



**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONSOLIDATED FINANCIAL RESULTS
AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF ZEN TECHNOLOGIES LIMITED

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of ZEN TECHNOLOGIES LIMITED (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), for the three months and year ended March 31, 2020 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of other auditors on separate financial statements/ financial information of subsidiaries referred to in Other matters section below, the Consolidated financial results for the year ended March 31, 2020:

- (i) includes the results of the following entities:
 - a) Zen Technologies Limited – Parent company
 - b) Zen Technologies USA Inc, - Wholly owned subsidiary company
 - c) Unistring Tech Solutions Private Limited – Subsidiary company
- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) gives a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the three months and year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the Interim Consolidated Financial Results under the provisions of the Act and the Rules 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.

Management's Responsibilities for the Consolidated Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been compiled from the audited interim consolidated financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.



The respective Boards 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 of 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 the 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 respective financial results 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 this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, 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 Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

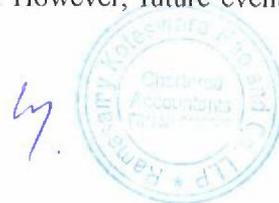
The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results 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 this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 Results 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 Results, including the disclosures, and whether the Consolidated Financial Results 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 within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results 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 Consolidated Financial Results.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Results 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.

Other Matters

We did not audit the financial statements/ financial information of Zen Technologies USA Inc and UnistringTech Solutions Private Limited included in the consolidated financial results, whose financial statements/ financial information reflect assets of USD.928,916/- and Rs.965.33/- Lakhs respectively as at March 31, 2020 and total revenues of USD. Nil and Rs.549.02/- Lakhs for the year ended March 31, 2020 respectively. These financial statements/ financial information have been audited, by other auditors whose reports have been furnished to us by the management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of other auditors.

For Ramasamy Koteswara Rao and Co LLP.
Chartered Accountants
FRNO.010396S/S200084



C V Koteswara Rao
Partner

M.No.028353

UDIN: 20028353AAAACE2188

Place: Hyderabad
Date: 06-06-2020

Consolidated financial results for the quarter and year ended March 31, 2020

(Rs.in lakhs)

S No	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		Mar 31,2020	Dec 31st ,2019	Mar 31,2019	Mar 31st 2020	March 31,2019
		Audited	Un Audited	Audited	Audited	Audited
1	Income					
	a) Revenue from Operations	1,978.84	3,298.77	4,466.66	14,928.58	9,222.06
	Total Revenue from operations	1,978.84	3,298.77	4,466.66	14,928.58	9,222.06
	b) Other Income	96.45	42.36	11.68	192.68	310.78
	Total Income	2,075.29	3,341.13	4,478.34	15,121.26	9,532.85
2	Expenses					
	a) Cost of materials Consumed	142.69	311.01	1,937.18	2,637.00	3,756.08
	b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	56.11	410.97	(248.21)	1,103.19	(1,160.99)
	(c) Manufacturing Expenses	162.97	90.82	154.00	581.70	470.83
	(d) Employee benefits expense	562.72	443.24	428.80	1,963.72	1,661.45
	(e) Finance costs	98.58	57.73	171.89	334.98	481.12
	(f) Depreciation and amortization expense	118.86	108.56	97.51	456.78	379.69
	(g) Other expenses	679.00	627.08	1,085.24	2,370.42	2,827.43
	Total Expenses (a to g)	1,820.94	2,049.42	3,626.42	9,447.80	8,415.61
	Profit before tax before profit or loss from investment in Associate (1-2)	254.36	1,291.71	851.92	5,673.47	1,117.24
3	Share of Profit/(loss) from an Associate	7.23	-	26.32	(1.28)	0.35
5	Profit /(Loss) Before Tax (3+4)	261.58	1,291.71	878.24	5,672.18	1,117.60
6	Tax expenses					
	- Income Tax	16.74	240.97	229.09	1,024.57	368.40
	- Deferred Tax	(1,666.80)	73.57	(616.68)	(1,215.78)	(582.50)
7	Net Profit for the period (5-6)	1,911.64	977.17	1,265.83	5,863.39	1,331.70
8	Attributable to:					
	Shareholders of the Company	1,847.94	1,022.80	1,265.84	5,876.87	1,331.70
	Non Controlling interest	63.71	(45.62)	-	(13.48)	-
9	Other comprehensive income					
	a) (i) Items that will not be reclassified to profit or loss	11.93	(5.92)	(16.35)	9.64	(16.35)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.79)	-	-	(0.79)	-
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income	11.14	(5.92)	(16.35)	8.85	(16.35)
10	Total Comprehensive income (7 +9)	1,922.78	971.25	1,249.48	5,872.24	1,315.35
11	Attributable to:					
	Shareholders of the Company	1,859.08	1,016.88	1,249.49	5,885.72	1,315.35
	Non Controlling interest	63.71	(45.62)	-	(13.48)	-
12	Paid-up Equity Share Capital (Rs.1/- per Equity Share)	771.60	771.60	771.60	771.60	771.60
13	Other Equity					
	Shareholders of the Company	-	-	-	18,345.88	12,739.23
	Non Controlling interest	-	-	-	659.13	-
14	Earnings per share (Face Value of Rs.1/- each)					
	(a) Basic (In Rs.)	2.39	1.33	1.64	7.62	1.73
	(b) Diluted (In Rs.)	2.39	1.33	1.64	7.62	1.73



Notes to Consolidated Audited Financial Results for the Quarter & Year ended 31st March 2020.

1	The Financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified by the Companies (Indian Accounting Standard) rules 2015
2	The aforementioned results have been reviewed & recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 06th June, 2020.
3	The figures for previous periods/ Year have been Recasted and Regrouped, wherever necessary.
4	The entire operations of the Company relate to only one segment viz., Training & Simulation. Hence segmental reporting as per Ind AS 108 is not made.
5	Till the Year ended 31st March 2020, the company has invested in Zen Technologies USA, Inc. (a wholly owned Subsidiary) an amount of Rs. 1434.67 lakhs.
6	The company is opting old tax regime to avail the MAT credit of Rs.2,544.21 Lakhs (p.y Rs.1,110.48 Lakhs) for future years and hence the same is considered in deferred tax assets as per Ind AS 12 Income Taxes.
7	The value of the orders on hand as at 06th June, 2020 is about Rs. 160.79 Crores.

Place : Hyderabad

Date : 06th June, 2020.



For and on behalf of the Board

Ashok Atluri

Chairman and Managing Director

DIN:00056050

(Rs.in lakhs)

Consolidated Statement of Assets & Liabilities				
S No	Particulars	Note.No	As at Mar 31, 2020	As at March 31,2019
			Audited	Audited
I.	ASSETS			
	Non-current assets			
(a)	Property plant and Equipment	3	6,498.83	6,296.44
(b)	Capital Work-In-progress	3	-	40.40
(c)	Intangible assets	3	755.77	9.89
(d)	Financial assets			
	(i) Investments	4	224.22	774.57
	(ii) Other financial assets	5	104.69	57.30
	(iii) Deferred Tax Assets(Net)	6	2,036.32	812.40
(e)	Other non current assets	7	141.16	483.15
	Total Non-current assets		9,761.00	8,474.16
	Current assets			
(a)	Inventories	8	1,404.35	3,528.38
(b)	Financial assets			
	(i) Trade receivables	9	4,650.94	7,335.27
	(ii) Cash and cash equivalent	10	1,679.66	370.47
	(iii) Bank Balances Other Than Cash and Cash Equivalents	11	827.97	858.83
	(iv) Other financial assets	12	1,697.43	759.98
(c)	Other current assets	13	1,385.38	520.86
	Total Current assets		11,645.73	13,373.80
	TOTAL ASSETS		21,406.72	21,847.96
II.	EQUITY AND LIABILITIES			
	Equity			
(a)	Equity Share Capital	14	771.60	771.60
(b)	Other Equity	15		
	Equity attributable to owners of Company		18,345.88	12,739.23
	Non Controlling interest		659.13	-
	Total Equity		19,776.61	13,510.83
	Liabilities			
	Non-current liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	16	137.20	880.15
	(ii) Other financial liabilities	17	7.01	-
(b)	Long Term Provisions	18	156.77	140.60
	Total Non-current liabilities		300.98	1,020.75
	Current liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	19	108.48	2,613.63
	(ii) Trade payables	20	454.06	813.97
	(iii) Other financial liabilities	21	33.93	740.94
(b)	Other current liabilities	22	631.70	2,930.09
(c)	Short Term Provisions	23	100.95	217.74
	Total Current liabilities		1,329.12	7,316.36
	TOTAL EQUITY AND LIABILITIES		21,406.72	21,847.96



Consolidated Statement of Cash Flows

(Rs.in lakhs)

S No	Particulars	Year ended	
		As at March 31,2020	As at March 31,2019
I	Cash Flows from Operating Activities		
	Net profit before tax	5,673.47	1,117.24
	Adjustments for :		
	Depreciation and amortization expense	456.78	376.78
	Provision for doubtful debts/advances/ impairment	-	2.87
	(Profit) /Loss on Sale of Assets	11.25	(4.41)
	Interest Income	(89.25)	(96.76)
	Deferred Income Grant Benefit	-	(24.00)
	Finance Cost	334.98	478.88
	Other Comprehensive Income	9.64	(16.35)
	Operating profit before working capital changes	6,396.87	1,834.25
	Movements in Working Capital		
	(Increase)/Decrease in Trade Receivables	3,082.15	(5,074.14)
	(Increase)/Decrease in Other financial assets	(995.39)	189.58
	(Increase)/Decrease in Inventories	2,210.54	(2,372.91)
	(Increase)/Decrease in Other Current Assets	(862.58)	84.44
	(Increase)/Decrease in Other Non Current Assets	65.37	29.45
	Increase/(Decrease) in Trade Payables	(188.59)	467.22
	Increase/(Decrease) in Other financial liabilities	(21.01)	231.82
	Increase/(Decrease) in Other Current liabilities	(2,321.99)	(162.97)
	Increase/(Decrease) in Provisions	16.17	10.66
	Cash generated from operations	7,381.54	(4,762.60)
	Taxes Paid	(1,138.78)	(150.66)
	Net Cash from operating activities	6,242.76	(4,913.26)
II	Cash flows from Investing Activities		
	Purchase of Fixed Assets (Including CWIP)	(521.06)	(247.47)
	Sale of Fixed Assets	6.50	12.56
	Investment in Subsidiaries	(254.63)	(610.44)
	Cash/short term borrowings acquired through investment in subsidiary	(65.47)	-
	Interest Income	89.25	96.76
	(Increase)/Decrease in Other Bank Balances	61.50	2,262.83
	Loans given to subsidiary companies	(768.69)	-
	Advance for Fixed Assets	276.62	(246.21)
	Net Cash From/ (Used In) Investing Activities	(1,175.97)	1,268.03
III	Cash flows from Financing Activities		
	Proceeds from Long term borrowings	(1,501.67)	576.29
	Dividend paid	(231.48)	(77.16)
	Corporate Dividend tax	(47.59)	(15.86)
	Finance Cost	(334.98)	(478.88)
	Amount received towards Share capital	873.24	446.49
	Net Cash From/ (Used In) Financing Activities	(1,242.49)	450.88
	Net Increase/(Decrease) in cash and cash equivalents	3,824.29	(3,194.35)
	Cash and Cash equivalents at the beginning of the year	(2,243.15)	951.20
	Cash and Cash equivalents at the ending of the year	1,581.14	(2,243.15)

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	As at Mar 31,2020	As at March 31,2019
Cash and Cash Equivalents/ Bank Balances	1,679.66	370.47
Less: OD/CC accounts forming part of Cash & Cash Equivalents	98.52	2,613.63
Cash and Cash Equivalents/ Bank Balances	1,581.14	(2,243.15)





INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ZEN TECHNOLOGIES LIMITED

Opinion

We have audited the accompanying Statement of Standalone Financial Results of ZEN TECHNOLOGIES LIMITED (the "Company"), for the three months and year ended March 31, 2020 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the three months and year ended March 31, 2020.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 Results under the provisions of the Act and the Rules 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.

Management's Responsibilities for the Standalone Financial Results

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited Interim condensed standalone financial statements for the year ended March 31, 2020. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the 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 Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.



In preparing the Standalone Financial Results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

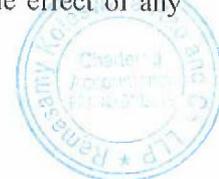
Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole is 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 this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 Company 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 Statement 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 Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results 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 Results.



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.

For Ramasamy Koteswara Rao and Co LLP.
Chartered Accountants
FRNO.010396S/S200084



C V Koteswara Rao
Partner
M.No.028353

UDIN: 20028353AAAACD8893

Place: Hyderabad
Date: 06-06-2020

20028353AAAACD8893

Standalone financial results for the quarter and year ended March 31, 2020

(Rs.in lakhs)

S No	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31st Mar 2020	31st Dec 2019	31st Mar 2019	31st March 2020	31st March 2019
		Audited	Un Audited	Audited	Audited	Audited
1	Income					
	a) Revenue from Operations	1,871.01	3,236.27	4,466.66	14,698.00	9,222.06
	Total Revenue from operations	1,871.01	3,236.27	4,466.66	14,698.00	9,222.06
	b) Other Income	94.42	42.33	26.32	190.61	310.78
	Total Income	1,965.43	3,278.60	4,492.98	14,888.61	9,532.84
2	Expenses					
	a) Cost of materials Consumed	171.92	227.74	1,937.19	2,509.13	3,756.08
	b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	216.55	479.03	(248.21)	1,385.73	(1,160.99)
	(c) Manufacturing Expenses	164.46	89.86	154.00	580.41	470.83
	(d) Employee benefits expense	494.68	371.69	453.07	1,667.97	1,566.42
	(e) Finance costs	93.78	55.05	170.62	318.23	478.88
	(f) Depreciation and amortization expense	95.82	93.24	95.27	375.25	376.81
	(g) Other expenses	640.23	582.79	963.25	2,195.63	2,335.21
	Total Expenses (a to g)	1,877.44	1,899.40	3,525.18	9,032.35	7,823.23
3	Profit before tax (1-2)	87.99	1,379.20	967.80	5,856.26	1,709.61
4	Tax expenses					
	- Income Tax	13.37	240.97	229.09	1,021.20	368.40
	- Deferred Tax	(1,706.12)	90.40	(616.68)	(1,215.63)	(582.50)
5	Net Profit for the period (3-4)	1,780.74	1,047.83	1,355.39	6,050.69	1,923.71
6	Other comprehensive income					
	a) (i) Items that will not be reclassified to profit or loss	2.70	-	(18.13)	2.70	(18.13)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.79)	-	-	(0.79)	-
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income	1.91	-	(18.13)	1.91	(18.13)
7	Total Comprehensive income (5 +6)	1,782.65	1,047.83	1,337.26	6,052.60	1,905.58
8	Paid-up Equity Share Capital	771.60	771.60	771.60	771.60	771.60
	(Rs. 1/- per Equity Share)					
9	Other Equity				19,103.00	13,329.47
10	Earnings per share					
	(Face Value of Rs. 1/- each)					
	(a) Basic (In Rs.)	2.31	1.36	1.76	7.84	2.49
	(b) Diluted (In Rs.)	2.31	1.36	1.76	7.84	2.49

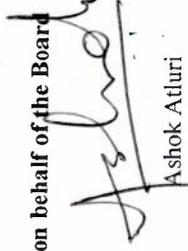


Notes to Standalone Audited Financial Results for the Quarter & Year ended 31st March 2020.

1	The financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified by the Companies (Indian Accounting Standard) rules 2015 as amended.
2	The aforementioned results have been reviewed & recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 06th June, 2020.
3	The figures for previous periods/ Year have been Recasted and Regrouped, wherever necessary.
4	The entire operations of the Company relate to only one segment viz., Training & Simulation. Hence segmental reporting as per Ind AS 108 is not made.
5	Till the Year ended 31st March 2020, the company has invested in Zen Technologies USA, Inc. (a wholly owned Subsidiary) an amount of Rs. 1434.67 lakhs.
6	The company is opting old tax regime to avail the MAT credit of Rs.2,544.21 Lakhs (p.y Rs.1,110.48 Lakhs) for future years and hence the same is considered in deferred tax assets as per Ind AS 12 Income Taxes.
7	The value of the orders on hand as at 06th June, 2020 is about Rs. 160.79 Crores.

Place : Hyderabad
Date : 06th June, 2020.

For and on behalf of the Board



Ashok Atluri

Chairman and Managing Director
DIN:00056050



(Rs.in lakhs)

Standalone Statement of Assets & Liabilities				
S No	Particulars	Note No.	As at Mar 31,2020	As at March 31,2019
			Audited	Audited
I. ASSETS				
Non-current assets				
(a)	Property plant and Equipment	3	6,436.13	6,276.94
(b)	Capital Work-In-progress	3	-	40.40
(c)	Intangible assets	3	6.50	9.89
(d)	Financial assets			
	(i) Investments	4	1,590.28	1,335.65
	(ii) Other financial assets	5	818.81	57.30
	(iii) Deferred Tax Assets(Net)	6	2,028.02	812.40
(e)	Other non current assets	7	141.16	483.15
	Total Non-current assets		11,020.89	9,015.73
Current assets				
(a)	Inventories	8	1,035.30	3,528.38
(b)	Financial assets			
	(i) Trade receivables	9	4,437.82	7,335.27
	(ii) Cash and cash equivalent	10	1,024.91	368.76
	(iii) Bank Balances Other Than Cash and Cash Equivalents	11	827.44	888.94
	(iv) Other financial assets	12	1,697.43	729.87
(c)	Other current assets	13	1,295.85	486.25
	Total Current assets		10,318.75	13,337.47
	TOTAL ASSETS		21,339.64	22,353.20
II. EQUITY AND LIABILITIES				
Equity				
(a)	Equity Share Capital	14	771.60	771.60
(b)	Other Equity	15	19,103.00	13,329.47
	Total Equity		19,874.60	14,101.07
Liabilities				
Non-current liabilities				
(a)	Financial Liabilities			
	(i) Borrowings	16	18.78	880.15
	(ii) Others financial liabilities	17	7.01	-
(b)	Long Term Provisions	18	156.77	140.60
	Total Non-current liabilities		182.56	1,020.75
Current liabilities				
(a)	Financial Liabilities			
	(i) Borrowings	19	62.16	2,613.63
	(ii) Trade payables	20	512.61	752.58
	(iii) Other financial liabilities	21	33.93	740.94
(b)	Other current liabilities	22	572.84	2,906.49
(c)	Short Term Provisions	23	100.95	217.74
	Total Current liabilities		1,282.49	7,231.38
	TOTAL EQUITY AND LIABILITIES		21,339.64	22,353.20



Standalone Statement of Cash Flows (Rs.in lakhs)

S No	Particulars	Year ended	Year ended
		As at March 31,2020	As at March 31,2019
I	Cash Flows from Operating Activities		
	Net profit before tax	5,856.26	1,709.61
	Adjustments for :		
	Depreciation and amortization expense	375.25	373.94
	Provision for doubtful debts/advances/ impairment	-	2.87
	(Profit) /Loss on Sale of Assets	11.25	(4.41)
	Interest Income	(87.18)	(96.76)
	Deferred Income Grant Benefit	-	(24.00)
	Finance Cost	318.23	478.88
	Other Comprehensive Income	2.70	(18.13)
	Operating profit before working capital changes	6,476.51	2,422.00
	Movements in Working Capital		
	(Increase)/Decrease in Trade Receivables	2,897.45	(5,074.14)
	(Increase)/Decrease in Other financial assets	(960.38)	189.58
	(Increase)/Decrease in Inventories	2,493.08	(2,372.91)
	(Increase)/Decrease in Other Current Assets	(809.60)	119.05
	(Increase)/Decrease in Other Non Current Assets	65.37	29.45
	Increase/(Decrease) in Trade Payables	(239.97)	405.83
	Increase/(Decrease) in Other financial liabilities	(21.01)	231.82
	Increase/(Decrease) in Other Current liabilities	(2,333.65)	(186.57)
	Increase/(Decrease) in Provisions	16.17	10.66
	Cash generated from operations	7,583.97	(4,225.22)
	Taxes Paid	(1,138.78)	(150.66)
	Net Cash from operating activities	6,445.19	(4,375.88)
II	Cash flows from Investing Activities		
	Purchase of Fixed Assets (Including CWIP)	(508.40)	(225.13)
	Sale of Fixed Assets	6.50	12.56
	Investment in Subsidiary companies	(254.63)	(1,171.88)
	Interest Income	87.18	96.76
	(Increase)/Decrease in Other Bank Balances	61.50	2,262.83
	Loans given to subsidiary companies	(768.69)	-
	Advance for Fixed Assets	276.62	(246.21)
	Net Cash From/ (Used In) Investing Activities	(1,099.91)	728.94
III	Cash flows from Financing Activities		
	Proceeds from Long term borrowings	(1,540.36)	576.29
	Dividend paid	(231.48)	(77.16)
	Corporate Dividend tax	(47.59)	(15.86)
	Finance Cost	(318.23)	(478.88)
	Amount received towards Share warrants	-	446.49
	Net Cash From/ (Used In) Financing Activities	(2,137.66)	450.88
	Net Increase/(Decrease) in cash and cash equivalents	3,207.62	(3,196.07)
	Cash and Cash equivalents at the beginning of the year	(2,244.87)	951.20
	Cash and Cash equivalents at the ending of the year	962.75	(2,244.87)

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	As at Mar 31,2020	As at March 31,2019
Cash and Cash Equivalents/ Bank Balances	1,024.91	368.76
Less: OD/CC accounts forming part of Cash & Cash Equivalents	62.16	2,613.63
Cash and Cash Equivalents/ Bank Balances	962.75	(2,244.87)





being there...

ZEN TECHNOLOGIES LIMITED

Certified ISO 9001:2015, ISO 27001:2013, ISO 14001:2015, CMMI ML5

Regd. Office : B-42, Industrial Estate, Sanathnagar

Hyderabad – 500 018, Telangana, India

Phone: +91 40 23813281, Fax No: +91 40 23813694

Email: info@zentechnologies.com Website: www.zen.in

Corporate Identity Number : L72200TG1993PLC015939

Date: June 6, 2020

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Through: BSE Listing Centre
Security Code: 533339

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Through: NEAPS
Symbol/Security ID: ZENTEC

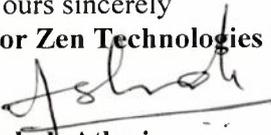
Dear Sir/Madam,

Sub: Declaration confirming issuance of Audit Reports with Unmodified Opinion on the Standalone and Consolidated Financial Results of Zen Technologies Limited for the year ended March 31, 2020

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby declare and confirm that the Statutory Auditors of the Company Ramasamy Koteswara Rao and Co LLP, Chartered Accountants, Hyderabad (Firm Registration No. 010396S/S200084) have issued their Audit Reports with unmodified opinion on the Standalone and Consolidated Financial Results of the Company for the financial year ended on March 31, 2020.

This is for your information and records.

Yours sincerely
For Zen Technologies Limited


Ashok Atluri
Chairman and Managing Director
DIN: 00056050



Works : Plot 36, Hardware Park, Near Shamshabad International Airport, Hyderabad - 501 510, Telangana, India



CMMI DEV / 5SM
Exp. 2022-01-30 / Appraisal #2306



ZEN TECHNOLOGIES LIMITED

Certified ISO 9001:2015, ISO 27001:2013, ISO 14001:2015, CMMI ML5

Regd. Office : B-42, Industrial Estate, Sanathnagar
Hyderabad – 500 018, Telangana, India

Phone: +91 40 23813281, Fax No: +91 40 23813694

Email: info@zentechnologies.com Website: www.zen.in

Corporate Identity Number : L72200TG1993PLC015939

Statement of Deviation / Variation in utilisation of funds raised	
Name of listed entity	Zen Technologies Limited
Mode of Fund Raising	Preferential Issue of convertible warrants
Date of Raising Funds	04/02/2019 - Date of allotment of warrants
Amount Raised	*Rs. 17,85,95,440/-
Report filed for Quarter ended	March 31, 2020
Monitoring Agency	Not Applicable
Monitoring Agency Name, if applicable	NA
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	NA
If Yes, Date of shareholder Approval	NA
Explanation for the Deviation / Variation	NA
Comments of the Audit Committee after review	Nil
Comments of the auditors, if any	Nil

Objects for which funds have been raised and where there has been a deviation, in the following table

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
The proceeds of the preferential issue will be utilized towards research and development (R&D), potential acquisitions, export promotion, working capital, capital expenditure and general corporate purposes.	NA	Rs. 4,46,48,860/-	NA	Rs. 4,46,48,860/-	Nil	NA

*Out of the total amount raised, only 25% of the amount i.e., Rs. 4,46,48,860/- has been received by the company towards warrant subscription at the time of allotment of warrants. The warrants are convertible into 1 equity share each on payment of the exercise money i.e., balance 75% of the amount within a period of 18 months from the date of allotment of the warrants.

Deviation or variation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised or
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
- (c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc

For and on behalf of the Board

Ashok Atturi
Chairman and Managing Director
DIN: 00056050

Date - 06 June 2020
Place - Hyderabad



Works : Plot 36, Hardware Park, Near Shamshabad International Airport, Hyderabad - 501 510, Telangana, India



CMMIDEV / 5SM
Exp. 2022-01-30 / Appraisal #2306