

DIVERSITY AND INCLUSION



Annual Report 2008-09

BOARD OF DIRECTORS

**MR. H. V.
GOENKA**

Chairman

**DR. GANESH
NATARAJAN**

*Vice Chairman and
Managing Director*

**MR. ARVIND
AGRAWAL**

Director

**MR. P. K.
CHOKSEY**

Director

**MR. VENKATESH
KASTURIRANGAN**

Director

**MR. JOHN
LEVACK**

Director

**MR. P. K.
MOHAPATRA**

Director

**MR. A. T.
VASWANI**

Director

CONTENTS

01

The spirit of
diversity and
inclusion

02

The real
Zensar

04

Management
Council at
Zensar

06

Creating a
benchmark for
global excellence

07

Robust
financials

08

From the
Chairman's
desk

09

CEO's
note

10

Initiatives
towards diversity
and inclusion

14

Corporate
responsibility and
sustainability

19

Directors'
report

28

Corporate
governance
report

38

Management
discussion
and analysis

47

Financial
statements

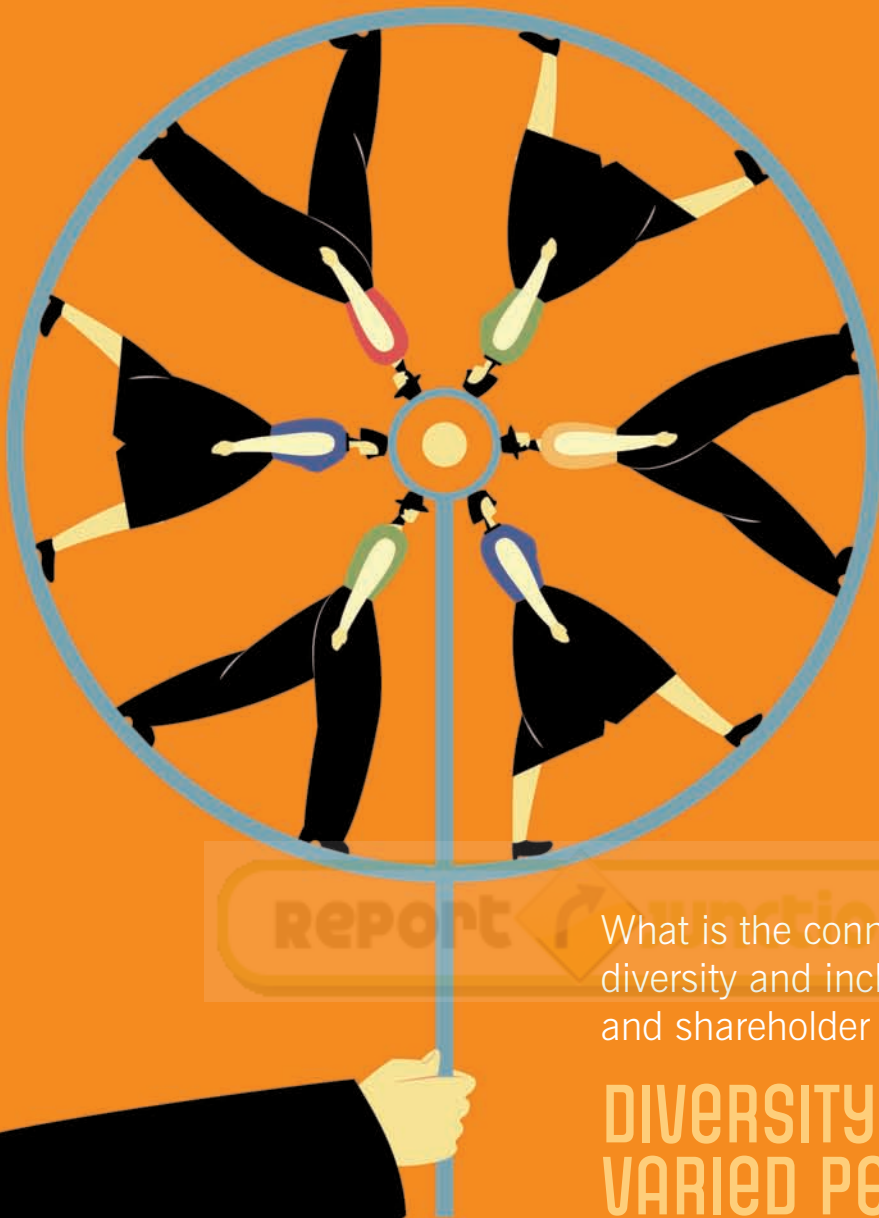
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Consolidated
financial
statements

Caution regarding forward-looking statements

This document contains statements about expected future events and 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 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 in the management discussion and analysis of this Annual Report for 2008-09.



What is the connection between diversity and inclusion on the one hand and shareholder value on the other?

**DIVERSITY RESPECTS
VARIED PERSPECTIVES.**

**INTEGRATES CROSS-
CULTURAL RESOURCES.**

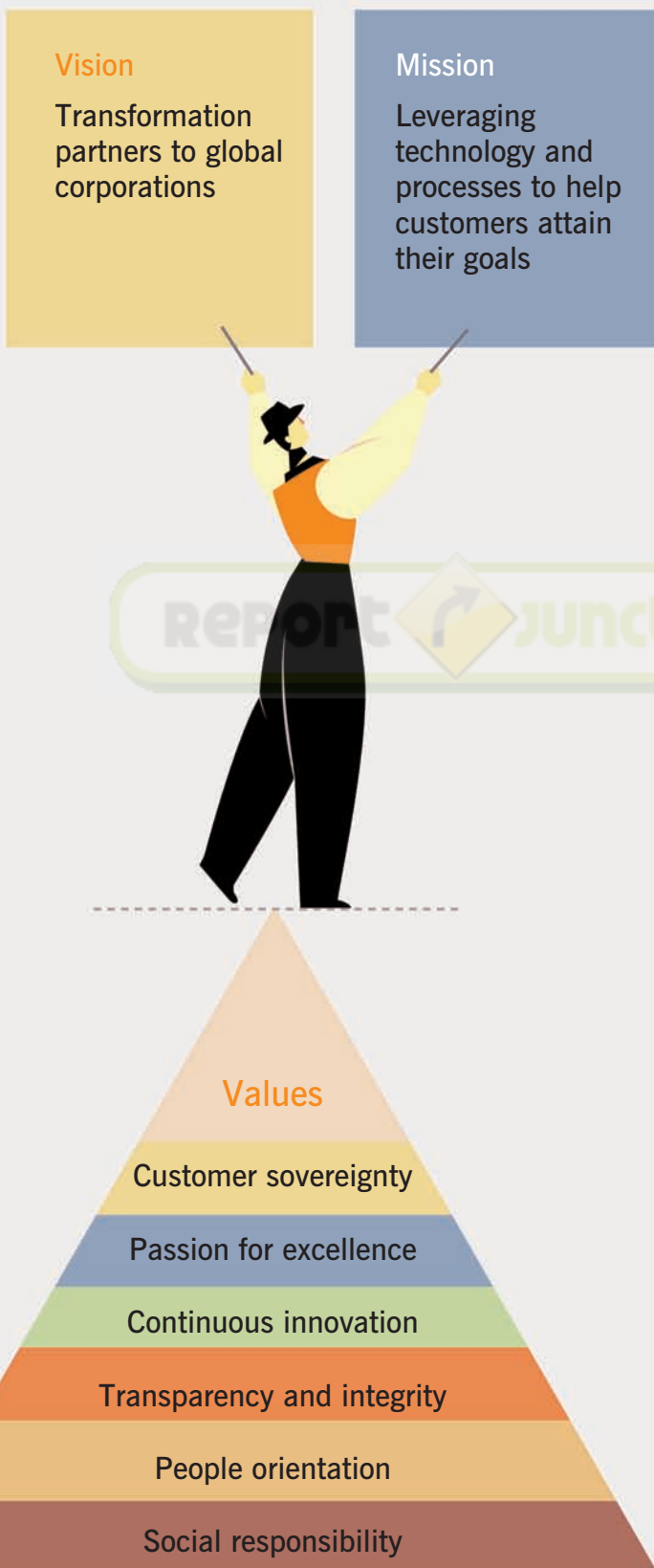
**REINFORCES PEOPLE
DEVELOPMENT.**

At Zensar, this philosophy has made us a strong, sustainable and futuristic global organisation.

The result was a record financial performance in 2008-09.

With prospects of sustainable growth in the future.

SO WHAT IS THE REAL ZENSAR?



Corporate profile

Zensar Technologies is a globally renowned software and services organisation providing end-to-end services from IT development to business process outsourcing on the one hand and consulting to implementation services on the other.

Locational spread

- Headquartered in Pune, India
- Footprint in 18 countries across 24 locations
- Delivery centers in India (Pune and Hyderabad), China (Shenzhen), The United Kingdom (Slough) and Poland (Gdansk)
- Sales offices in the United States (Chicago, Cary, New York, Irving, San Jose and Princeton), Holland, The United Kingdom, Switzerland, Finland, Germany, United Arab Emirates, South Africa, Japan, Singapore, Hong Kong and Australia
- A global organisation of more than 4,600 associates of 14 nationalities (Albania, America, Britain, Canada, China, The Philippines, Singapore, India, Israel, Italy, Japan, Vietnam, Poland and South Africa)

Services

- **Decision-enabling services:** Providing process and technology consulting to accelerate business decisions. Services comprise business intelligence and data warehousing, content and collaboration management as well as knowledge management
- **Business Process Outsourcing and Optimisation (BPO²) service:** Facilitating business process optimisation through continuous improvement. Services encompass accounts payable, receivables, telesales and help-desk support to high-end services
- **IT-enabling services:** Converging design, development, implementation and testing applications (packaged or custom-built) to

enhance business processes; enjoying a strong tie-up with Oracle as a worldwide certified partner and over 750 consultants; providing SAP support across dairy, textile, pharmaceutical, manufacturing and IT verticals; reconciling functional and business skills, along with technology or package-specific expertise to render maximum value with minimum risk involved

- **IT support services:** Aligning IT to business needs for clients with periodic operational maintenance, along with day-to-day support of applications and technology infrastructure

Clientele

The Company's portfolio of 297 brand-enhancing clients straddles the following industry verticals:

- **Financial services:** Credit Suisse, UBS, Liberty Life, Investec, Assurant Health, Crisil and AXA, among others
- **Retail:** Marks & Spencer, Landmark Group, Spencer's, Carrefour and Sainsbury's, among others
- **Manufacturing and logistics:** FLUKE, Trimble, Logitech, Fujitsu, Electronic Arts, SANMINA-SCI and P&O Nedlloyd, among others
- **Products:** Microsoft, Tallyman, Remedy Corporation, IntelliQ and mValent, among others

- **Pharmaceuticals and textiles:** Ranbaxy, AccuMed, MYLAN, Aditya Birla Group, HIMEDIA, Sangam and Super Spinning, among others
- **Utilities:** National Grid, York Water, United Utilities, Sprint, nPower, Centrica, Roma Gas, Chubu Electric Power, British Petroleum, Fulcrum and National Hydroelectric Power Corporation, among others

Listing

- The Company is a publicly owned organisation with shares listed on the National Stock Exchange and the Bombay Stock Exchange in India

Certifications

- The Company's operations are accredited with ISO 9001:2008 and ISO/IEC 27001:2005 certifications
- The Company was certified for SEI CMM/CMMI Level 5 in 2004

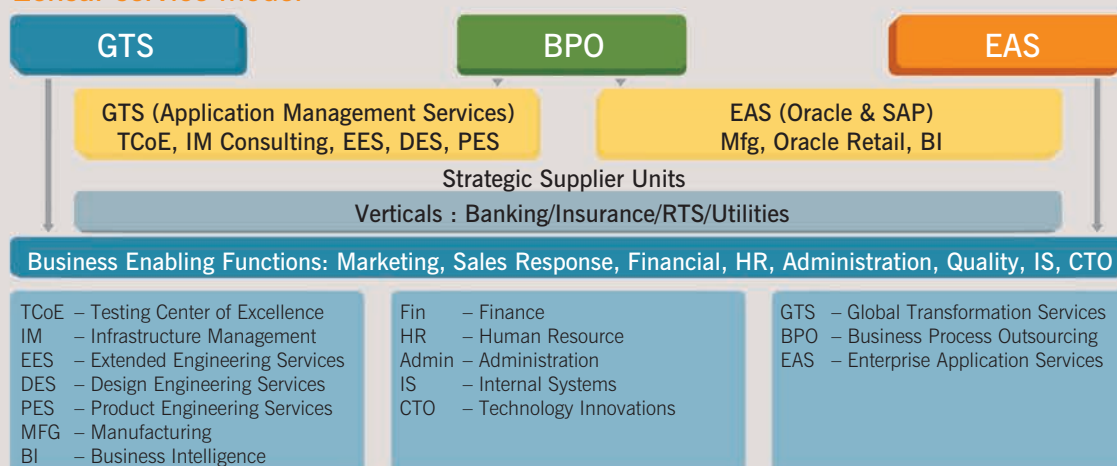
Achievements

- Awarded Best Exporter in IT/ITeS, in the medium-scale category for the third successive year (2007, 2008 and 2009)
- Awarded Emerging Business Applications Award for 2009 at the Oracle UK Partner Awards
- Recognised by the Department of Scientific & Industrial Research (DSIR) for

in-house R&D efforts (2008-09)

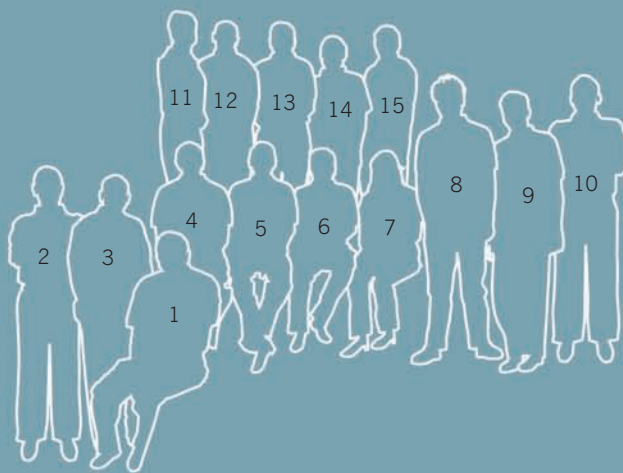
- Accredited by the Better Business Bureau (BBB) by BBB online reliability seal; Zensar is now a part of the core group of businesses that support ethical business practices and integrity
- Recognised by the International Association of Outsourcing Professionals (IAOP) as one of the Global Outsourcing 100 in 2008
- Received the Employer Branding Award for career development strategies in 2008
- Received the Employer Branding Award for continuous innovation in HR strategy at work in 2007
- Awarded the FICCI Special Jury Commendation for outstanding commitment and contribution to nation building through CSR efforts in 2007
- Awarded the Corporate Governance Business for Social Responsibility by the Bombay Stock Exchange in association with *Times Now* in 2006
- Awarded the Trailblazer of the Year Award by the National HRD Network for best HR practices in 2006
- Recognised by the Madhya Pradesh Government with the Golden Edge Award for unique and best HR practices in 2006

Zensar service model



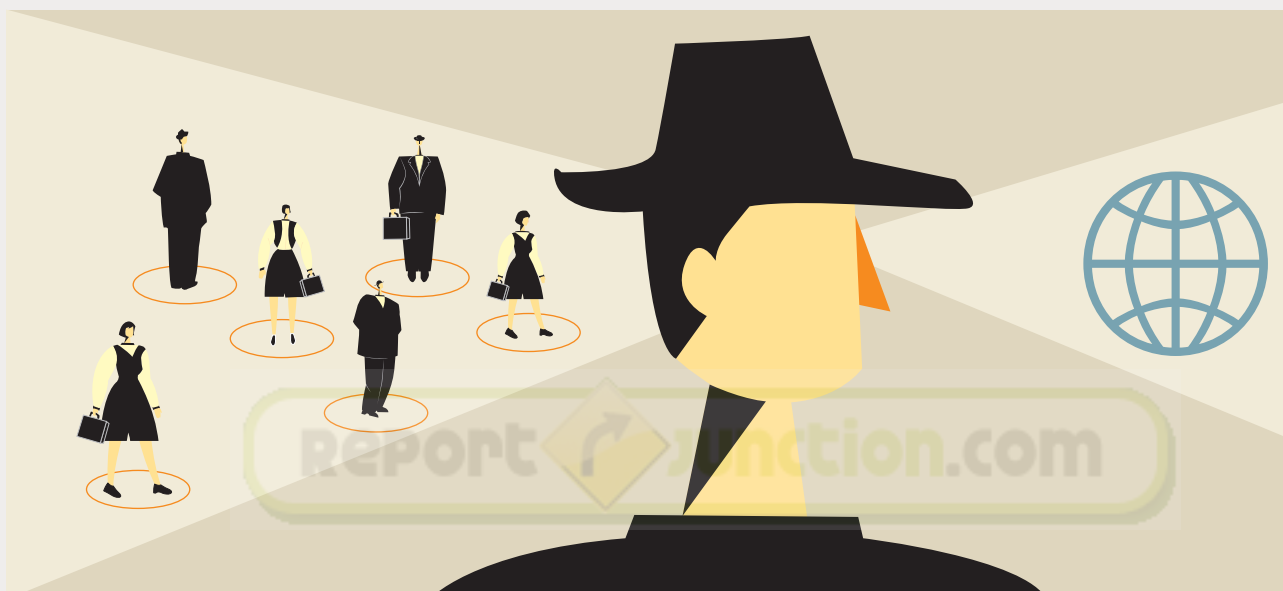
MANAGEMENT COUNCIL AT ZENSAR

- | | | | |
|---|----------------------|----|-------------------|
| 1 | Nagan Raman | 9 | Krishna Ramaswami |
| 2 | Ramesh Kodali | 10 | Hiren Kulkarni |
| 3 | Nitin Parab | 11 | Vivek Gupta |
| 4 | Dr. Ganesh Natarajan | 12 | Gurdeep Grewal |
| 5 | Sanjay Marathe | 13 | Raj Dhillon |
| 6 | J. Parthasarathi | 14 | V.Balasubramanian |
| 7 | Prameela Kalive | 15 | S.Balasubramaniam |
| 8 | Ajay Bhandari | | |





CREATING A BENCHMARK FOR GLOBAL EXCELLENCE



Zensar enhances the effectiveness of core businesses, ensuring a high profitability through its services while building and developing new businesses through emerging service areas.

The Company's steady organic growth has been complemented by inorganic expansions through key acquisitions in focused areas.

The Company acquired OBT Global in Hyderabad, a company specialising in SAP applications, to leverage its ready-to-use templates for the pharmaceuticals and textile industries. Zensar OBT's unique proposition is the rapid and timely implementation of SAP with 40% of the implementation already templated and 'ready-to-use'.

The Company also acquired the New York-based ThoughtDigital – owned by SOA Software – which remains a leading East Coast (USA) systems integrator specialising in Oracle applications. Zensar ThoughtDigital enjoys a strong client base across verticals like communications and media, financial services, consumer

products and services. This acquisition transformed Zensar into a global leader in its chosen domain.

The Company formed a joint venture with the promoters of Tokyo-based EZA Ltd to strengthen its footprint in Japan. The joint venture was named Zensar Advanced Technologies Limited. The Company eventually bought out its JV partner's 40% shares in Zensar Advanced Technologies Ltd, making ZATL a 100% subsidiary.

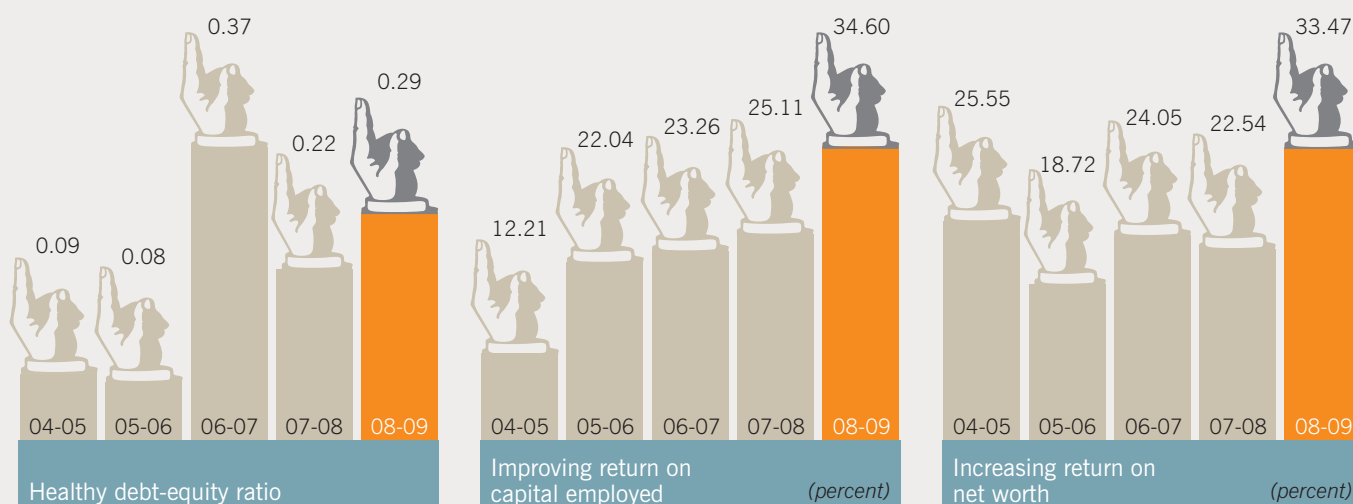
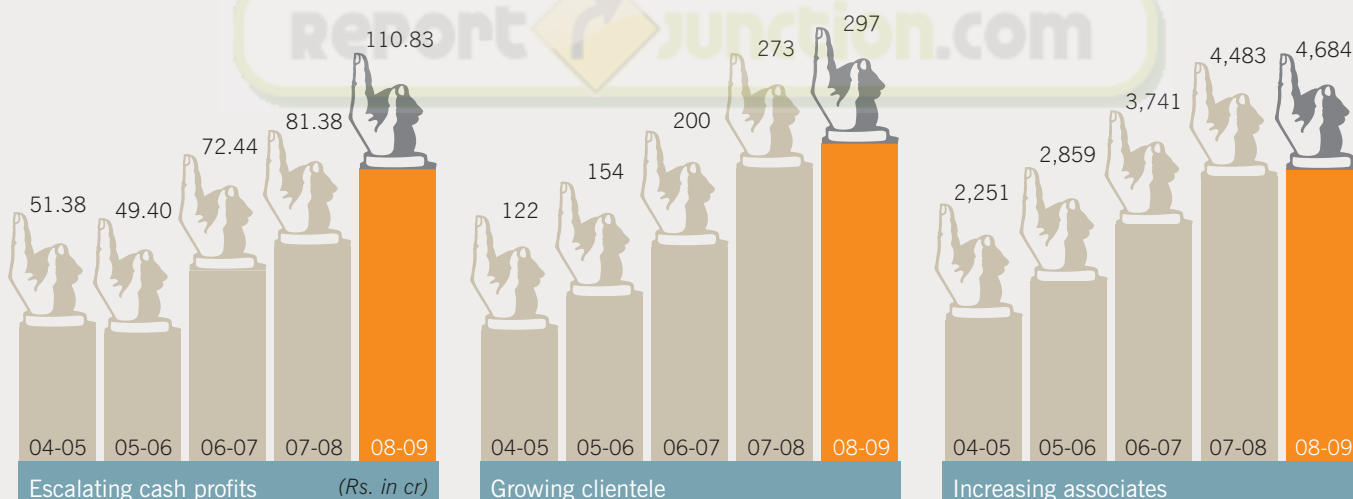
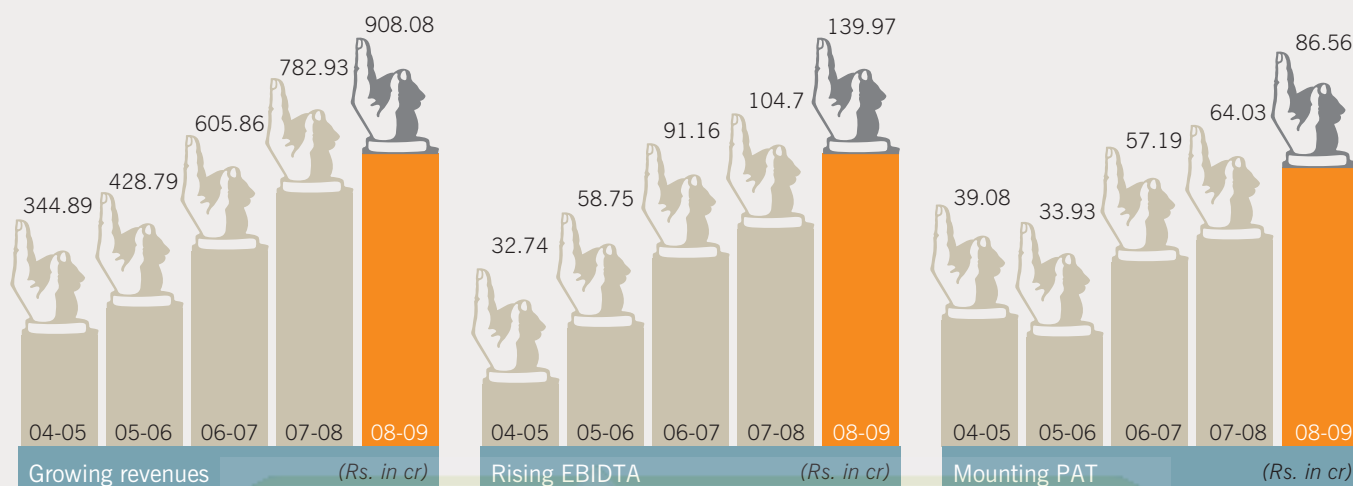
The integration of Zensar OBT Technologies Inc. and Zensar ThoughtDigital LLC into Zensar Technologies Inc. is integral to the Company's initiatives in the area of

consolidation of US operations.

These initiatives were directed at strengthening our derisked business model and rationalising our dependence on the US market. Zensar demonstrated deep client mining and retention capabilities, evident from the sharp improvement in realisation per client across all client categories.

The Company's business achievements continue to be driven by a diversified, market-aligned services portfolio, wide geographic presence, enhanced productivity through proven efficiency benchmarks as well as an innovation-driven culture with strong people orientation.

OUR ROBUST FINANCIALS VINDICATE OUR STRATEGY TO RECONCILE BUSINESS PRUDENCE WITH DIVERSITY AND INCLUSIVENESS



FROM THE CHAIRMAN'S DESK



Dear Shareholders,

Success and failure are an inseparable part of a business cycle – when success comes to many, we call it a boom time, and when the reverse becomes the rule – we face a meltdown, downturn and recession. The Indian IT industry, like several other key sectors of the economy is today confronting a similar situation. After years of unprecedented success where revenues grew from under USD 5 billion to over USD 70 billion at the end of March 2009 with exports touching USD 50 billion, there are signs of a perceptible slowdown with most companies forecasting flat revenues and profits for the year in progress.

As we enter a new financial year, it is time for all of us to take stock of what has been and approach the coming year with a new resolve and determination. The second half of the past year has thrown up new challenges and the coming year, by all accounts, is going to be difficult. However, we see it as an opportunity to assess our strengths and put in place a winning strategy despite the testing times.

The current economic scenario will require us to go back to the drawing board and reinvent cost structures and improve efficiencies. Equally, I am confident that Zensar's robust practices and strong relationships with existing customers, steady movement on the customer acquisition front and a focus on internal capability building, coupled with a resolve and commitment to face the challenging situation, will see the Company make good progress.

I am confident we can do this because we have managed to stay the course in difficult times earlier too and emerged stronger each time. The team at Zensar has the requisite strengths – in terms of people, resources and skills and a strong management team providing the leadership.

We have surpassed an important milestone in our profits and we look forward to the continuing growth and success of Zensar in the national and global world of Information Technology and Business Process Services.

Sincerely,

A handwritten signature in black ink, which appears to read 'H. Goenka'.

Harsh Goenka
Chairman