watch’
- Cited in the Gartner’s Market Trends report: Collaboration Is the Key to Service Providers' Success in Smart City Projects
- Transparency Market Research report on Test Automation Market: Zensar is one of the 9 vendors covered in detail
- Gartner Competitive Landscape: Leveraging Third-Party Maintenance Providers for Data Center and Network Maintenance Cost Optimization NA - listed as MVS provider and categorized alongside OEMs

Q1 FY17 Business Performance

Q1 FY17 Financials

ZenSar TECHNOLOGIES
Your Transformation Partner

Particulars	Q1 FY17		Growth					
	USD Mn	INR Cr	Q-o-Q			Y-o-Y		
			USD	INR	CC	USD	INR	CC
Revenue	$ 114	₹ 762	3.1%	2.1%	2.6%	2.6%	8.2%	5.0%
EBITDA	$ 16	₹ 107	10.7%	9.7%		(7.7%)	(2.6%)	
EBIT	$ 15	₹ 97	14.9%	13.8%		(6.9%)	(1.9%)	
PAT	$ 11	₹ 76	9.6%	8.6%		(4.9%)	0.2%	

Traditional to the Transformational

Complete technology services portfolio – Applications, Infrastructure, Digital & Industry specific solutions

8200+ Associates

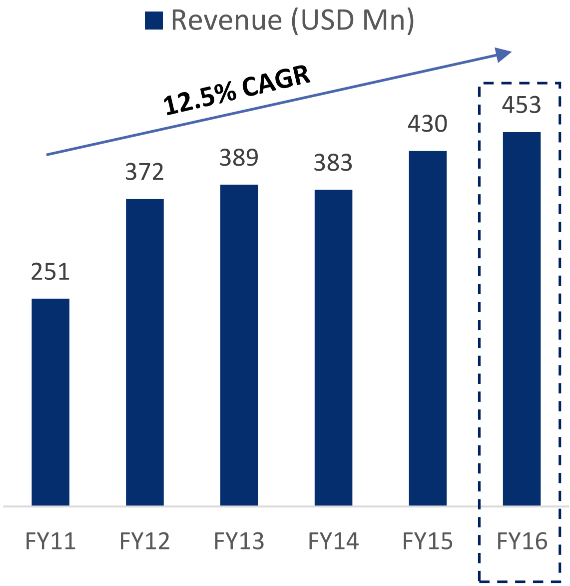
Q1 FY17 Performance

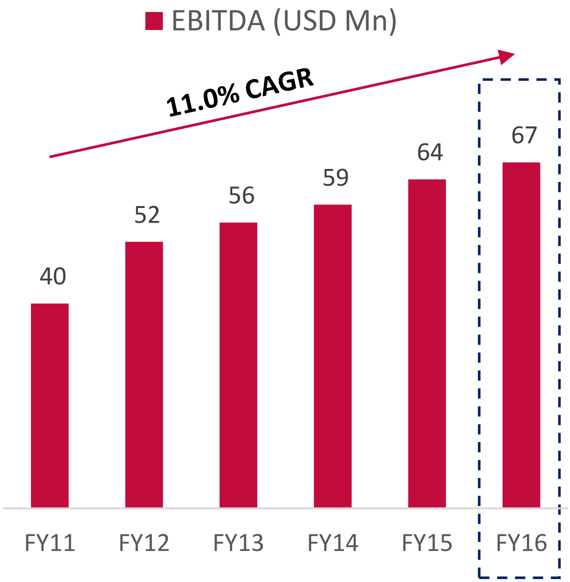
ZenSar TECHNOLOGIES
Your Transformation Partner

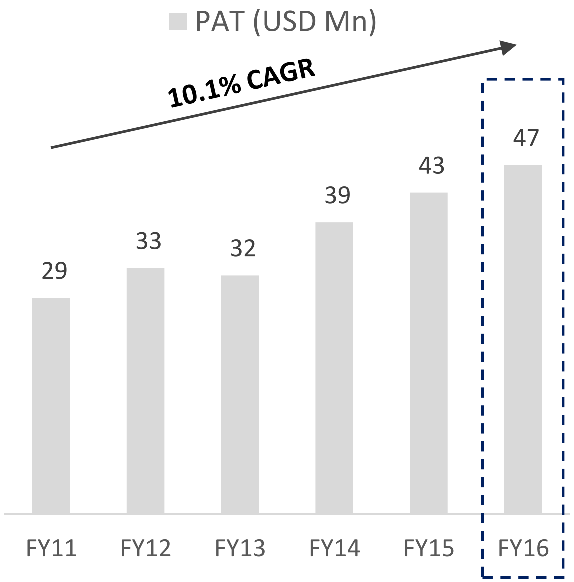
US$ Million	Q1 FY17	Q4 FY16	Q1 FY16	QoQ Growth	YoY Growth
Revenue	114.0	110.5	111.1	3.1%	2.6%
EBITDA	15.9	14.4	17.3	10.7%	(7.7%)
EBITDA%	*14.0%*	*13.0%*	*15.5%*		
Effective Tax Rate	*30.5%*	*21.1%*	*29.8%*		
PAT*	11.4	10.4	12.0	9.6%	(4.9%)
PAT%	*10.0%*	*9.4%*	*10.8%*		
EPS - Diluted (INR)	16.9	15.5	16.9	8.9%	0.3%

** PAT after minority interest*

Long-term Growth & Profitability Track Record



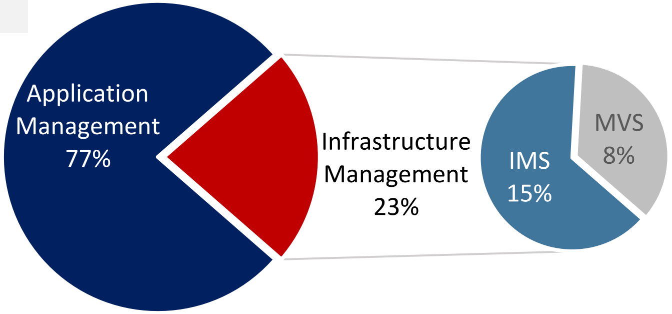




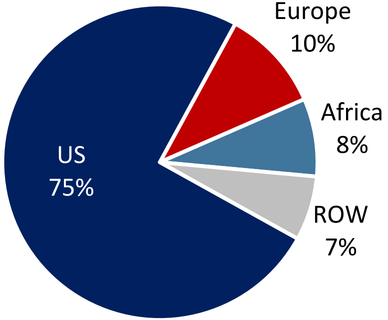
Q1 FY17 Revenue Mix

ZenSar TECHNOLOGIES
Your Transformation Partner

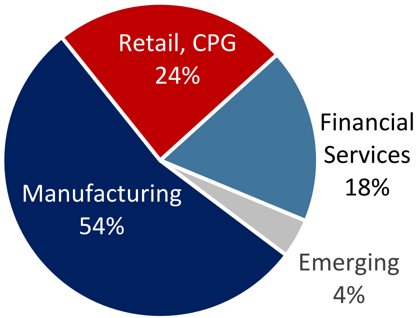
Services



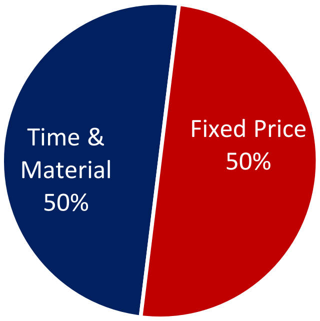
Geographies



Industries



Project



Q1 FY17 Client Profile

Million Dollar Clients	
20 Mn Dollar+	2
10 Mn Dollar+	4
5 Mn Dollar+	6
1 Mn Dollar+	65

Revenue Concentration	
Top 5 Clients	37%
Top 10 Clients	46%
Top 20 Clients	56%

Q1 FY17 Employee Details

Zensar Technologies
Your Transformation Partner

Headcount	
Q4 FY16 Headcount	**8,256**
Net Additions	(18)
Q1 FY17 Headcount	**8,238**
Technical – Onsite	1,529
Technical – Offshore	5,596
Technical – BPO/Others	362
Marketing	92
Support (including Trainees)	659

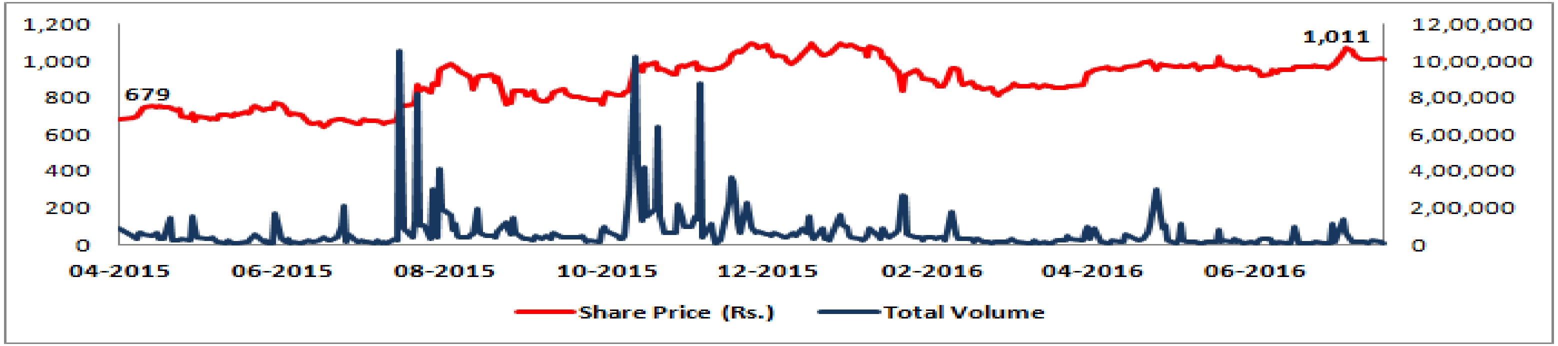
% of women employees	**27.0%**

Utilization	
Excluding Trainees	**79.8%**

Attrition	
Attrition (Annualised)	**17.6%**

Revenue Mix	
Onsite	69%
Offshore	31%
Total	**100%**

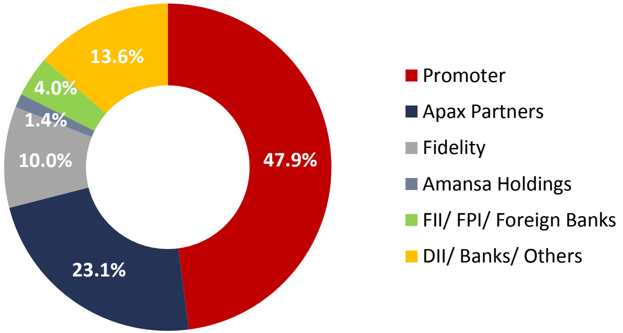
Stock Price and Shareholding



Equity Share Information:

- Share Price (19 July,16): INR 1,011 / share
- Market Cap (19 July,16): INR 4,515 Crs.
- Financial Year: April to March
- Face Value: INR 10 / share
- Listed on Indian Stock Exchanges:
  - a)Bombay Stock Exchange (code: 504067)
  - b)National Stock Exchange (code: ZENSARTECH)
- Bloomberg Code: ZENT.IN
- Reuters Code: ZENT.BOx

Shareholding Pattern (as on 30th June 2016):



Market Opportunity and Company Outlook

Zensar is focused on ***Return on Digital*** *for our customers*

Enabled by

Digital Agility, Digital Cross-over of Business & IT Processes,

& Stability of Core systems

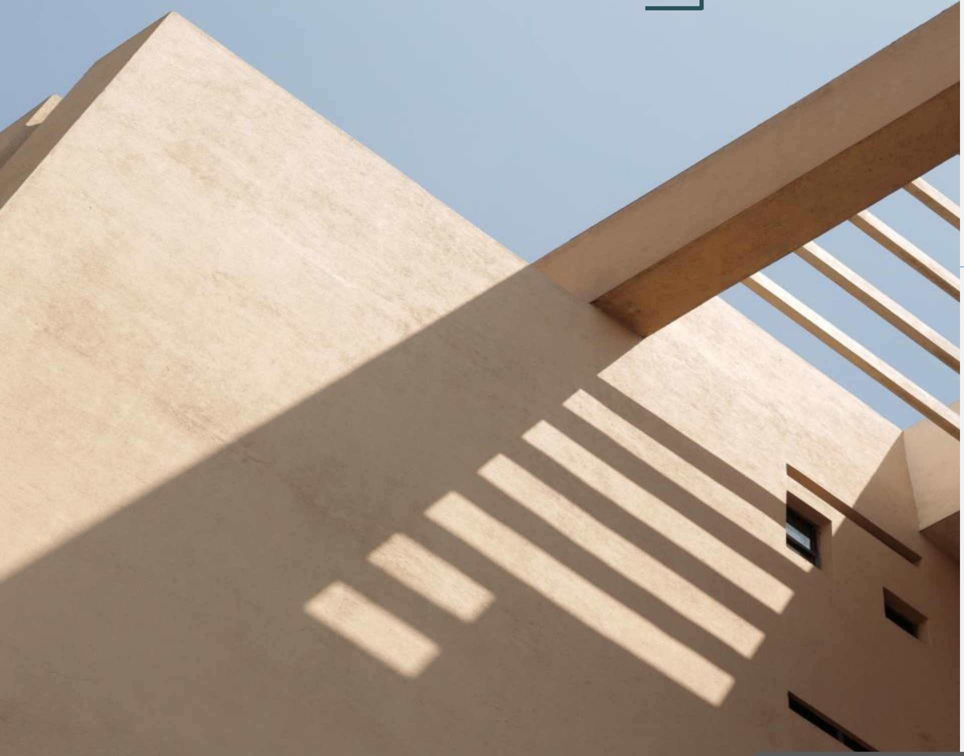
Effective business is about
Return on Digital

^ in sales for B2C $\propto$ Personalized consumer experience

^ in customer loyalty for an Insurer $\propto$ Customizable premiums

^ as a service products for a Manufacturer $\propto$ Platform based digital solutions, sensors driven, Analytics

Digital…is the Business



47%

Manufacturers expect big data analytics to be central to the Digital Factory

86%

Retail consumers will pay 25% more for a Personalized Customer Experience

42%

Physical activities in Insurance will be Automated in the digital world

50%

Technology spend will be for new digital technologies

Source: SCM World, Oracle Right Now user survey analysis, PwC Insurance 2020, IDC predictions 2016

Agility

through Digital

Analytics

Manage and Analyse Internal and External data through proprietary platforms

Enable customers make data/information driven decision

Cloud

Migrate on premise application to public/private cloud

Integrate applications across Infrastructure

Commerce

Commerce platform implementation and 100% uptime during peak season

Uniform experience across channels

Customer Experience

Provide insights to enable customized customer experience

Click-and-Collect solution for omni-channel experience

Automation

Reduced development time and cost through automation

Digital Delivery ∝ Business Outcome

ZenSar TECHNOLOGIES
Your Transformation Partner

Return on Digital

- Insightful Discoveries
- Effective Engagement
- Delightful Experiences
- Native Digital Business
- Predictable Lifetime Value

Digital Stack

- Social Business
- Internet of Things
- Commerce
- Cloud
- Analytics

Modernization & Automation

Reinvent business applications with intelligent automation

Technology Stack

- Custom Applications
- Enterprise Applications
- Infrastructure Management

Digital Ready - The 2 Speed world

Zensar TECHNOLOGIES
Your Transformation Partner

Traditional

Custom Apps and Testing
'0' disruption to business with Zensar's tool *ServiceEdge*

Enterprise Apps
Template & domain based Implementations, Upgrades & Rollouts

Infrastructure Management Services
Managed Services in Infrastructure across data centre, end-user, networks, security and mobility

Cross-over

Hybrid IT
Transform and align existing infrastructure with Cloud Infrastructure

Legacy Modernization
Business processes led custom/package apps and cloud deployment

Next Gen End User Engagements
Self Service, Admin based unique tool across devices

Digital

Commerce
200+ Digital Commerce Implementations globally

Digital Analytics
Business outcome driven engagements

Customer & User Experience
Analytics & Usability drives adoption and business results

Stability Through Core Systems

Managed Services

Outcome based services framework ensures 99.9% uptime for customers

Custom Apps with Domain Experience

Helps organizations build domain specific next-gen applications extensible across systems

Infrastructure Mgmt.

Enables leading companies worldwide to optimize, secure, manage and support their mission-critical infrastructure

Oracle

Trusted Transformation Partner globally across the Oracle Stack with 800+ Implementations, Upgrades, & Global Rollouts

60% reduction in test cycles thru automation, improving the multi country time-to-market by 30% for a leading Insurance company

Automation

100% of orders from B2B platform resulting in year-on-year revenue 8% increase for Fortune 100 Mfg Leader

Customer Experience

70% savings thru Self-Service Digital platform integrated with Legacy Claims system for leading Insurance provider

Two Speed

91% increase in online revenue and 60% increase in order placed for a leading luxury fashion retailer

Commerce

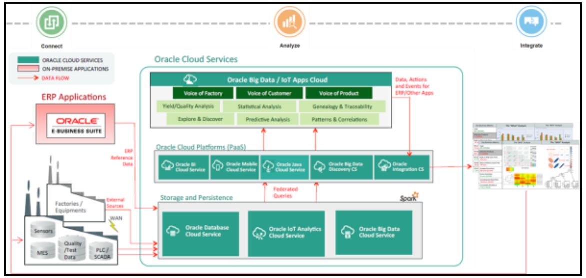
17% increase in revenues for a leading supermarkets chain thru Recommendation engine built on Zensar Analytics platform

Analytics

Delivering the Return

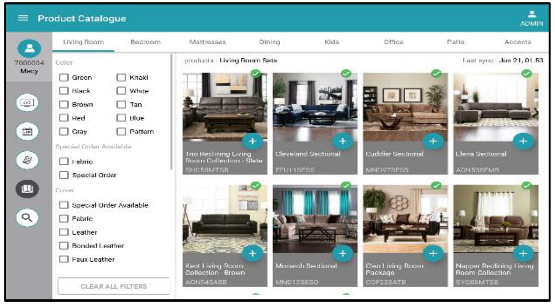
Zensar's Digital Solutions – Some examples

Robotics Process Automation



Oracle IoT

Z-Bot



CMO Solutions

*

Robotics Process Automation

What?

Helps clients achieve process improvements through **Zensar's proprietary RPA framework**

Solution can operate in 3 modes: **Human Assisted RTPO**, **non Human Assisted RPA** and **Hybrid**

Business Benefits

10 times more efficient processing

40-45% reduction in TCO

Up to **80% automated processes**

Reduction of up to **90%** in cycle time

Reduction of up to **90%** in annuity license

How?

Assess customer's current state: **Connectivity Analysis** and **Advisory Process Mapping**

Deploy platforms and **BOT** built on Zensar's proprietary RPA framework

Manage **BAU** and initiate process improvements based on the observations and learnings

IoT – Internet of Things

What?

Advanced manufacturing solution including **best manufacturing practices** and IOT

Leverage the **abundant unstructured data** generated in plants

Predictive Analytics and data collected in real time

Business Benefits

Cost of Quality reduction up to **30%**

Production downtime reduction up to **40%**

Reduction in **machine repair** time up to **50%**

Reduction in **Inventory Carrying cost** up to **20%**

How?

Collect **real time data** through sensors & other existing databases

Oracle PaaS solutions to manage data and run **analytics** on top

Z-BOT

What?

Assist customers in a store through **push notifications**

In-store product search and navigation at the click of a button

Helps retailers capture **crucial insights** and trends

Business Benefits

Increased basket size through **cross-sell** and **up-sell** recommendations

Lower servicing cost

Prevents loss of business

How?

State-of-the-art Recommendation Engine

Uses Wi-Fi-based **indoor navigation system**

Messaging platform through **natural language** conversation

Smart selling app for retailers

What?

Bridging the **online** and **in-store world**

Arms sales associates to navigate customer's **Omni-channel** foot-print

Help retailers with **customer information**

Business Benefits

Uptick in **Sales revenue**

Improvement on-floor Sales Associate productivity through enhanced inputs on each target

How?

Powerful Big Data based Recommendation Engine

Rich product catalogue and **better visibility** into enterprise-wide inventory available

Real-time alerts and Omni-channel shopping lists

New Age Banking

What?

Accelerate Service Delivery and Management in a **Multi-Cloud Environment** for the Banking Enterprise

46.5% of IT infrastructure spending is going to be on Hybrid IT.

Huge growth expected in the banking industry has triggered the **movement to Cloud**

Business Benefits

Faster Go To Market: providing changes to mobile applications Innovation

Application **changes without impacting** core banking environment;

Unifying **best in class services** Hyper Agile IT landscape

How?

Hyper Automation: Visibility of entire IT Landscape provides decision makers the

Agile orchestration: Proven “First Time Right” banking transformation methodology

Ultra Efficiency: Allowing Using Containers As A Service, built-in security for banking applications

Stability Delivered

Managed Services @ top UK retailer with Fashion and Grocery chains

> 20% direct savings Vs T&M

> 600 service improvements delivered

> 25% reduction in Incidents & callouts in last two yrs

> 8000+ person days - enhancements & changes delivered

Metric based managed services for Application management and Service Control for

- Buying and Merchandising
- Allocation and Replenishment
- Supply chain, warehouse and Inventory management
- Commercial information systems, Omni-channel Online, in-store ordering, Click & Collect, and Customer services business areas

Application Maintenance & Support @ among the top 3 global game provider

> 99% First time Resolution and SLA Adherence

> 50 M order lines managed

Metrics based managed services for Maintenance and Support of applications for

- 15 countries
- On-premise applications like oracle and legacy
- Cloud applications on Force.com and Fusion HCM
- Infrastructure, DBA and Middleware
- Marketing applications
- Financials Order Management, Procure-to-pay and BI

Oracle Upgrade @ leading network equipment manufacturer, part of a Fortune 200 company

> 35% Reduction in in inventory costs

> 8% Improvement in on time delivery

- Oracle EBS upgrade along with redesigning supply chain and implementation of the customized warehouse management system with scalable Infrastructure Plan
- Seamless upgrade with business as usual from the very first day of go live without any issue impacting business across globe
- Upgraded critical OAF and Java customizations for online transactions with enhanced functionality
- Incorporated new technologies like Apex to replace aging customizations

Our Growth Engines

Zensar Digital

- To grow to 30% of Revenues in 12 months
- 15% of Revenues from Oracle Commerce & Magento
- Balance from Other Digital and Cross-Over services
- Largest Oracle Commerce practice in the world
- Analytics focus on CX and Shopfloor & IOT

Strategic Deals

- Focus on Deal sizes of 10+ M TCV
- Zensar's differentiation is its Automation frameworks
- Multi-service focus
- Digital led

IMS Cloud

- To grow to 15% of Zensar Revenues in 12 months
- Hybrid IT and RIM* to drive all growth
- Zensar's cutting edge Automation IP key differentiator

Oracle

- 33% of Zensar's revenues from the Oracle Ecosystem
- Oracle Platinum partner
- Complete Portfolio of Services
- Big Bet on Oracle Cloud SaaS and PaaS solutions

*RIM: Remote Infrastructure Management

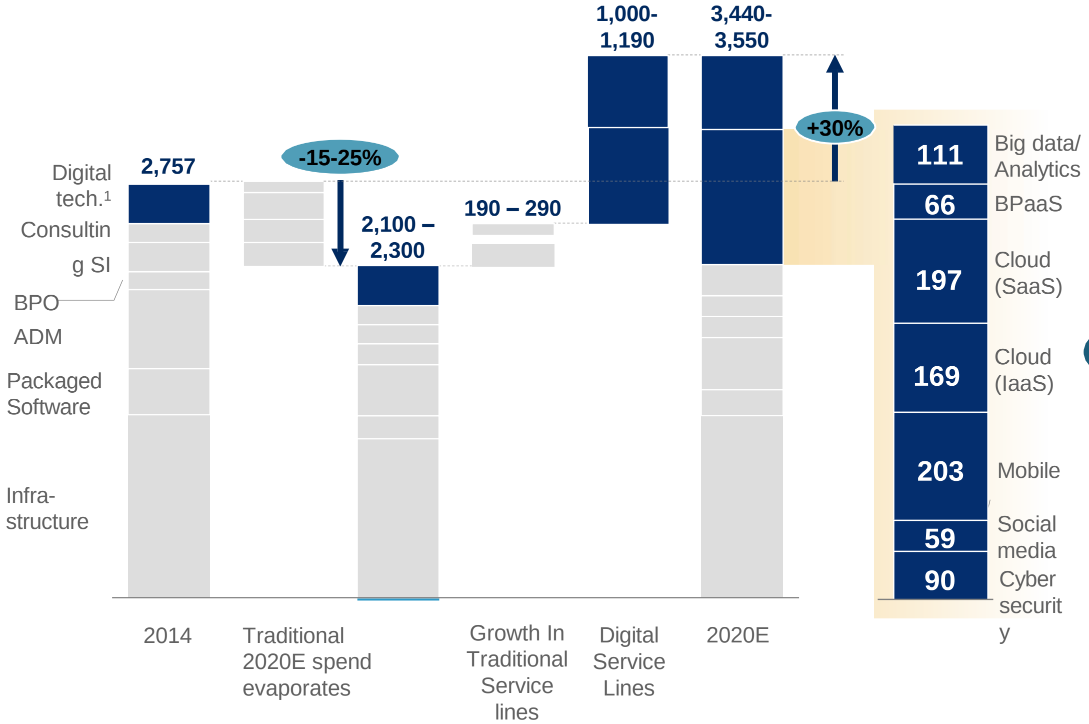
80% incremental spend to be around Digital

Significant shift in the spending mix

Traditional Tech
Digital Tech

Global enterprise technology and business services spend

USD billion



Opportunities

SaaS
4x increase in apps

Mobile/Online
90% transactions

PaaS
36% CAGR market will reach $70 B by 2025

Omni Commerce
$25 B by 2020 growing at 8% CAGR

Big Data / Analytics
4x increase driven by micro use cases

CMO organization
Key driver for revenue growth
Leading consumer of Digital services

IoT
20% Y-o-Y growth in software and sensors

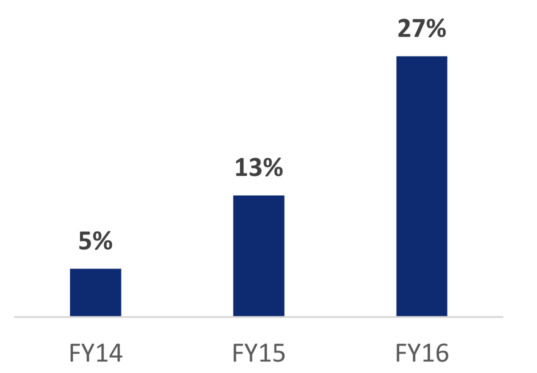
Legacy-Digital integration
$0.1-1 for every **$1** Digital investment

SOURCE: Gartner (April 2014); IDC; Team analysis

1. Digital Technologies include Social Media, Mobile Applications, Big Data/Analytics, Cloud (IaaS, SaaS, BPaaS) and Cyber Security

Zensar's Digital – 7 Services Stack

Zensar's Digital Business % of Revenue



Cloud

30% growth

- SaaS, IaaS, PaaS
- Migration, Integration & development
- Hybrid Apps, Infra clouds, Cloud architecture
- Oracle, SFDC, SAP, AWS, Navisite

Commerce

25%+ growth

- Omni channel experience
- Ecommerce, Mobile Commerce, Data Analytics, UX, CX
- Oracle Commerce, SAP Hybris & Magento

Customer/ Design Experience

34% growth

- Customer Journey Mapping, UX, CXM, AR, Wearables
- E2E CX across channels & devices
- Proprietary experience platform

Cybersecurity

21% growth

- Proprietary Compliance & Risk Assessment tool
- Capability across GRC, SEIM, HIPPA, PCI DSS, Threat & Vulnerability Management, DLP, Threat Discovery & Analytics

Big Data and Analytics

29% growth

- Data Wrangling, Analytics & Visualization
- Vertical specific Solutions
- Proprietary context platform

Digital Marketing Services

37% growth

- Web, Data, Marketing and Social ops
- Business Outcome driven engagements
- Adobe, Oracle, Marketo, SFDC, Sitecore

IoT/Industrial Internet

10% growth

- Extensive domain expertise in discrete manufacturing & SCM
- Proven Outcome based Solution framework
- Strong partner eco system

All growth numbers are YoY for FY16 and in USD terms

Superscaling Farm

- 65 High Potential Accounts with an average relationship age of 6 years
- Zensar rated highly in Delivery in all these accounts
- Multiple Vectors at play where Zensar is ideally positioned to grow

Core Services

- Automation based AMS and IM
- Application cloud migration with Zensar's differentiated capability in SaaS and PaaS

Disintermediation through Commerce

- Commerce to scale Online B2C business for retail and Insurance
- B2B commerce to help scale Manufacturing accounts
- Digital CX solutions to stitch the entire Customer experience together

Outcome based models

- Integration of Application – Infra – Business Process to help Zensar scale these accounts through out-come models

Other Investments

Three-in-a-box

Client Partner Model

Client Specific IP

RPG Group Overview

UNLEASH**TALENT**

TOUCH**LIVES**

OUT**PERFORM**

AND☺

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

KEC International

World leader in Power Transmission EPC space.

CEAT

One of India's leading manufacturer of automobile tyres.

Zensar Technologies

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

RPG Life Sciences

Pharma company with wide range medicines in global generics and synthetic APIs.

Raychem RPG

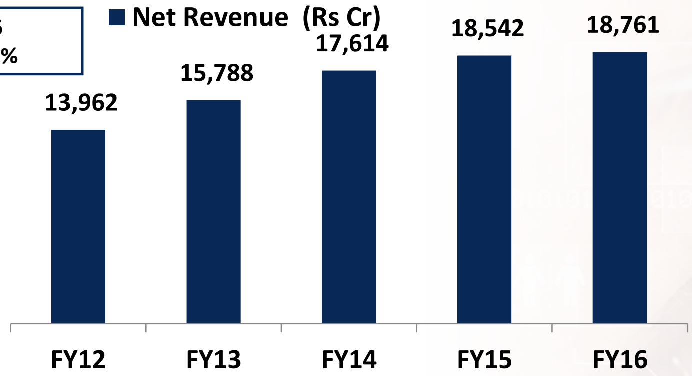
Engineering products and services catering to infrastructure segment of the economy.

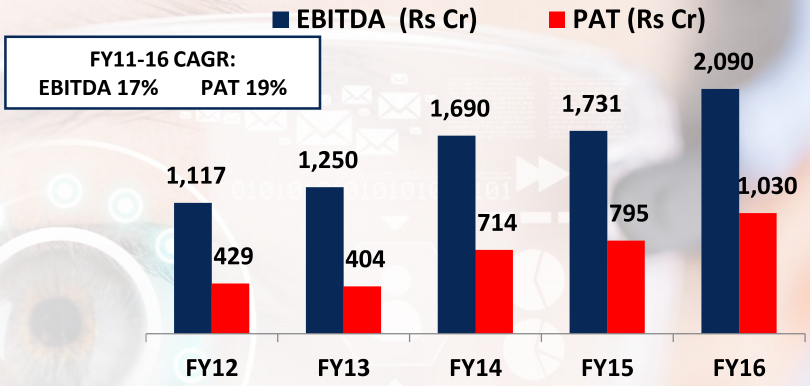
Harrisons Malayalam

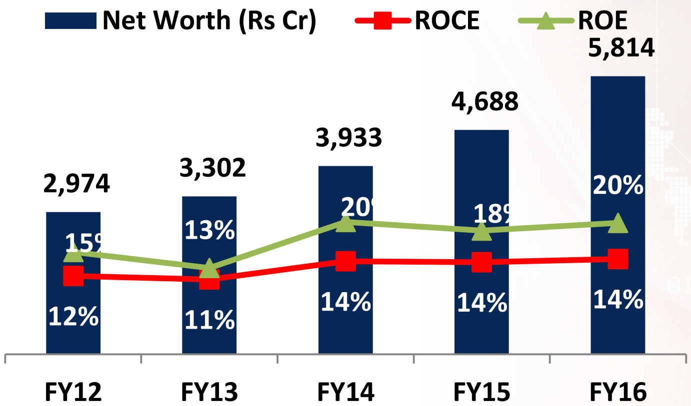
One of India's largest plantation companies with tea, rubber and other agro products.

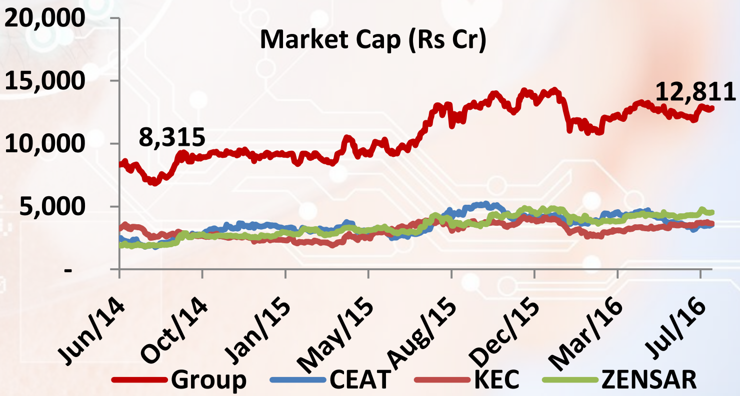
RPG Group Key Financials

FY11-16 CAGR: 12%









Note:

1) ROCE is calculated by taking EBIT multiplied by (1 minus tax rate @ 33%) divided by Average Capital Employed
2) ROE is calculated by taking PAT divided by Average Net-worth
3) Market Cap updated till 18th July 2016

Thank You