



“Zensar Technologies Limited Q2 FY-15 Earnings Conference Call”

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Moderator: Ladies and gentlemen good day and welcome to the Zensar Technologies Limited Q2 FY15 Earnings Conference call. As a reminder all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Dr. Ganesh Natarajan – Vice Chairman & CEO of Zensar Technologies. Thank you and over to you Dr. Natarajan.

Ganesh Natarajan: Thank you and good afternoon to all of you. I have with me Bala who is our CFO, Ajay Bhandari who is our Head of Strategy & Corporate Development and Sanjay Rawa who is our Financial Controller.

What I will do is make a brief opening statement talking about the key highlights, numbers for this quarter. And the factors behind our growth and we will then open the call to questions after some comments from Bala.

To begin with, I think we have had an extremely strong quarter in terms of profitability. All our profitability indicators have improved significantly over the last quarter. The gross profit has grown 20% quarter-on-quarter, margins have increased to 30.5% from 27.2% earlier. The EBITDA margins have increased from 12.6% to 14.1% and the PAT margins have improved from 9.3% to 10.4%. Due to the all-round improvement of the margin profile and also to some extent to the PA acquisition effect, our PAT has grown 20.3% quarter-on-quarter. The key markets for our Enterprise Applications business have continued to show very robust growth. US, Europe and Africa have clocked 4% sequential quarter growth and 26% year-on-year growth in dollar terms. The Indian business also has been doing well, it continues to improve clocking at 29% quarter-on-quarter growth and 63% year-on-year growth in dollar terms. I am expecting that given the market opportunities, these healthy trends will continue.

On the Infrastructure Management front, the portfolio continues to shift, as we mentioned in the last two quarters, towards dual shore services. And I think the track is right because the contribution of dual shore services to IM revenues has increased this quarter to 35.6% from 33.3% in the previous quarter. The product revenues have of course declined and product revenues are now 21.5% in the quarter as compared to 27.9% in the last quarter. And as we have mentioned before while there is some volatility in product revenues because of the unpredictability of product sales which typically happened in the last month of the quarter, we will continue to make efforts to bring some predictability and at the same time focus only on product sales which has some positive bearing for the services business which is really what we mentioned last quarter as well. But now we have successfully implemented a leaner cost structure and this leaner cost structure which is in place in the IM business has managed to lower the breakeven points and this has definitely resulted in improved profitability in IM over the last quarter.

My belief is as the services component further increases, as we keep low profit activities like some parts of the maintenance business and the products business at a lower level, we will definitely scale higher in profitability in the quarters to come. Zensar's effective tax rate for Q2 has increased to 32.9% from 27.8% in the previous quarter. But this was primarily because some of the expenses related to the Professional Access acquisition were not tax deductible. Or CFO, Bala can provide more details during the course of this call. As all of you know during this quarter we completed the acquisition of Professional Access ("PA"), which is one of the leading Oracle ATG implementation specialists in the world. Most of you know that the big market opportunity today is e-commerce we have all seen what Flipkart and other companies are doing and globally it is a much more robust, much more mature practice. Not only are Retailers looking at e-commerce to increase their revenues, even Manufacturing companies are now trying to bypass the Retail channel by having e-commerce facilities of their own where customers can interact and buy directly from them. So this is probably the single biggest opportunity apart from digital transformation that the world has and most of us who are in the IT business are very focused with this.

For us Professional Access is great because PA works with some of the top Retailers in the world including companies like Kohl's, Sam's Club which as you was founded by the Wal-Mart founder, Wal-Mart itself, John Lewis partnership which is one of our clients and has also been a PA client, Mr. Price in South Africa, Urban Outfitters, and Walgreens. They also have a significant client in Mexico and have good prospects not only in America and Europe and UAE and South Africa but also in countries like Peru, Argentina, Chile, and Mexico. PA fits extremely well with the Zensar overall strategy for becoming a leader in Manufacturing, Retail and Distribution because it completes our Retail story. Our strategy has been to offer best in class Manufacturing and Omni channel solutions and digital enterprise solutions. Many of you would have read that we signed a very significant deal to do Managed Services for one of our large clients in Europe. And it also now gives us this complete dominance in the e-commerce base.

After this acquisition MRD our Manufacturing Retail and distribution accounts for more than 65% of Zensar's revenues. And going forward that will be our focus which will continue. This acquisition has helped us to consolidate our position as one of the top Oracle solutions providers in the world. With this acquisition Zensar's Oracle practice exceeds \$100 million in annual revenues. Our footprint Oracle is now complete for offering end to end solutions to Retailers or any organization with an e-commerce strategy. With a top-notch Retail leadership team in place - we have three people all Americans in the US who are leading this practice - and also very strong leadership in Europe, South Africa, Middle East and India. Today we have the opportunity to be one of the few companies in the world with end to end solution capability for implementing complete Omni channel strategies on the Oracle platform.

To summarize – thanks to the improvement in the parameters of our Infrastructure business, the continuing robust growth in the applications business and the addition of Professional Access, it has been a very encouraging quarter, primarily because we continue to see growth in all

geographies, in all verticals and in all service areas. Within the IM business as I mentioned the shift to higher margins services business combined with the success of our cost optimization initiatives, places us on a strong footing to overcome the hurdles we have seen in the IM business and take that also forward. The PA acquisition has boosted our capabilities in the MRD space and finally looking forward to the future while the economies themselves are reviving we see good growth opportunities in all these three territories and in the verticals. We have a robust pipeline of over \$250 million in the enterprise business and over \$150 million in the Infrastructure business. And that makes me optimistic that the rest of the year we will continue to see good growth both in profits and also in revenues. So with that, I will hand over to Bala for any comments he may have and then we will open it up for questions.

Suby Balasubramaniam: Thank you Ganesh and good afternoon ladies and gentlemen. I will give you some data points so that your question can be kind of preempted. In terms of borrowings our borrowings have gone up by \$16.18 million it is an increment of 103.9 crores as against 67.88 crores was of end March. In September our borrowing was at 271.80 crores. Now this is split as per the accounting requirements of the new schedule six in long term, short term, and current term. Some of our borrowings is for working capital and some of the borrowings are carryover of our previous acquisition. So total borrowings stand at \$43.75 million translate in to rupees is 271 crores. In terms of cash as of end September, we have 275 crores, so the borrowings and cash is more or less on even par. In terms of the FOREX cover we have 44% covered it is roughly about \$32 million of our receivables. The average rate is 64.84 as of in September. In terms of debtors cover it is 59 days. The tax percentage has moved up from 27.8% to 32.9% but this is primarily because of the onetime acquisition cost which are not really tax deductible and the fact that US profit has slightly moved up and also because of the fact that the acquired companies is not into any SEZ and we are therefore contemplating plans of how we can transition them into an SEZ in the coming quarters as we kind of fully integrate them into the tax planning structure of Zensar in long term.

The other point which I wanted to bring in your notice of analysis that we have moved into the double digit PAT which is what we had initially set ourselves from this quarter given the smart improvement in margins right across the various businesses. So that also is something which I thought I will bring it to your notice. Thank you, I hand it over to Ganesh.

Ganesh Natarajan: So we will open it up for questions. So feel free to ask any questions on industry, company any of the specific segments that we spoke of. Thank you.

Moderator: Thank you very much, sir. Ladies and gentleman, we will now begin the question and answer session. The first question is from the line of Ritesh Poladia who is an individual investor. Please go ahead.

Ritesh Poladia: Sir I want to know about the shifts within IM to dual shore right, right now it is about 36%. What would be the maximum shift we can expect say over a year or two?

- Ganesh Natarajan:** It is a good question. In fact ideally if you ask me we should be looking at almost 80%-85% moving to services and the reason I am saying that is there will always be some amount of maintenance work we do in the US and there will be some amount of product sales that we do as part of our overall managed security services. So I think the trajectory is very much possible to move it substantially upwards and we are working on that. In fact lot of the deals we are chasing are either cloud related Infrastructure Management services or dual shore as I mentioned, where service desks are provided from both US or Europe as well as from India and we provide only desktop support or desk side support in the US and the rest of it is managed from India. So clearly the direction is towards more and more of Managed Services as we go forward.
- Ritesh Poladia:** Okay. So that can change our onsite offshore revenue mix also?
- Ganesh Natarajan:** Change our onsite offshore thanks to SEZ it can change our profitability profile, clearly the profit profile when you do work in India is much better so I think every move upwards in terms of the percentage will obviously continue to increase our profitability.
- Ritesh Poladia:** Sir you have preempted my questions also. Sir what would be the margin expansion, what we can expect from this?
- Suby Balasubramaniam:** See right now as you can see from our numbers clearly the IM business is just nearing breakeven. Our goal is that the IM business itself should steadily move up which means literally if you look at year-on-year next year we would expect to see at least 4% to 5% PBT in the business, it can go up to my mind the potential over the next two, two and a half years is to move the PBT itself up to about 12.5% to 13%. Which means while the enterprise PBT applications PBT is much higher, we will continue to see good IM PBT as well. So the overall profile of the profit of the company will keep going up as we improve the IM margins. So that was the agenda. I think we are well on track to make that happen and you will continue to see this happening every quarter.
- Ritesh Poladia:** So over five, six quarters we can expect a good amount of this happening?
- Suby Balasubramaniam:** Yes. Of course very much so.
- Moderator** Thank you. The next question is from the line of Abdul Karim from Narnolia Securities. Please go ahead.
- Abdul Karim:** Could you give us the total order pipeline in the various businesses of yours. And any such large deals in the pipelines and how much you are expecting to close in the next one to two quarter?
- Ganesh Natarajan:** Yes, sure. If you look at the large deal pipeline is close to \$100 million. As I mentioned earlier the overall pipeline of the business is, if you look at the application side including the e-

commerce, the exact pipeline it is \$263 million and the Infrastructure business unit has a pipeline of \$150 million. So it is a fairly significant pipeline when we look at large deals which are \$5 million and above I think the pipeline is close to, there are about eight to nine deals that they are currently chasing and as I mentioned earlier this includes deal that are not only in the US which is our core territory but also in Europe, in Africa, even in India in fact in India we have signed a couple of very good deals in the last quarter. So I think it is kind of very well spread across the business units, the verticals as well as the regional geographies.

Abdul Karim:

Okay. And I wanted to know how do you see the growth on digital transformation how much it contributes on your revenue?

Ganesh Natarajan:

Our goal for digital and e-commerce is that over the next two years we wanted to probably contribute close to 25% of our revenues. And I think the opportunity is there because both in the area of digital which all of you know includes cloud, we are setting up a social media listening center – it is a social command center in our own campus and also discussing with many of our clients how we can help them to manage their brand perception through social media. So whereas social cloud, big data and analytics or mobility and of course the end to end mobile commerce and e-commerce capabilities that we were slowly building but which is now accelerated with the PA acquisition. I think the opportunity for scaling that very substantially is very much there. Till last year we had hardly about 5% of our business in digital. Today with the PA acquisition as well it will move to probably 15% to 16% this year. But the goal is to move to 25% over the next two years.

Abdul Karim:

Okay. And what is your view on domestic side I mean India story, so far last year it was pathetic and now e-governance and a lot of talks are on the table so we are seeing something on the hitting to the ground in the near future?

Ganesh Natarajan:

Yes, very much so in fact we are being watchful in the domestic market because we have had not very good experiences two, three years ago where payments were always the problem. But now I think the focus we have chosen which is to really focus on the SAP business. Where we are getting good deals, we have recently signed fairly significant, it is INR 11 crores deal but it is a very interesting deal and also with the governments where we are finishing a fairly large project with one of the state utilities and we have also got a follow-on project from that same utility. So I think if we chose our markets well which is the Manufacturing and utility sector primarily and within that our sub-verticals include dairy, textiles and discrete Manufacturing. I think we can continue to do well. So I am very hopeful about this market. Because the private sector has seen visible signs of growth, and of course government spending is getting much more organized and structured so I think both of these are opportunities. India will never be a very large market for us but I think it will be a significant market along with Middle East and Continental Europe to support our core markets of UK and US.

Moderator

Thank you. Next question is from the line of Bharat Seth from Quest Investment. Please go ahead.

- Bharat Seth:** Before coming towards some business point I would just like to have some data point, Bala how much revenue and PAT has been added because of this PA acquisition in this quarter?
- Suby Balasubramaniam:** It is there in Note #6 of the published accounts, I will just read out.
- Ganesh Natarajan:** There is INR 38.7 crores of revenue and INR 7.43 crores of PBT is included in these results which is roughly one and a half months of PA operations.
- Bharat Seth:** And one question, you said that one time acquisition cost, so how much was that in this quarter?
- Ganesh Natarajan:** It is INR 4 crores one time acquisition cost INR 4.08 crores to be exact.
- Bharat Seth:** Okay. Lot of questions have already been asked, but now I believe that in this press release we have said and mentioned that we have also come out with solution for dairy business and all. So how many such solution do we have right now for portfolio and how do we see that growing and how much currently it is contributing and going ahead how do you see that contributing?
- Ganesh Natarajan:** Thank you Bharat I think it is a good question because like most of the companies we are now very heavily focused on being a solutions company in fact our new vision and mission is more around solutions that provide measurable business outcomes to our customers which is part vertical one in fact. And to answer your question, both in Manufacturing and in Retail like Manufacturing we are now building solutions which include areas like embedded systems, internet of things which is actually connecting shop floor equipment's through sensors to the ERP and which is obviously a very much more complicated value proposition. If you look at both Retail and Insurance, I think we are very optimistic about the omnipresent organization which is really meaning that if you can avail your insurance policy or complete a Retail transaction from your mobile phone, from your laptop, from your desktop device including the physical transaction. So omnipresent is big, social listening the area I mentioned earlier where people are all worried about brand, reputation and how can they market their brand better using social listening. So all these are areas and as I mentioned earlier if you look at there is a very fine difference between digital and e-commerce, but if you put them both together you would expect to do about 15% of our business from digital and e-commerce during this year and take it up may be 5% every year for the next two years and I think by FY17 we should be able to hit 25% from digital. Solutions will be a part of that because we will provide solutions in this area so I would see that new areas plus solutions could contribute between 25% to 30% of our business two years from now. And that is a direction in which the entire industry is heading also.
- Bharat Seth:** Okay. And some kind of non-linearity will be always there because of solution correct?
- Ganesh Natarajan:** Yes, absolutely. Non-linearity is very important and I think the other reason we are optimistic about our profitability improvement is not only because of better profitability profiles in all our

businesses, but also non-linearity which all solutions and IP will give to most of our verticals, so that is the plan.

Bharat Seth: Then how do we see any growth opportunity and IM service side going ahead. So how many till quarter are we really away from any kind of growth that we were expecting in IM as you said, service side?

Ganesh Natarajan: As I mentioned earlier the opportunities in IM Services is tremendous in the sense that both we have a dedicated IM sales team both in US and Europe. We also have our sales teams in all geographies including in places like Asia and Africa trained on IM sales and in many as you know in most companies IM Services has been a great growth driver. It has been a little muted this quarter I think in the industry, but it will keep going. So I think, the advantage for us is that if you look at what I call the house of Zensar. It consist of the three strong pillars which is ERP primarily Oracle, IM and Application Services. And on top of that house you have this whole digital transformation e-commerce and another layer is business process management. So today we have a full solutions capability which we can provide to any client. So I think growing the IM Services business is clearly why we got into IM in the first place. As all of you know it has been slower than what we would have liked but I think we are now seeing the benefits of that and with 36% of our IM proportion coming from services. Once it starts moving towards 50%-55%, I think we will see a very successful IM story for Zensar.

Bharat Seth: When do you expect that to start really kicking in quarterly numbers?

Ganesh Natarajan: As you can see we are growing the percentage of services as a total of IM business by almost like 2.5% to 3% every quarter. So I would expect that if you look at full year of FY 2016, I would definitely expect that 50% of our IM revenues at least will come from services which will as I mentioned earlier improve the profitability profile and continue to increase profitability for the overall Zensar organization.

Bharat Seth: Okay. And on these human resource insight. With the economy revolving across the domestic as well as internationally. So how do we again see the attrition rate and what is the challenge that you are facing in retaining in the human resource?

Ganesh Natarajan: Well fortunately as most of you know we have probably the best or at least one of the best retention records in the entire industry. In fact what we call critical talent level which is 700 of our 7,000 people, our attrition has been hardly 1% so it has been very-very good. Even at the overall company level the attrition has been 11% to 12% as against industry average of 16%-17%. So I think we have a very good track record of our management team as you know have been rock solid for many-many years. So that way it has been good. We are adding about 450 to 500 people during this year. I expect that the addition next year will be equal if not greater and of course the PA acquisition has brought 850 new people. There will always be opportunities for people and all our people are good people who will get opportunities outside.

But our HR practices are very strong, so I think we are very confident about managing the human resource very well even going forward.

Bharat Seth: And can you elaborate if possible out of this four people that we plan how much is a lateral and how much is the campus and all?

Ganesh Natarajan: Typically we will probably be having about 350 people from campuses. Most of them will be engineers a few will be MBA's and non-engineers. And may be around 100-150 people will have to be lateral and again with PA that might actually go up. So at this point of time it is really, you would normally take it as about 65% will be freshers and 35% will be lateral.

Moderator Thank you. Next question is from the line of Ritesh Poladia who is an individual investor. Please go ahead.

Ritesh Poladia: Sir I have a question on the physical infrastructure, you are adding up 476 seats now given the offshore work can you expect that this physical infrastructure requirement would be higher?

Ganesh Natarajan: PA because of the nature of the e-commerce business has actually brought in physical infrastructure in Bangalore, in Noida, in Delhi, in Navi Mumbai, Bombay and of course in Hyderabad. So what we will do and I think Bala mentioned this, there are opportunities to also consolidate it. For instance in Hyderabad they are in an old STPI which does not give tax benefits. We are in DLF in Gachibowli in Hyderabad and I think we will look at how do we integrate it to over the next one year. Bangalore is also an STPI and we will be looking at may be over the next one year how we can move that. So it think, there is enough infrastructure available, we have to now look at how do we maximize with the government taking a liberal view of SEZ as all of you know the recent CBDT policy announcements. We will also try and maximize that so that we can bring down our tax rate. So to answer your question physical facilities are now available, we have good facilities available in seven locations in America and three in Europe and of course in other parts of the world. And course the four or five delivery cities in India. So I think we are well positioned in terms of physical infrastructure to really look at the significant growth in the years to come.

Moderator Thank you. Next question is from the line of Dipen Shah from Kotak Securities. Please go ahead.

Dipen Shah: Missed out on the numbers which you spoke so how much have the gross margins improved?

Ganesh Natarajan: The gross margin has improved by 9% quarter-on-quarter. And EBITDA has gone up by 11% quarter-on-quarter without PA.

Dipen Shah: Okay. And I understand we had some salary hikes during this quarter or some impact of that?

- Ganesh Natarajan:** Yes, in fact there were two negatives during this quarter was salary hikes which kick in always from July 1st and also the INR 4 crores that we mentioned which is the PA acquisition cost. So I think in spite of that we have been able to overcome all that.
- Dipen Shah:** So what would have been the positives during the quarter like I am slightly positively surprised that margins have gone up so much despite salary hike as well as INR 4 crores of one-off so what were the positive factors which led to an improvement in margins?
- Ganesh Natarajan:** There were three things, one is as you know there was a one-time delay in one of our accounts last quarter so that depressed the margins in the last quarter and that of course as I said in the last quarter also that was a one-time thing. Second was, we had a lot of people waiting for Visas to South Africa so that again depressed the margins and this year of this quarter of course you have seen the growth in South Africa so those were the two I would call as the change factors from the previous quarter. Apart from that I think overall the business has been very positive in terms of new deals coming in a good margin, billing has been good, utilization as you have probably seen is better than many other players in the industry so all these are probably positives that have overcome some of those previous negatives.
- Suby Balasubramaniam:** Okay. And lastly the Infrastructure business itself which moved from 19% to 21% gross margin. Largely because of the change in the service portfolio as well as from the cost optimization initiatives we took so, all three put together is resultant in increase.
- Dipen Shah:** Okay. And in terms of PA, I was just conferring with Bala yesterday also, like there was a run rate which was \$38 million for the year. Now looking at the quarterly revenues and that to for half a quarter we think it has gone up quite a bit. If we actually annualize the one and half month revenues it works out to a very big growth on a YoY basis so, is there some sort of a seasonality which we should understand in this or whether we should take it as a base for calculating future revenues for PA?
- Ganesh Natarajan:** It is a project business Dipen. So the minute you have a project business it will all vary. Like right now they are chasing a very large deal with one of the most significant Retailers in America. And if that happens it will be a big boost in the fourth quarter, but the margins will come down because the initial fourth quarter will be all onsite business. So both the quarter-on-quarter revenues and the quarter-on-quarter profits will tend to vary. But to answer your question we are going after a \$45 million year for PA, if you look at the fully year of course we do not get the benefit of four and half months. So that is all we are looking at, so definitely the revenues should grow and again next year I think the pipeline looks solid so again next year should be very good but do not take the one and a half month and multiply that is never going to work in a projects company.
- Dipen Shah:** Okay. And lastly if I look at this product and licenses revenues they had a sharp INR 15 crores kind of a fall, INR 16 crores fall on a quarter-on-quarter basis. Now I was just trying to understand like when we acquired Akibia we had a INR 40 crores amount of revenue in mind.

Now the product business out of that has been consistently falling. And I think a couple of quarters back we were given to understand that it has reached its lowest level and probably there will not be any further fall in product revenues. However there has been a quite a sharp fall in this current quarter. So how do we see this product business going ahead and till what levels can actually it go down as compared to the earlier expectations.

Ganesh Natarajan:

Good question Dipen. The targeted level for this year is \$8 million of product sales per quarter. That is really what we are trying to do. You are absolutely right this quarter has been much lower than we would like it to be because we do not want this sudden dip but again variability for instance there was a \$1.5 million deal that did not happen in the last month of the quarter which actually happened in this current quarter because most people take product benefit from the last five days, it is a bit of a problem. But to answer your question we would like it to stabilize at \$7.5 to 8 million during this year. Next year we may cut it even further because we may consciously decide and we will tell you if you decide, to only focus on products which lend themselves to some services of solution that is what I talked about managed security service products. But at this point of time, the product business what we are currently working with our current partners are very happy. We are really focusing on a few partners in selling their products and we have dedicated sales team which is only focusing on products in New York and New England which is Massachusetts so that will continue. This quarter 5 million is probably 2.5 million lower than what we would have liked and that is an aberration. But we definitely for the current quarter and the next quarter we are targeting \$7.5 to 8 million of Products business this quarter and next quarter.

Moderator

Thank you. Next question is from the line of Abdul Karim from Narnolia Securities. Please go ahead.

Abdul Karim:

On utilization front this quarter it is 79% are you comfortable on this level?

Ganesh Natarajan:

Yes, we are very comfortable because we want to keep it between 78% and 82% depending on projects. And this is as I mentioned earlier on the call it is high even compared to industry. But we are keeping it very tight, we are making sure that there is utilization and this is offshore and of course the on sight we try and keep it higher than 95%. So I think all those are good signs.

Abdul Karim:

And one thing, just I want to clear recently few companies were uncomfortable on pricing pressure and competitive intensity regarding traditional IT business as well as IM Services. Are you confident that the Infrastructure Management business will grow even faster in the future quarter? And do you see any pricing pressure on IMS business?

Ganesh Natarajan:

Let me answer your last question first, no we do not see pricing pressure and in fact given the profile of our company changing towards much more of solutions outcome based as well as now with PA and the e-commerce capabilities, I do not see pricing pressure. In fact, the success we have in positioning a complete solution will actually keep the prices very stable with an upward bias in our Applications business. IM business is a fairly commoditized business

because we do not sell into verticals. So as I said we will look at growth which is profitable growth which is our priority for the IM business. Which also supports the overall total solutions picture that we are trying to build within Zensar. So there I do not see pricing either going upwards or downwards so I think it is going to be stable. But in the other sides of the business which is today 80% of our business I think we will see an upward bias in pricing.

Abdul Karim: Okay. And one thing I missed dollar term growth in this quarter?

Ganesh Natarajan: In dollar terms it is 5.6% sequential quarter growth.

Moderator Thank you. As there are no further questions from the participants. I now hand the conference over to the management for their closing comments.

Ganesh Natarajan: Sure. Thank you very much. All of you have been seeing it is a very encouraging quarter. And just to repeat I think if you look at all the three business streams whether it is e-commerce, whether it is Infrastructure Management or Application Services. I think we have seen good high signs this quarter. We fully expect that this good story will continue for the next few quarters. The markets are doing well, our opportunities are there, our investments and solutions, and PA is beginning to payoff. So we are very confident and of course as always thank you all for your support and wish you all a great Diwali. Thank you very much.

Moderator: Thank you very much members of the management. Ladies and gentleman, on behalf of Zensar Technologies that concludes this conference. Thank you for joining us and you may now disconnect your lines.