

NSE & BSE / 2020-21 / 39
July 25, 2020

The Manager,
Corporate Services,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051

Ref: Symbol: PERSISTENT

The Manager,
Corporate Services,
Bombay Stock Exchange Limited
14th Floor, P J Towers, Dalal Street,
Mumbai 400 001

Ref: Scrip Code: 533179

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on July 22, 2020 and continued on July 23, 2020 and July 25, 2020

Further to our intimations dated June 22, 2020 and July 13, 2020, we wish to inform that, the Board of Directors, at its meeting held through Tele-conferencing on July 22, 2020, July 23, 2020 and concluded on July 25, 2020 at 2210 HRS (IST), has *inter-alia* taken the following decisions:

A. Approval of the Audited Financial Results for the quarter ended June 30, 2020

Pursuant to Regulation 33 and all other applicable regulations, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audited Financial Results for the quarter ended June 30, 2020 have been approved. Accordingly, we enclose the following documents:

1. Auditors' Report dated July 25, 2020 on the Consolidated Financial Results of the Company for the quarter ended June 30, 2020;
2. Consolidated Financial Results of the Company for the quarter ended June 30, 2020;
3. Auditors' Report dated July 25, 2020 on the Unconsolidated Financial Results of the Company for the quarter ended June 30, 2020;
4. Unconsolidated Financial Results of the Company for the quarter ended June 30, 2020

B. Reconstitution of the committees of the Board of Directors

Please acknowledge the receipt.

Thanking you,

Yours Sincerely,
For **Persistent Systems Limited**

Amit Atre
Company Secretary
ICSI Membership No.: A20507

Encl: As above

Walker Chandio & Co LLP

16th floor, Tower II,
Indiabulls Finance Centre,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Report on Consolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Persistent Systems Limited

Opinion

1. We have audited the accompanying consolidated financial results ('the Statement') of Persistent Systems Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate for the quarter ended 30 June 2020, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time ('SEBI Circular').
2. 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 reports of other auditors on separate audited financial statements of the subsidiaries, the Statement:
 - (i) includes the quarterly financial results of the entities listed in Annexure 1;
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the 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 after tax (including other comprehensive income) and other financial information of the Group and its associate for the quarter ended 30 June 2020.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') 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 Statement* section of our report. We are independent of the Group and its associate, 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 financial statements 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 Code of Ethics. We believe that the audit evidence obtained by us and that obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Page 1 of 5

Persistent Systems Limited

Independent Auditor's Report on Consolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the condensed interim consolidated financial statements. The Holding Company's Board of Directors is responsible for the preparation of the Statement that gives a true and fair view of the consolidated net profit after tax (including other comprehensive income), and other financial information of the Group including its associate 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, including SEBI Circular. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group and its associate, 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 its associate 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 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 financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and of its associate, 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 Board of Directors either intends to liquidate the Group and its associate or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the companies included in the Group and its associate, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement 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 Standards on Auditing, specified under section 143(10) of the Act, 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 Statement.
8. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, 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 control 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 whether the Group and its associate have in place an adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Persistent Systems Limited

Independent Auditor's Report on Consolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Conclude on the appropriateness of management's 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 and its associate, 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 Group and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/ financial information/ financial statements of the entities within the Group and its associate, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, 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.
10. 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.
11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

12. We did not audit the condensed financial statements of fifteen subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 4,719.98 million as at 30 June 2020, total revenues of ₹ 1,463.61 million, total net profit after tax of ₹ 96.21 million, total comprehensive income of ₹ 99.05 million, and cash outflows (net) of ₹ 55.01 million for the quarter ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 3 above.

Our opinion is not modified in respect of the above matter.

13. The Statement also includes the Group's share of net profit after tax of ₹ Nil and total comprehensive income of ₹ Nil for the quarter ended 30 June 2020, in respect of one associate, whose condensed financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion in so far as it relates to the amounts and disclosures included in respect of the aforesaid associate is based solely on such unaudited financial statements. In our opinion and according to the information and explanation given to us by the management, these financial statements are not material to the Group and its associate.

Our opinion is not modified in respect of the above matter

Persistent Systems Limited

Independent Auditor's Report on Consolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

14. The consolidated quarterly financial results of the Company for the quarter ended 30 June 2019 included in the Statement was audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed an unmodified opinion vide their audit report dated 25 July 2019, whose audit report has been furnished to us by the management, and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013

**BHARAT
KOCHU
SHETTY**

Digitally signed by
BHARAT KOCHU SHETTY

Date: 2020.07.25

21:38:22 +05'30'

Bharat Shetty

Partner

Membership No:106815

UDIN No:20106815AAAACJ1058

Place: Mumbai

Date: 25 July 2020

Persistent Systems Limited

Independent Auditor's Report on Consolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entities included in the Statement

Sr. No.	Name of Entity	Relationship
1	Persistent Systems Limited (PSL)	Holding Company
2	Persistent Systems, Inc. (PSI)	Wholly owned subsidiary of PSL
3	Persistent Systems Pte Ltd.	Wholly owned subsidiary of PSL
4	Persistent Systems France SAS	Wholly owned subsidiary of PSL
5	Persistent Systems Malaysia Sdn. Bhd.	Wholly owned subsidiary of PSL
6	Persistent Systems Germany GmbH (PSGG)	Wholly owned subsidiary of PSL
7	Persistent Telecom Solutions Inc.	Wholly owned subsidiary of PSI
8	Valista Limited (VL) (Dissolved w.e.f. 24 June 2020)	Wholly owned subsidiary of AGL
9	Aepona Group Limited (AGL)	Wholly owned subsidiary of PSI
10	Aepona Limited	Wholly owned subsidiary of AGL
11	Youperience GmbH (YGmbH)	Wholly owned subsidiary of PSGG
12	Youperience Limited	Wholly owned subsidiary of YGmbH
13	Persistent Systems Lanka (Private) Limited	Wholly owned subsidiary of AGL
14	Persistent Systems Mexico, S.A. de C.V.	Wholly owned subsidiary of PSI
15	Persistent Systems Israel Ltd	Wholly owned subsidiary of PSI
16	PARX Werk AG	Wholly owned subsidiary of PSGG
17	PARX Consulting GmbH	Wholly owned subsidiary of PARX Werk AG
18	Klisma e-Services Private Limited	Associate Company of PSL

This space has been intentionally left blank

Persistent Systems Limited

Regd. Office : Bhageerath, 402, Senapati Bapat Road, Pune 411016, India

Ph. No. +91(20)67030000; Fax +91(20)67030009; Email : info@persistent.com; 'www.persistent.com'. CIN L72300PN1990PLC056696

Audited consolidated financial results of Persistent Systems Limited for the quarter ended June 30, 2020

Sr. No.	Particulars	In ₹ Million			
		June 30, 2020 (Audited)	Quarter ended March 31, 2020 (Audited)	June 30, 2019 (Audited)	Year ended March 31, 2020 (Audited)
	Income				
1	Revenue from operations (net)	9,913.85	9,263.65	8,321.14	35,658.08
2	Other income	212.27	293.20	300.36	1,323.77
3	Total income	10,126.12	9,556.85	8,621.50	36,981.85
4	Expenses				
	- Employee benefits expense	5,785.07	5,675.97	4,916.25	21,556.40
	- Cost of professionals	1,350.47	1,163.23	859.82	3,918.94
	- Finance costs	14.16	11.68	18.50	63.32
	- Depreciation and amortization expense	435.61	420.25	386.32	1,659.62
	- Other expenses	1,320.37	1,155.29	1,343.00	5,260.15
	Total Expenses	8,905.68	8,426.42	7,523.89	32,458.43
5	Profit before exceptional items and tax	1,220.44	1,130.43	1,097.61	4,523.42
6	Exceptional items	-	-	-	-
7	Profit before tax	1,220.44	1,130.43	1,097.61	4,523.42
8	Tax expense				
	- Current tax	430.76	366.06	350.55	1,354.70
	- Tax charge in respect of earlier years	8.30	6.58	-	52.55
	- Deferred tax credit	(118.70)	(80.42)	(77.64)	(286.72)
	Total tax expense	320.36	292.22	272.91	1,120.53
9	Profit for the period / year	900.08	838.21	824.70	3,402.89
10	Other comprehensive income				
	A. Items that will not be reclassified to profit and loss				
	- Remeasurements of the defined benefit assets / (liabilities) (net of tax)	9.24	2.37	(26.37)	(34.80)
		9.24	2.37	(26.37)	(34.80)
	B. Items that may be reclassified to profit and loss				
	- Effective portion of cash flow hedge (net of tax)	149.98	(250.14)	(23.19)	(429.15)
	- Exchange differences in translating the financial statements of foreign operations	77.05	369.96	(0.63)	323.15
		227.03	119.82	(23.82)	(106.00)
	Total other comprehensive income for the period / year	236.27	122.19	(50.19)	(140.80)
11	Total comprehensive income for the period / year (Comprising Profit / (Loss) and Other Comprehensive Income for the period / year)	1,136.35	960.40	774.51	3,262.09
12	Paid-up equity share capital (Face value of share ₹ 10 each)	764.25	764.25	764.25	764.25
13	Other equity excluding revaluation reserves				23,093.30
14	Earnings per equity share in ₹ (Face value of share ₹ 10 each)				
	- Basic	11.78	10.97	10.65	44.38
	- Diluted	11.78	10.97	10.65	44.38
15	Dividend per share (in ₹) (Nominal value per share ₹ 10)				
	Interim dividend	-	3	-	12
	Final dividend	-	-	-	-
	Total dividend	-	3	-	12

Audited unconsolidated financial information

Particulars	In ₹ Million		
	June 30, 2020 (Audited)	Quarter ended March 31, 2020 (Audited)	Year ended March 31, 2020 (Audited)
Revenue from operations (net)	5,561.38	5,661.39	21,081.22
Profit before tax	1,575.48	1,664.21	5,329.06
Profit after tax	1,214.76	1,274.82	4,077.23

Segment wise Revenue, Results and Capital Employed

Considering the focus on industry verticals, the Group has decided to reorganize it's operating segments from April 1, 2020. The figures for the corresponding periods/year have been appropriately reclassified in line with the current period's classification.

The operating segments are:

- Banking, Financial Services and Insurance (BFSI)
- Healthcare & Life Sciences
- Technology companies and Emerging Verticals

Sr. No.	Particulars	In ₹ Million		
		June 30, 2020 (Audited)	Quarter ended March 31, 2020 (Audited)	Year ended March 31, 2020 (Audited)
1	Segment revenue	3,153.11	2,888.34	10,506.77
	- BFSI	1,957.47	1,776.78	6,719.15
	- Healthcare & Life Sciences	4,803.27	4,598.53	18,432.16
	- Technology companies and Emerging Verticals	9,913.85	9,263.65	35,658.08
2	Total	-	-	-
3	Less: Inter segment revenue	9,913.85	9,263.65	35,658.08
4	Net sales/income from operations	1,049.05	1,054.46	3,598.15
	- BFSI	899.43	781.93	2,900.18
	- Healthcare & Life Sciences	1,587.94	1,569.83	6,418.19
	- Technology companies and Emerging Verticals	3,536.42	3,406.22	12,916.52
5	Total	14.16	11.68	63.32
	Less:	2,514.09	2,557.31	9,653.55
6	- Finance costs	212.27	293.20	1,323.77
	- Other un-allocable expenses	1,220.44	1,130.43	4,523.42
7	Profit before tax			

Sr. No.	Particulars	In ₹ Million		
		June 30, 2020 (Audited)	Quarter ended March 31, 2020 (Audited)	Year ended March 31, 2020 (Audited)
8	Segment assets [Trade receivables (net)]			
	- BFSI	2,059.46	1,718.09	1,818.41
	- Healthcare & Life Sciences	1,547.62	996.08	1,340.70
	- Technology companies and Emerging Verticals	3,134.89	2,518.01	2,762.85
	Total allocable segment assets	6,741.97	4,732.18	5,921.96
	Unallocable assets	25,434.37	22,935.10	24,999.73
	Total assets	32,176.34	27,667.28	30,921.69

Note for segment wise information:

Operating segments are components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision makers, in deciding how to allocate resources and assessing performance. The Group's chief operating decision makers are the Chief Executive Officer and the Chairman.

Segment wise capital employed

Segregation of assets (other than trade receivables), liabilities, depreciation and amortization and other non-cash expenses into various reportable segments have not been presented as the assets and liabilities are used interchangeably between segments and the Group is of the view that it is not practical to reasonably allocate the other assets, liabilities and other non-cash expenses to individual segments and an ad-hoc allocation will not be meaningful.

Notes:

- 1 The audited condensed interim consolidated financial statements for the quarter ended June 30, 2020, have been taken on record by the Board of Directors at its meeting concluded on July 25, 2020 as recommended by the Audit Committee. The statutory auditors have expressed an unqualified audit opinion. The information presented above is extracted from the audited condensed interim consolidated financial statements.
- 2 The Group has considered the possible effects that may result from COVID-19 in the preparation of these condensed interim consolidated financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Group has, at the date of approval of these condensed interim consolidated financial statements, used internal and external sources of information including internal credit evaluation report and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's condensed interim consolidated financial statements may differ from that estimated as at the date of approval of these condensed interim consolidated financial statements.
- 3 During the quarter, there were 641 shareholders who were eligible to receive aggregate amount of INR 2,00,865 towards 2nd Interim Dividend for the Financial Year 2019-20 through Dividend Warrants. However, due to lockdown restrictions on account of COVID-19 pandemic, it was difficult for the Group to make necessary arrangements. Therefore, in the interest of time, the Group paid the above dividend amount to these shareholders through Demand Drafts.
- 4 Mr. Prakash Telang and Mr. Kiran Untrookar, Independent Directors of the Company retired at the 30th Annual General Meeting of the Company held on July 24, 2020.
- 5 Valista Limited, Ireland, the wholly owned subsidiary of the Company has been voluntarily dissolved w.e.f. June 24, 2020
- 6 The investors are requested to visit the following website of the Group and Stock Exchanges for further details:
 - Group's website:
<https://www.persistent.com/investors>
 - BSE Ltd: www.bseindia.com
 - National Stock Exchange of India Ltd.: www.nseindia.com

Pune
July 25, 2020

By order of Board of Directors of Persistent Systems Limited



Dr. Anand Deshpande
Chairman and Managing Director

For risks and uncertainties relating to forward-looking statements, please visit our website :- www.persistent.com.

Walker Chandiok & Co LLP

16th floor, Tower II,
Indiabulls Finance Centre,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Report on Audited Unconsolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Persistent Systems Limited

Opinion

1. We have audited the accompanying statement of unconsolidated financial results ('the Statement') of Persistent Systems Limited ('the Company') for the quarter ended 30 June 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the 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 unconsolidated net profit after tax (including other comprehensive income) and other financial information of the Company for the quarter ended 30 June 2020.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') 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 Statement* 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the Statement 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 Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Page 1 of 3

Persistent Systems Limited

Independent Auditor's Report on Audited Unconsolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the Condensed interim standalone financial statements. The Company's Board of Directors is responsible for the preparation of the Statement that gives 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 including SEBI Circular. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is 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.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement 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 Statement.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, 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 control 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

Persistent Systems Limited

Independent Auditor's Report on Audited Unconsolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Conclude on the appropriateness of the Board of Director's 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 Company's ability 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 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 Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the unconsolidated financial results, including the disclosures, and whether the financial results represents the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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 Matter

11. The unconsolidated quarterly financial results of the Company for the quarter ended 30 June 2019 included in the Statement was audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed an unmodified opinion vide their audit report dated 25 July 2019, whose audit report has been furnished to us by the management, and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

**BHARAT
KOCHU
SHETTY**

Digitally signed by
BHARAT KOCHU SHETTY
Date: 2020.07.25
21:35:39 +05'30'

Bharat Shetty
Partner
Membership No:106815

UDIN No:20106815AAAACI5531

Place: Mumbai
Date: 25 July 2020

Audited unconsolidated financial results of Persistent Systems Limited for the quarter ended June 30, 2020

Sr. No.	Particulars	(In ₹ Million)			
		June 30, 2020 (Audited)	Quarter ended March 31, 2020 (Audited)	June 30, 2019 (Audited)	Year ended March 31, 2020 (Audited)
1	Income				
2	Revenue from operations	5,561.38	5,661.39	4,953.95	21,081.22
3	Other income	293.76	323.32	307.05	1,599.04
4	Total income	5,855.14	5,984.71	5,261.00	22,680.26
	Expenses				
	- Employee benefits expense	3,057.26	2,944.26	2,499.35	11,029.06
	- Cost of professionals	377.70	394.63	490.02	1,825.37
	- Finance costs	8.79	9.71	12.45	44.51
	- Depreciation and amortization expense	131.81	136.46	137.46	555.12
	- Other expenses	704.10	835.44	1,006.99	3,897.14
	Total Expenses	4,279.66	4,320.50	4,146.27	17,351.20
5	Profit before exceptional items and tax	1,575.48	1,664.21	1,114.73	5,329.06
6	Exceptional items	-	-	-	-
7	Profit before tax	1,575.48	1,664.21	1,114.73	5,329.06
8	Tax expense				
	- Current tax	409.97	372.31	338.19	1,297.91
	- Tax charge / (credit) in respect of earlier years	2.74	-	-	(1.60)
	- Deferred tax (credit) / charge	(51.99)	17.08	(57.85)	(44.48)
	Total tax expense	360.72	389.39	280.34	1,251.83
9	Profit for the period / year	1,214.76	1,274.82	834.39	4,077.23
10	Other comprehensive income				
	A. Items that will not be reclassified to profit and loss				
	- Remeasurements of the defined benefit asset / (liabilities) (net of tax)	17.73	3.09	(25.30)	(30.46)
	B. Items that may be reclassified to profit and loss				
	- Effective portion of cash flow hedge (net of tax)	17.73	3.09	(25.30)	(30.46)
	Total other comprehensive income for the period / year	167.71	(247.05)	(48.49)	(459.61)
11	Total comprehensive income for the period / year (Comprising Profit (Loss) and Other Comprehensive Income for the period)	1,382.47	1,027.77	785.90	3,617.62
12	Paid-up equity share capital (Face value of share ₹ 10 each)	764.25	764.25	764.25	764.25
13	Other equity excluding revaluation reserves				22,221.13
14	Earnings per equity share in ₹ (Face value of share ₹ 10 each)				
	- Basic	15.89	16.68	10.77	53.17
	- Diluted	15.89	16.68	10.77	53.17
15	Dividend per share (in ₹) (Nominal value of share ₹ 10 each)				
	Interim dividend	-	3.00	-	12.00
	Final dividend	-	-	-	-
	Total dividend	-	3.00	-	12.00

Notes:

- 1 The audited condensed unconsolidated financial statements for the quarter ended June 30, 2020, have been taken on record by the Board of Directors at its meeting concluded on July 25, 2020 as recommended by the Audit Committee at its meeting held on July 23, 2020. The statutory auditors have expressed an unqualified audit opinion. The information presented above is extracted from the audited condensed interim unconsolidated financial statements.
- 2 Mr. Prakash Telang and Mr. Kiran Umrooatkar, Independent Directors of the Company retired at the 30th Annual General Meeting of the Company held on July 24, 2020.
- 3 The Company has considered the possible effects that may result from COVID-19 in the preparation of these condensed interim unconsolidated financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company has, at the date of approval of these condensed interim financial statements, used internal and external sources of information including internal credit evaluation report and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's condensed interim unconsolidated financial statements may differ from that estimated as at the date of approval of these condensed interim unconsolidated financial statements.
- 4 In accordance with para 4 of Notified Indian Accounting Standard 108 (Ind AS-108) "Operating Segments", the Company has disclosed segment information only on the basis of consolidated financial results.
- 5 During the quarter, there were 641 shareholders who were eligible to receive aggregate amount of INR 2,00,865 towards 2nd Interim Dividend for the Financial Year 2019-20 through Dividend Warrants. However, due to lockdown restrictions on account of COVID-19 pandemic, it was difficult for the Company to make necessary arrangements. Therefore, in the interest of time, the Company paid the above dividend amount to these shareholders through Demand Drafts.
- 6 The investors are requested to visit the following website of the Company and Stock Exchanges for further details:
 - Company's website:
<https://www.persistent.com/investors>
 - BSE Ltd: www.bseindia.com
 - National Stock Exchange of India Ltd.: www.nseindia.com

Pune
July 25, 2020

By order of Board of Directors of Persistent Systems Limited



Dr. Anand Deshpande
Chairman and Managing Director

"For risks and uncertainties relating to forward-looking statements, please visit our website :- www.persistent.com"

Persistent Systems Limited

Regd. Office : Bhageerath, 402, Senapati Bapat Road, Pune 411016, India
Ph. No. +91(20)67030000; Fax +91(20)67030009; Email : info@persistent.com, 'www.persistent.com'. CIN L72300PN1990PLC056696



Audited consolidated financial results of Persistent Systems Limited for the quarter ended June 30, 2020

IN ₹ Million

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2020 (Audited)	March 31, 2020 (Audited)	June 30, 2019 (Audited)	March 31, 2020 (Audited)
	Income				
1	Revenue from operations (net)	9,913.85	9,263.65	8,321.14	35,658.08
2	Other income	212.27	293.20	300.36	1,323.77
3	Total income	10,126.12	9,556.85	8,621.50	36,981.85
4	Expenses				
	- Employee benefits expense	5,785.07	5,675.97	4,916.25	21,556.40
	- Cost of professionals	1,350.47	1,163.23	859.82	3,918.94
	- Finance costs	14.16	11.68	18.50	63.32
	- Depreciation and amortization expense	435.61	420.25	386.32	1,659.62
	- Other expenses	1,320.37	1,155.29	1,343.00	5,260.15
	Total Expenses	8,905.68	8,426.42	7,523.89	32,458.43
5	Profit before exceptional items and tax	1,220.44	1,130.43	1,097.61	4,523.42
6	Exceptional items	-	-	-	-
7	Profit before tax	1,220.44	1,130.43	1,097.61	4,523.42
8	Tax expense				
	- Current tax	430.76	366.06	350.55	1,354.70
	- Tax charge in respect of earlier years	8.30	6.58	-	52.55
	- Deferred tax credit	(118.70)	(80.42)	(77.64)	(286.72)
	Total tax expense	320.36	292.22	272.91	1,120.53
9	Profit for the period / year	900.08	838.21	824.70	3,402.89
10	Other comprehensive income				
	A. Items that will not be reclassified to profit and loss				
	- Remeasurements of the defined benefit assets / (liabilities) (net of tax)	9.24	2.37	(26.37)	(34.80)
		9.24	2.37	(26.37)	(34.80)
	B. Items that may be reclassified to profit and loss				
	- Effective portion of cash flow hedge (net of tax)	149.98	(250.14)	(23.19)	(429.15)
	- Exchange differences in translating the financial statements of foreign operations	77.05	369.96	(0.63)	323.15
		227.03	119.82	(23.82)	(106.00)
	Total other comprehensive income for the period / year	236.27	122.19	(50.19)	(140.80)
11	Total comprehensive income for the period / year (Comprising Profit / (Loss) and Other Comprehensive Income for the period / year)	1,136.35	960.40	774.51	3,262.09
12	Paid-up equity share capital (Face value of share ₹ 10 each)	764.25	764.25	764.25	764.25
13	Other equity excluding revaluation reserves				23,093.30
14	Earnings per equity share in ₹ (Face value of share ₹ 10 each)				
	- Basic	11.78	10.97	10.65	44.38
	- Diluted	11.78	10.97	10.65	44.38
15	Dividend per share (in ₹) (Nominal value per share ₹ 10)				
	Interim dividend	-	3	-	12
	Final dividend	-	-	-	-
	Total dividend	-	3	-	12

Audited unconsolidated financial information

₹ in Million

Particulars	Quarter ended			Year ended
	June 30, 2020 (Audited)	March 31, 2020 (Audited)	June 30, 2019 (Audited)	March 31, 2020 (Audited)
Revenue from operations (net)	5,561.38	5,661.39	4,953.95	21,081.22
Profit before tax	1,575.48	1,664.21	1,114.73	5,329.06
Profit after tax	1,214.76	1,274.82	834.39	4,077.23

Segment wise Revenue, Results and Capital Employed

Considering the focus on industry verticals, the Group has decided to reorganize its operating segments as follows from April 1, 2020. The figures for the corresponding periods / year have been appropriately reclassified in line with the current period's classification.

The operating segments are:

- a. Banking, Financial Services and Insurance (BFSI)
- b. Healthcare & Life Sciences
- c. Technology companies and Emerging Verticals

IN ₹ Million

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2020 (Audited)	March 31, 2020 (Audited)	June 30, 2019 (Audited)	March 31, 2020 (Audited)
1	Segment revenue				
	- BFSI	3,153.11	2,888.34	2,301.03	10,506.77
	- Healthcare & Life Sciences	1,957.47	1,776.78	1,575.87	6,719.15
	- Technology companies and Emerging Verticals	4,803.27	4,598.53	4,444.24	18,432.16
	Total	9,913.85	9,263.65	8,321.14	35,658.08
2	Less: Inter segment revenue	-	-	-	-
3	Net sales/income from operations	9,913.85	9,263.65	8,321.14	35,658.08
4	Segment results i.e., profit before tax, interest and depreciation and amortization				
	- BFSI	1,049.05	1,054.46	724.59	3,598.15
	- Healthcare & Life Sciences	899.43	781.93	637.09	2,900.18
	- Technology companies and Emerging Verticals	1,587.94	1,569.82	1,562.94	6,418.19
	Total	3,536.42	3,406.22	2,924.62	12,916.52
5	Less:				
	- Finance costs	14.16	11.68	18.50	63.32
	- Other un-allocable expenses	2,514.09	2,557.31	2,108.87	9,653.55
6	Un-allocable income	212.27	293.20	300.36	1,323.77
7	Profit before tax	1,220.44	1,130.43	1,097.61	4,523.42

8	Segment assets [Trade receivables (net)]	As on		
		June 30, 2020 (Audited)	June 30, 2019 (Audited)	March 31, 2020 (Audited)
	- BFSI	2,059.46	1,218.09	1,818.41
	- Healthcare & Life Sciences	1,547.62	996.08	1,340.70
	- Technology companies and Emerging Verticals	3,134.89	2,518.01	2,762.85
	Total allocable segment assets	6,741.97	4,732.18	5,921.96
	Unallocable assets	25,434.37	22,935.10	24,999.73
	Total assets	32,176.34	27,667.28	30,921.69

Note for segment wise information:

Operating segments are components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision makers, in deciding how to allocate resources and assessing performance. The Group's chief operating decision makers are the Chief Executive Officer and the Chairman.

Segment wise capital employed

Segmentation of assets (other than trade receivables), liabilities, depreciation and amortization and other non-cash expenses into various reportable segments have not been presented as the assets and liabilities are used interchangeably between segments and the Group is of the view that it is not practical to reasonably allocate the other assets, liabilities and other non-cash expenses to individual segments and an ad-hoc allocation will not be meaningful.

Notes:

- The audited condensed interim consolidated financial statements for the quarter ended June 30, 2020, have been taken on record by the Board of Directors at its meeting concluded on July 25, 2020 as recommended by the Audit Committee. The statutory auditors have expressed an unqualified audit opinion. The information presented above is extracted from the audited condensed interim consolidated financial statements.
- The Group has considered the possible effects that may result from COVID-19 in the preparation of these condensed interim consolidated financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Group has, at the date of approval of these condensed interim consolidated financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's condensed interim consolidated financial statements may differ from that estimated as at the date of approval of these condensed interim consolidated financial statements.
- During the quarter, there were 641 shareholders who were eligible to receive aggregate amount of INR 2,00,865 towards 2nd Interim Dividend for the Financial Year 2019-20 through Dividend Warrants. However due to lockdown restrictions on account of COVID-19 pandemic, it was impossible for the Group to make necessary arrangements. Therefore, in the interest of time, the Group paid the above dividend amount to these shareholders through Demand Drafts.
- Mr. Prakash Telang and Mr. Kiran Umrookar, Independent Directors of the Company retired at the 30th Annual General Meeting of the Company held on July 24, 2020.
- Valista Limited, Ireland, the wholly owned subsidiary of the Company has been voluntarily dissolved w.e.f. June 24, 2020
- The investors are requested to visit the following website of the Group and Stock Exchanges for further details:
 - Group's website: <https://www.persistent.com/investors>
 - BSE Ltd.: www.bseindia.com
 - National Stock Exchange of India Ltd.: www.nseindia.com

By order of Board of Directors of Persistent Systems Limited

Pune
July 25, 2020

Anand Deshpande
Chairman and Managing Director

"For risks and uncertainties relating to forward-looking statements, please visit our website :- www.persistent.com"