



ZEN TECHNOLOGIES LIMITED

Certified AS9100D, ISO 27001, ISO 14001

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

Phone: +91 40 23813281, 23811205, 23811206

Fax No: +91 40 23813694, 23814894

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

Corporate Identity Number : L72200TG1993PLC015939

Date: 28 January 2019

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

To
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on 28 January 2019

Ref: Symbol/Security ID: ZENTEC; Security Code: 533339; Series: EQ

The Board in its meeting held on 28 January 2019, inter-alia, considered and approved the following:

1. Approved Un-audited Financial Results, both Standalone and Consolidated, for the third quarter and nine months ended 31 December 2018, as recommended by the Audit Committee and reviewed by the Statutory Auditors. A certified copy of said financial results along with Limited Review Report for the Third Quarter ended 31 December 2018 is enclosed as Annexure - I.
2. Pursuant to internal transfers, Mr N Ramesh Kumar Chief Financial Officer of the Company is designated as head of subsidiary accounts with effective from 1st Feb'19 Further Mr M Ravi Kiran is appointed as Chief Financial Officer of the Company with effective from 1st Feb'19. A brief profile of Mr N Ravi Kiran is enclosed herewith pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 as Annexure - II.

The above information is also available on the website of the Company:
www.zentechnologies.com.

The meeting commenced at 11.15 a.m. and ended at 2.40 p.m.

This is for your information and record.

Thanking you
Yours sincerely,
For Zen Technologies Limited

M Satish Choudhury
Company Secretary



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



ZEN TECHNOLOGIES LIMITED

B-42 Industrial Estate, Sanathnagar Hyderabad - 500 018, Telangana, India

UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE 3RD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018

(Rs In lakhs Except for EPS)

Sl No	PARTICULARS	Quarter Ended			Nine Months ended		Year ended
		31 Dec 18 (Unaudited)	30 Sept18 (Unaudited)	31 Dec 17 (Unaudited)	31 Dec 18 (Unaudited)	31 Dec 17 (Unaudited)	
I	Revenue from operations	3,403.91	938.87	888.45	4,871.58	2,558.71	3,896.33
II	Other income	31.70	148.00	89.97	284.46	180.02	440.10
III	Total Revenue (I+II)	3,435.61	1,086.87	978.42	5,156.04	2,738.73	4,336.43
IV	Expenses						
	(a) Cost of materials consumed	1,008.27	565.92	30.58	1,794.98	350.90	482.97
	(b) Changes in inventories of finished goods, work-in progress	(179.86)	(536.57)	(9.60)	(912.78)	(17.07)	(125.59)
	(c) Manufacturing expenses	147.57	130.58	68.19	340.74	239.04	307.60
	(d) Employee benefits expense	392.46	363.87	383.91	1,113.35	1,108.84	1,549.08
	(e) Finance costs	151.58	97.37	67.53	308.26	130.18	240.76
	(f) Depreciation and amortisation expense	94.55	94.48	72.61	281.54	211.31	282.39
	(g) Other expenses	460.67	415.72	334.76	1,371.96	1,099.54	1,868.00
	Total expenses	2,075.24	1,131.37	947.98	4,298.05	3,122.74	4,605.23
V	Profit/(Loss) before exceptional and extraordinary items (III - IV)	1,360.37	(44.50)	30.44	857.99	(384.01)	(268.80)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit / (Loss) before extra-ordinary items and tax (V - VI)	1,360.37	(44.50)	30.44	857.99	(384.01)	(268.80)
VIII	Extraordinary items	-	-	-	-	-	-
IX	Profit / (Loss) before Tax (VII - VIII)	1,360.37	(44.50)	30.44	857.99	(384.01)	(268.80)
X	Tax expense						
	(1) Current tax	139.31	-	-	139.31	-	-
	(2) Deferred tax	10.23	69.78	-	34.18	-	(229.89)
	Total Tax	149.54	69.78	-	173.49	-	(229.89)
XI	Net Profit/(Loss) from continuing operations (IX - X)	1,210.83	(114.28)	30.44	684.50	(384.01)	(38.90)
XII	Profit / (Loss) from discontinuing operations	-	-	-	-	-	-
XIII	Tax expense of discontinuing operations	-	-	-	-	-	-
XIV	Net Profit / (Loss) from discontinuing operations (XII - XIII)	-	-	-	-	-	-
XV	Net Profit / (Loss) for the period (XI + XIV)	1,210.83	(114.28)	30.44	684.50	(384.01)	(38.90)
XVI	Other Comprehensive Income						
A	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	59.71
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-



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SI No	PARTICULARS	Quarter Ended				Nine Months ended		Year ended
		31 Dec 18 (Unaudited)	30 Sept 18 (Unaudited)	31 Dec 17 (Unaudited)	31 Dec 18 (Unaudited)	31 Dec 17 (Unaudited)	31 Mar 18 (Audited)	
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-
XVII	Total Comprehensive Income for the period (XV+XVI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	1,210.83	(114.28)	30.44	684.50	(384.01)	20.80	
XVIII	Paid-up equity share capital (Face Value Rs 1/- per Share)	771.60	771.60	771.60	771.60	771.60	771.60	
XIX	Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	11,188.92	
XX	Earning Per Share (EPS)							
A	Before extraordinary items (of Rs. 1/- each) (not annualised)							
	(a) Basic (In Rs.)	1.57	(0.15)	0.04	0.89	(0.50)	0.03	
	(b) Diluted (In Rs.)	1.57	(0.15)	0.04	0.89	(0.50)	0.03	
B	After extraordinary items (of Rs.1/- each) (not annualised)							
	(a) Basic (In Rs.)	1.57	(0.15)	0.04	0.89	(0.50)	0.03	
	(b) Diluted (In Rs.)	1.57	(0.15)	0.04	0.89	(0.50)	0.03	

Notes:

These results have been prepared in accordance with the ind AS notified under the Companies (Indian Accounting Standards) Rules 2015. The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 28th January 2019. The Statutory Auditors have carried out a Limited Review of the results for the Quarter and Nine Months ended December 31, 2018.

The figures for previous periods/year have been recast and regrouped wherever necessary.
The Company operates in only one segment, i.e. Training and Simulation.

- Ind AS 115 - Revenue from Training simulator services with customers is mandatory for accounting periods commencing on April 1, 2018. The Company has elected to apply the cumulative catch-up method on the date of transition. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 is not material to the financial statements.
- The Company has entered into an agreement with Unistring Tech Solutions Pvt Ltd to acquire its shares to the extent of 51 % . During the quarter ended 31 December 2018 the Company has acquired 2,06,262 partly paid equity shares of Rs.10 each with Rs. 6/- per share paidup value, by investing an amount of Rs. 3 crores.
- During the Nine Months ended December 31,2018 Company has invested in M/s. Zen Technologies USA Inc (wholly owned Subsidiary) of Rs. 454.84 lacs
- The value of orders on hand as on 28 January, 2019, is about Rs. **315.32** crores.

Place: Hyderabad
Date: 28 January, 2019

For and on behalf of the Board



Ashok Atluri
Chairman and Managing Director
DIN:00056050



SEKHAR & CO.

CHARTERED ACCOUNTANTS

PARTNERS :

K.C. Devdas, B.Com., F.C.A

C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)

G. Ganesh, B.Com., F.C.A., DISA (ICA)

Mrudulatha Devdas, B.Com., A.C.A

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To

The Board of Directors of

Zen Technologies Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Zen Technologies Limited** ("the Company"), for the quarter ended December 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down by Indian Accounting Standard 34 "Interim Financial reporting" ("Ind AS 34") prescribed under Section 133 of The Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatement. A review is limited primarily to the inquiry of the Parent personnel and analytical procedures applied to financial data and thus provide less assurance than audit. We have not performed an audit and, accordingly, we do not express an audit opinion.



4. Based on our review conducted as stated above nothing has come to our attention that causes us to believe that the accompanying Statement, in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Secunderabad

Date: January 28, 2019



For Sekhar & co

Chartered Accountants

Firm Reg No. 0036955

A handwritten signature in black ink, appearing to read "Mrudulatha".

Mrudulatha Devdas

Partner

M No. 229657

ZEN TECHNOLOGIES LIMITED

B -42 Industrial Estate, Sanathnagar Hyderabad - 500 018, Telangana, India

UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE 3RD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018

(Rs. In lakhs Except for EPS)

Sl No	PARTICULARS	Quarter Ended			Nine Months Ended		Year Ended
		31 Dec 18 (Unaudited)	30 Sept 18 (Unaudited)	31 Dec 17 (Unaudited)	31 Dec 18 (Unaudited)	31 Dec 17 (Unaudited)	
I	Revenue from operations	3,403.91	938.87	-	4,871.58	-	-
II	Other income	32.55	159.69	-	299.10	-	-
III	Total Revenue (I+II)	3,436.46	1,098.56	-	5,170.68	-	-
IV	Expenses						
	(a) Cost of materials consumed	1,008.27	565.92	-	1,794.98	-	-
	(b) Changes in inventories of finished goods, work-in progress and stock-in-trade	(179.86)	(536.57)	-	(912.78)	-	-
	(c) Manufacturing expenses	147.57	130.58	-	340.74	-	-
	(d) Employee benefits expense	423.18	401.79	-	1,232.65	-	-
	(e) Finance costs	152.17	97.55	-	309.23	-	-
	(f) Depreciation and amortisation expense	95.10	94.56	-	282.18	-	-
	(g) Other expenses	756.40	464.34	-	1,742.19	-	-
	Total expenses	2,402.83	1,218.17	-	4,789.19	-	-
V	Profit/(loss) before share of (profit)/loss from investment in associate, exceptional, extraordinary items and tax from continuing operations (III - IV)	1,033.63	(119.61)	-	381.49	-	-
VI	Share of (profit)/loss of an associate	25.97	-	-	25.97	-	-
VII	Profit/(loss) before, exceptional, extraordinary items and tax from continuing operations (V - VI)	1,007.66	(119.61)	-	355.52	-	-
VIII	Exceptional items	-	-	-	-	-	-
IX	Profit / (Loss) before extra-ordinary items and tax (VII - VIII)	1,007.66	(119.61)	-	355.52	-	-
X	Extraordinary items	-	-	-	-	-	-
XI	Profit / (Loss) before Tax (IX - X)	1,007.66	(119.61)	-	355.52	-	-
XII	Tax expense						
	(1) Current tax	139.31	-	-	139.31	-	-
	(2) Deferred tax	10.23	69.78	-	34.18	-	-
	Total Tax	149.54	69.78	-	173.49	-	-
XIII	Net Profit/(Loss) from continuing operations (XI - XII)	858.12	(189.39)	-	182.03	-	-
XIV	Profit / (Loss) from discontinuing operations	-	-	-	-	-	-
XV	Tax expense of discontinuing operations	-	-	-	-	-	-
XVI	Net Profit / (Loss) from discontinuing operations (XIV - XV)	-	-	-	-	-	-
XVII	Net Profit / (Loss) for the period (XIII + XVI)	858.12	(189.39)	-	182.03	-	-
XVIII	Other Comprehensive Income						
A	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
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	-	-	-	-	-	-
XIX	Total Comprehensive Income for the period (XVII+XVIII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	858.12	(189.39)	-	182.03	-	-



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Sl No	PARTICULARS	Quarter Ended			Nine Months ended		Year ended
		31 Dec 18 (Unaudited)	30 Sept 18 (Unaudited)	31 Dec 17 (Unaudited)	31 Dec 18 (Unaudited)	31 Dec 17 (Unaudited)	
XX	Paid-up equity share capital (Face Value Rs.1/- per Share)	771.60	771.60	-	771.60	-	-
XXI	Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	-
XXII	Earning Per Share (EPS)						
A	Before extraordinary items (of Rs. 1/- each) (not annualised)						
	(a) Basic (In Rs.)	1.11	(0.25)	-	0.24	-	-
	(b) Diluted (In Rs.)	1.11	(0.25)	-	0.24	-	-
B	After extraordinary items (of Rs1/- each) (not annualised)						
	(a) Basic (In Rs.)	1.11	(0.25)	-	0.24	-	-
	(b) Diluted (In Rs.)	1.11	(0.25)	-	0.24	-	-

Notes:

- These results have been prepared in accordance with the ind AS notified under the Companies (Indian Accounting Standards) Rules 2015. The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 28th January 2019. The Statutory Auditors have carried out a Limited Review of the results for the Quarter and Nine Months ended December 31, 2018.
- The figures for previous periods/year have been recast and regrouped wherever necessary.
- The Company operates in only one segment, i.e. Training and Simulation.
- Ind AS 115 - Revenue from Training simulator services with customers is mandatory for accounting periods commencing on April 1, 2018. The Company has elected to apply the cumulative catch-up method on the date of transition. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 is not material to the financial statements.
- The Company has entered into an agreement with Unistring Tech Solutions Pvt Ltd (UTS) to acquire its shares to the extent of 51 % . During the quarter ended 31 December 2018 the Company has acquired 2,06,262 partly paid equity shares of Rs.10 each with Rs. 6/- per share paidup value, by investing an amount of Rs. 3 crores.
- The consolidated financial results include the result of the ZEN USA Inc (wholly owned Subsidiary) and UTS (Associated Company) .
- M/s. Zen Technologies USA Inc (wholly owned Subsidiary) for the Nine Months ended 31.12.2018 has incurred loss of Rs.476.5 lacs
- This is first year of Quarterly and yearly consolidation of financial results, Hence previous Quarters and yearly comparative figures were not available
- The value of orders on hand as on 28 January, 2019 is about Rs. 315.32 crores

Place: Hyderabad
Date: 28 January, 2019

For and on behalf of the Board

Ashok Aturi
Chairman and Managing Director
DIN:00056050





SEKHAR & CO.

CHARTERED ACCOUNTANTS

PARTNERS :

K.C. Devdas, B.Com., F.C.A

C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)

G. Ganesh, B.Com., F.C.A., DISA (ICA)

Mrudulatha Devdas, B.Com., A.C.A

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To

The Board of Directors of

Zen Technologies Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Zen Technologies Limited** and its subsidiaries (the Parent and subsidiaries together referred to as a **Group**), for the quarter ended December 31, 2018 ("the Statement"), being submitted by the Parent pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down by Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of The Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatement. A review is limited primarily to the inquiry of the Parent personnel and analytical procedures applied to



financial data and thus provide less assurance than audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. The Statement includes the results of following entities:

- a. Parent Company : **Zen Technologies Limited**
- b. Subsidiary Company: Zen Technologies USA Inc.
- c. Associate Company: Unistring Tech Solutions Private Limited

5. Based on our review conducted as stated above nothing has come to our attention that causes us to believe that the accompanying Statement, in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Secunderabad

Date: January 28, 2019



For Sekhar & co

Chartered Accountants

Firm Reg No. 003695S

Mrudulatha Devdas

Partner

M No. 229657

M. RAVI KIRAN

Profile:

Mr M. Ravi Kiran is having 13 years of experience in the field Accounts & Finance and excellent knowledge in preparing financial statements and matters related to direct and indirect taxes. He has rich experience in Finance, Accounts and Corporate Secretarial matters.

Academic Qualifications:

Mr Ravi Kiran has the following educational qualifications:

- Professional Education Course – II (PE – II) from ICAI
- Bachelor of Commerce with specialization in Cost & Advanced Accounting in First Division from The Adoni Arts & Science College, affiliated to Sri Krishnadevaraya University, Ananthapur in the year 2002.
- MBA (Finance) – BITS Pilani (Pursuing)