



# THE TRIPLE BOTTOMLINE IMPACT

PEOPLE | PLANET | PROFITS

Zensar Technologies Limited

Annual Report 2014



Zensar reported growth of 9.5% in revenues while the profits grew by 36.1 % in the financial year 2013-14. These results have come in spite of a challenging business environment.

The Company's sustained growth on all parameters for the last five years and more, has been a result of its focus on all aspects of growth - in profits, people orientation, community inclusion and a nurturing approach to the planet.

Zensar believes that true shareholder value is created when an organisation focuses on the triple bottomline. The report this year demonstrates the various ways in which the Company endeavours to deliver this value.

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## Mission Report

21%

Revenue CAGR  
in the last 10 years

20%

PAT CAGR  
in the last 10 years

2,315

(INR/Cr)  
FY14 Revenues

238

(INR/Cr)  
FY14 PAT

34%

Return on  
Capital Employed

80%

Dividend in  
FY 2012-13

6,800+

Associates

22

Global locations

### Key highlights

- Reported INR 300 Cr PBT for the first time – an all-time record
- FY 14 PAT margins crossed double-digits
- Overall revenue growth of 9.5% with revenue growth of 16% from developed markets
- More than 60% of revenues come from being a partner to Fortune 500 companies
- 54% increase in market capitalisation between April 2013 and March 2014
- 13 significant deals of over US\$5 MN won in FY 14



## Corporate Profile

Zensar Technologies is a leading India-based software and infrastructure services provider. The Company is seen as a valuable partner by enterprises, helping them in their transformation journey by providing innovative technology solutions.

Zensar's industry expertise spans Manufacturing, Retail, Banking, Financial Services and Insurance. With over 6,800 associates, and a

presence across the US, the UK, Europe, the Middle East, Africa, Singapore, China and Australia, the Company delivers comprehensive services for Mission-critical Applications, Enterprise Applications, Infrastructure Management, Business Intelligence and Analytics, Customer Relationship Management, Business Process Management and Digital Enterprise Services.



## Board of Directors

H V Goenka <i>Chairman</i>	Ganesh Natarajan <i>Vice Chairman &amp; Managing Director</i>
John Levack <i>Director</i>	P K Mohapatra <i>Director</i>
P K Choksey <i>Director</i>	Venkatesh Kasturirangan <i>Director</i>
Arvind Agrawal <i>Director</i>	A T Vaswani <i>Director</i>
Niraj Bajaj <i>Director</i>	

## Leadership Team



**1 Ganesh Natarajan**  
Chief Executive Officer

**2 Vivek Gupta**  
Chief Executive, Global Infrastructure Management Services

**3 Nitin Parab**  
Chief Executive, Enterprise Transformation Services



**4 S. Balasubramaniam**  
Chief Financial Officer

**5 Ajay Bhandari**  
Chief Corporate Development Officer

**6 Prameela Kalive**  
HR, Custom Applications, Pune and Bangalore Delivery Centre Head



**7 Deepanjan Banerjee**  
Manufacturing Vertical Head

**8 Mohan Hastak**  
Insurance, Banking and Financial Services Vertical Head

**9 Harish Gala**  
Package Applications and Hyderabad Delivery Centre Head



**10 Stacey Shulman**  
Retail Vertical Head

**11 Krishna Kumar**  
Retail Practice Head

**12 Krishna Ramaswami**  
Digital Enterprise and India Head

## Chairman's Note



**Harshvardhan Goenka**, *Chairman*

Dear shareholders,

The last few years have been a challenging period for the technology and services industry. A period of rapid change evidenced by technology and business disruptions have created an environment of uncertainty. Socio-economic, business and technology megatrends are disrupting existing businesses, while creating new opportunities.

Zensar has launched its new Digital

Enterprise offering that helps companies go digital. With the growing digital influence in our focused verticals of Manufacturing, Retail and Insurance, Zensar has conceived a vertical-centric digital solutions platform. This is a transformational addition to our established competencies in Applications Management, Package Implementations and Infrastructure Management. Zensar's record profits and dividends this year are a result of successes across these sectors.

"With the growing digital influence in our focused verticals of Manufacturing, Retail and Insurance, Zensar has conceived a vertical-centric digital solutions platform. This is a transformational addition to our established competencies in Applications Management, Package Implementations and Infrastructure Management."

The last few years have seen lower growth rates in most parts of the world. In such a context, successful organisations will have to develop a triple bottomline mindset and focus on profits, people and planet to retain their position as valuable members of the corporate and IT community.

I am glad that Zensar continues to have a balanced focus on all three elements and I am confident the Company is well on its way to emerging as one of the most valuable companies in its areas of expertise.

Sincerely,

**Harshvardhan Goenka**  
*Chairman*

## CEO's Note



**Ganesh Natarajan**, *Chief Executive Officer*

OUR TRIPLE BOTTOMLINE PHILOSOPHY  
- WITHIN AN ACORN LIES THE  
MAKING OF AN ENTIRE FOREST.

AT ZENSAR TECHNOLOGIES LIMITED,  
THE PHILOSOPHY OF OUR EXISTENCE  
CAN BE EXPLAINED IN THIS SINGLE  
SENTENCE.

We believe that the success of an organisation can no longer be defined only by the quantum of its bottomline but by the way it generates profits, the concern it shows for people and

its contribution to the planet. Our commitment to the customer and shareholder community is matched by our caring for the internal and external Zensar community.

This triple bottomline approach is in alignment with our organisational values comprising Customer Sovereignty, Passion for Excellence, Continuous Innovation, People Orientation, Transparency & Integrity and Social Responsibility.

“We have substantially strengthened our position – in chosen markets, across business verticals and in the minds and hearts of the people who make Zensar the Company it is!”

At Zensar, we have chosen to be different in this regard. It would have been simple to write a cheque to an NGO to carry out our wishlist but we chose to become our own NGO, engaging directly with communities through our very own Zensar Foundation.

It would, again, have not been unusual to delegate our corporate social responsibility to a dedicated team. We have, however, created a pan-Zensar volunteering framework and made a difference in India, South Africa, the US and the UK.

In the year that has passed, we have substantially strengthened our position – in chosen markets, across business verticals and in the minds and hearts of the people who make Zensar the Company it is!

We are convinced that this Triple Bottomline approach is the only way of ensuring sustainable and complete corporate success measured in enhanced value for all our stakeholders, thus emphasising our positioning as a trusted ‘Transformation Partner’.

Sincerely,

**Ganesh Natarajan**  
*Chief Executive Officer*

## Zensar's Triple Bottomline Philosophy



### People

AT ZENSAR, 'PEOPLE' NOT ONLY CONSTITUTE AN EMPLOYEE MANAGEMENT FRAMEWORK BUT EXTEND TO INCLUDE COMMUNITY AND EMPLOYABILITY INITIATIVES THAT BENEFIT THE COMMUNITY AT LARGE. ZENSAR TRANSFORMS CAREERS THROUGH A BLEND OF DIGNITY, OPPORTUNITIES, WORKPLACE EXCITEMENT AND VOLUNTEERING.

#### Our people (Associates)

Zensar is a multinational (22 countries) and multi-cultural (14 nationalities) employer of global talent (6,800 as on 31 March 2014) across technology and business competencies.

Over the years, the Company has strengthened workplace excitement through the extensive application of its 'Five F' framework (fast, focused, flexible, fun and friendly) and a consistent reinforcement of its organisational values (Customer

Sovereignty, Passion for Excellence, Continuous Innovation, People Orientation, Transparency & Integrity and Social Responsibility).

#### People management framework

Zensar's competitiveness is derived from the effectiveness of its 'Attract-Enable-Retain' model.

**Attract:** Zensar has selected to recruit nearly 70% of its entry-level engineering talent requirements directly from engineering campuses. Its effective employee referral system has accounted for 37% of all recruitments with a corresponding increase in the retention average. Zensar has also engaged extensively with its alumni to draw experienced professionals back to senior management positions.

**Enable:** Zensar has enhanced workplace excitement and a sense of ownership through an aggressive empowerment of middle-level managers. This empowerment has been driven through various programmes like iZen,

Leadership Development Programme, Management Development Programme, Vision Community (now a Harvard Business School case study), Diversity & Inclusion Council, Shadow Executive Board and our Women Executive Board.

**Retain:** Zensar has strengthened associate retention through periodic engagements with associates, which has catalysed an exchange of feedback leading to relevant initiatives and an enhanced sense of belongingness. The result is that nearly 72% of Zensar's managerial openings have been plugged from within. Zensar's critical talent retention is a high 98% (89% for general talent), the average Associate tenure stood at 4.7 years and senior management tenure at a high of 11.5 years.

A distinctive feature of Zensar's Associate engagement has been the provision of multiple opportunities to volunteer and thus be involved in the CSR activities of the Company.

## Corporate Social Responsibility: Community, Employability and Environment Sustenance Initiatives

Zensar engages in a number of initiatives directed at community transformation, skill training and environment sustenance through Zensar Foundation.



People

### Community transformation



#### EDUCATION

##### English proficiency

Udaan English centre; Zensar campus, Pune

**Outreach:**  
45 students

Udaan English programme; Chandan Nagar Municipal Corporation, Pune

**Outreach:** 210 students

Akshar school programme, Hyderabad

**Outreach:**  
280 students

##### Computer literacy

IT school programme, Pune and Hyderabad

**Outreach:**  
1,000 students

##### Digital literacy

Community centres for National Digital Literacy Mission, Pune and Hyderabad slum communities

**Outreach:** 1,300 households; programme to start in July 2014



#### HEALTHCARE

##### Treatment of illnesses

- Physicians attending Chandan Nagar community in Pune and Anjaiah Nagar in Hyderabad for free check-up and medicines
- Monthly general healthcare camps; Chandan Nagar and Anjaiah Nagar communities

##### Reduction of malnutrition

Nutritional baseline survey for children below six years in Chandan Nagar community in collaboration with Hirabai Cowasji Jehangir Medical Research Institute (Pune)



#### COMMUNITY MOBILISATION

**Outreach:** addressing 3,000 people across various communities; 300 covered so far through direct contact



#### GENDER EQUITY

Gender sensitisation programme by Equal Community Foundation

**Outreach:** 35 youth

### Employability programmes



#### EMPLOYABILITY

Unnati Skill Development Centre

**Outreach:** 40 youth

Hardware and Networking Course

**Outreach:** 70 youth

Employability Skills Development Programme

**Outreach:** over 500 students

Global Learnership Development Programme

**Outreach:** over 200 youth



Planet



#### UDAAN BIODIVERSITY PARK

**Outreach:** Over 300 visitors per day



#### IN-HOUSE RESOURCE MANAGEMENT

Energy management

Waste management

Water consumption

Fuel management

Miscellaneous initiatives