



**PERSISTENT**

NSE & BSE / 2019-20 / 102  
January 30, 2020

The Manager,  
Corporate Services,  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai 400051

The Manager,  
Corporate Services,  
BSE Limited  
14<sup>th</sup> Floor, P J Towers, Dalal Street,  
Mumbai 400001

**Ref: Symbol: PERSISTENT**

**Ref: Scrip Code: 533179**

Dear Sir / Madam,

**Sub: Outcome of the Board Meeting - Quarterly Results for Q3 FY20 and declaration of Interim Dividend for the Financial Year 2019-20**

Further to our intimations dated December 19, 2019 and January 22, 2020, we wish to inform that, the Board of Directors, at its meeting held on January 29, 2020 and concluded on January 30, 2020 at 1610 HRS (IST), has *inter-alia* taken the following decisions:

**A. Approval of the Unaudited Financial Results for Q3 FY20**

Pursuant to Regulation 33 and all other applicable regulations, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Financial Results for the quarter and period ended December 31, 2019 have been approved. Accordingly, we enclose the following documents:

1. Limited Review Report of the Auditors dated January 30, 2020 on the Unaudited Consolidated Financial Results of the Company for the quarter and period ended December 31, 2019;
2. Unaudited Consolidated Financial Results of the Company for the quarter and period ended December 31, 2019;
3. Limited Review Report of the Auditors dated January 30, 2020 on the Unaudited Unconsolidated Financial Results of the Company for the quarter and period ended December 31, 2019;
4. Unaudited Unconsolidated Financial Results of the Company for the quarter and period ended December 31, 2019

**B. Approval of the payment of Interim Dividend for FY 2019-20**

The Board of Directors has approved the payment of Interim Dividend of INR 9 (INR Nine only) per Equity Share of INR 10 each for the Financial Year 2019-20.

Please acknowledge the receipt.

Thanking you,

Yours sincerely,  
For **Persistent Systems Limited**

Amit Atre  
Company Secretary  
ICSI Membership Number: ACS 20507



Encl: As above

Walker Chandiook & Co LLP  
3rd Floor, Unit No 309 to 312  
West Wing, Nyati Unitree  
Nagar Road, Yerwada  
Pune - 411 006  
India

T +91 20 6744 8800  
F +91 20 6744 8899

**Independent Auditor's Review Report on Unaudited Consolidated Quarterly Financial Results and Year to Date 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**

1. We have reviewed the accompanying statement of unaudited 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 (refer Annexure 1 for the list of subsidiaries and associate included in the Statement) for the quarter ended 31 December 2019 and the consolidated year to date results for the period 01 April 2019 to 31 December 2019 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), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the presentation requirements of the SEBI Circular and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



## Persistent Systems Limited

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

5. We did not review the interim financial results of fifteen subsidiaries included in the Statement whose financial information reflect total revenues of ₹ 1,237.59 million and ₹ 3,698.82 million, total net loss after tax of ₹ 115.78 million and ₹ 56.71 million, total comprehensive loss of ₹ 88.92 million and ₹ 35.79 million and, for the quarter and nine-month period ended on 31 December 2019, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.


Our conclusion is not modified in respect of this matter.

The Statement also includes the Group's share of net profit after tax of ₹ Nil and ₹ Nil, and total comprehensive income of ₹ Nil and ₹ Nil for the quarter and nine-month period ended on 31 December 2019 respectively, in respect of one associate, based on their interim financial results, which have not been reviewed by their auditors, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with SEBI Circulars, in so far as it relates to the aforesaid associate, are based solely on such unreviewed financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of this matter.

6. The audit of consolidated quarterly financial results for the quarter ended 30 June 2019, included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP who have expressed 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 review of the Statement. Our conclusion is not modified in respect of this matter.
7. The audit of consolidated quarterly and year-to-date financial results for the period ended 31 December 2018 and audit of consolidated financial results for the year ended 31 March 2019 included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP who have expressed unmodified opinion vide their audit report dated 28 January 2019 and 27 April 2019, respectively, whose report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

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

  
Bharat Shetty  
Partner  
Membership No. 106815



UDIN No:20106815AAAAAD6669

Place: Pune  
Date: 30 January 2020

## Persistent Systems Limited

Independent Auditor's Review Report on Unaudited Consolidated Quarterly Financial Results and Year to Date 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

Name of Entity	Relationship
Persistent Systems Limited (PSL)	Holding Company
Persistent Systems, Inc. (PSI)	Wholly owned subsidiary of PSL
Persistent Systems Pte Ltd.	Wholly owned subsidiary of PSL
Persistent Systems France SAS	Wholly owned subsidiary of PSL
Persistent Systems Malaysia Sdn. Bhd.	Wholly owned subsidiary of PSL
Persistent Systems Germany GmbH (PSGG)	Wholly owned subsidiary of PSL
Persistent Telecom Solutions Inc.	Wholly owned subsidiary of PSI
Aepona Group Limited (AGL)	Wholly owned subsidiary of AHL
Aepona Limited	Wholly owned subsidiary of AGL
Valista Limited (VL)	Wholly owned subsidiary of AGL
Youperience GmbH (YGmbH)	Wholly owned subsidiary of PSGG
Youperience Limited	Wholly owned subsidiary of YGmbH
Persistent Systems Lanka (Private) Limited	Wholly owned subsidiary of VL
Persistent Systems Mexico, S.A. de C.V.	Wholly owned subsidiary of PSI
Persistent Systems Israel Ltd	Wholly owned subsidiary of PSI
PARX Werk AG	Wholly owned subsidiary of PSGG
PARX Consulting GmbH	Wholly owned subsidiary of PARX Werk AG
Klisma e-Services Private Limited	Associate Company of PSL





**Unaudited consolidated financial results of Persistent Systems Limited for the quarter and nine months ended December 31, 2019**

in ₹ Million

Sr. No.	Particulars		Quarter ended			Nine months ended		Year ended
			December 31, 2019 (Unaudited)	September 30, 2019 (Audited)	December 31, 2018 (Audited)	December 31, 2019 (Unaudited)	December 31, 2018 (Audited)	March 31, 2019 (Audited)
	<b>Income</b>							
1	Revenue from operations (net)		9,227.29	8,846.00	8,642.49	26,394.43	25,340.87	33,659.41
2	Other income		347.75	382.46	229.93	1,030.57	592.59	876.55
3	<b>Total income</b>	(1+2)	<b>9,575.04</b>	<b>9,228.46</b>	<b>8,872.42</b>	<b>27,425.00</b>	<b>25,933.46</b>	<b>34,535.96</b>
4	<b>Expenses</b>							
	- Employee benefits expense		5,594.47	5,369.71	4,909.33	15,880.43	14,390.06	19,249.53
	- Cost of professionals		998.71	897.18	905.89	2,755.71	2,627.62	3,490.45
	- Finance costs		14.76	18.38	0.67	51.64	2.02	3.05
	- Depreciation and amortization expense		428.30	424.90	396.32	1,239.37	1,195.71	1,572.51
	- Other expenses		1,399.05	1,362.66	1,365.00	4,104.86	3,967.80	5,357.03
	<b>Total Expenses</b>		<b>8,435.29</b>	<b>8,072.83</b>	<b>7,577.21</b>	<b>24,032.01</b>	<b>22,183.21</b>	<b>29,672.57</b>
5	<b>Profit before exceptional items and tax</b>	(3-4)	<b>1,139.75</b>	<b>1,155.63</b>	<b>1,295.21</b>	<b>3,392.99</b>	<b>3,750.25</b>	<b>4,863.39</b>
6	Exceptional items		-	-	-	-	-	-
7	<b>Profit before tax</b>	(5-6)	<b>1,139.75</b>	<b>1,155.63</b>	<b>1,295.21</b>	<b>3,392.99</b>	<b>3,750.25</b>	<b>4,863.39</b>
8	<b>Tax expense</b>							
	- Current tax		348.37	289.72	266.03	988.64	1,044.45	1,343.20
	- Tax charge / (credit) in respect of earlier years		47.34	(1.37)	73.39	45.97	76.29	88.81
	- Deferred tax charge / (credit)		(135.22)	6.56	38.62	(206.30)	(42.55)	(85.41)
	<b>Total tax expense</b>		<b>260.49</b>	<b>294.91</b>	<b>378.04</b>	<b>828.31</b>	<b>1,078.19</b>	<b>1,346.60</b>
9	<b>Profit for the period / year</b>	(7-8)	<b>879.26</b>	<b>860.72</b>	<b>917.17</b>	<b>2,564.68</b>	<b>2,672.06</b>	<b>3,516.79</b>
10	<b>Other comprehensive income</b>							
	<b>A. Items that will not be reclassified to profit and loss</b>							
	- Remeasurements of the defined benefit liabilities / assets (net of tax)		(0.77)	(10.03)	(33.50)	(37.17)	(59.34)	(47.15)
			(0.77)	(10.03)	(33.50)	(37.17)	(59.34)	(47.15)
	<b>B. Items that may be reclassified to profit and loss</b>							
	- Effective portion of cash flow hedge (net of tax)		(31.11)	(124.71)	351.15	(179.01)	52.86	168.43
	- Exchange differences in translating the financial statements of foreign operations		(129.22)	83.04	(165.47)	(46.81)	172.24	113.82
			(160.33)	(41.67)	185.68	(225.82)	225.10	282.25
	<b>Total other comprehensive income for the period / year</b>	(A+B)	<b>(161.10)</b>	<b>(51.70)</b>	<b>152.18</b>	<b>(262.99)</b>	<b>165.76</b>	<b>235.10</b>
11	<b>Total comprehensive income for the period / year (Comprising Profit / (Loss) and Other Comprehensive Income for the period / year)</b>	(9+10)	<b>718.16</b>	<b>809.02</b>	<b>1,069.35</b>	<b>2,301.69</b>	<b>2,837.82</b>	<b>3,751.89</b>
12	Paid-up equity share capital (Face value of share ₹ 10 each)		764.25	764.25	800.00	764.25	800.00	791.19
13	Other equity excluding revaluation reserves							22,655.61
14	<b>Earnings per equity share in ₹ (Not annualised)</b>							
	- Basic		11.50	11.26	11.46	33.41	33.40	43.99
	- Diluted		11.50	11.26	11.46	33.41	33.40	43.99
15	<b>Dividend per share (in ₹) (Nominal value per share ₹ 10)</b>							
	Interim dividend		9	-	8	9	8	8.00
	Final dividend		-	-	-	-	-	3.00
	<b>Total dividend</b>		<b>9</b>	<b>-</b>	<b>8</b>	<b>9</b>	<b>8</b>	<b>11.00</b>

*Anand Deshpande*



**Unaudited unconsolidated financial information**

in ₹ Million

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2019 (Unaudited)	September 30, 2019 (Audited)	December 31, 2018 (Audited)	December 31, 2019 (Unaudited)	December 31, 2018 (Audited)	March 31, 2019 (Audited)
Revenue from operations (net)	5,448.79	5,017.09	4,879.75	15,419.83	14,435.96	19,598.67
Profit before tax	1,206.76	1,343.36	910.44	3,664.85	3,422.07	4,383.76
Profit after tax	899.56	1,068.46	610.01	2,802.41	2,430.08	3,150.08

**Segment wise Revenue, Results and Capital Employed**

The Group reorganised itself into three business units from April 1, 2018, which form the operating segments for segment reporting.

The operating segments are:

- a. Technology Services
- b. Alliance
- c. Accelerite (Products)

in ₹ Million


Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2019 (Unaudited)	September 30, 2019 (Audited)	December 31, 2018 (Audited)	December 31, 2019 (Unaudited)	December 31, 2018 (Audited)	March 31, 2019 (Audited)
1	Segment revenue						
	- Technology Services	6,434.28	5,979.85	5,597.18	18,118.64	16,276.88	22,018.03
	- Alliance	2,465.72	2,492.86	2,541.10	7,271.23	7,698.73	9,759.92
	- Accelerite (Products)	327.29	373.29	504.21	1,004.56	1,365.26	1,881.46
	<b>Total</b>	<b>9,227.29</b>	<b>8,846.00</b>	<b>8,642.49</b>	<b>26,394.43</b>	<b>25,340.87</b>	<b>33,659.41</b>
2	Less: Inter segment revenue	-	-	-	-	-	-
3	Net sales/income from operations	9,227.29	8,846.00	8,642.49	26,394.43	25,340.87	33,659.41
4	Segment results i.e. profit/ (loss) before tax, interest and depreciation and amortization						
	- Technology Services	2,417.09	2,285.07	2,134.66	6,770.26	6,167.91	8,507.67
	- Alliance	696.79	849.59	1,061.25	2,294.99	2,748.13	3,298.01
	- Accelerite (Products)	150.96	186.17	283.92	445.05	687.99	992.14
	<b>Total</b>	<b>3,264.84</b>	<b>3,320.83</b>	<b>3,479.83</b>	<b>9,510.30</b>	<b>9,604.03</b>	<b>12,797.82</b>
5	Less:						
	- Finance costs	14.76	18.38	0.67	51.64	2.02	3.05
	- Other un-allocable expenses	2,458.08	2,529.28	2,413.88	7,096.24	6,444.35	8,807.93
6	Un-allocable income	347.75	382.46	229.93	1,030.57	592.59	876.55
7	<b>Profit before tax</b>	<b>1,139.75</b>	<b>1,155.63</b>	<b>1,295.21</b>	<b>3,392.99</b>	<b>3,750.25</b>	<b>4,863.39</b>
8	<b>Segment assets [Trade receivables (net)]</b>						
		As on					
		December 31, 2019 (Unaudited)	December 31, 2018 (Audited)	March 31, 2019 (Audited)			
	- Technology Services	3,606.98	3,194.52	3,547.07			
	- Alliance	1,509.44	1,035.20	1,021.77			
	- Accelerite (Products)	395.52	496.94	354.17			
	<b>Total allocable segment assets</b>	<b>5,511.94</b>	<b>4,726.66</b>	<b>4,923.01</b>			
	Unallocable assets	23,706.09	24,458.22	23,632.98			
	<b>Total assets</b>	<b>29,218.03</b>	<b>29,184.88</b>	<b>28,555.99</b>			

**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 unaudited condensed consolidated financial statements for the quarter and nine months ended December 31, 2019, have been taken on record by the Board of Directors at its meeting concluded on January 30, 2020, as recommended by the Audit Committee at its meeting held on January 29, 2020. The Audit Committee has reviewed the above results and the Board of Directors has approved the above results and its release at their respective meetings held on January 29, 2020 and January 30, 2020. The Statutory Auditors of the Company have carried out a 'Limited Review' of the aforesaid results.
- 2 Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all applicable lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the period / year have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use assets (ROU) of ₹ 722.51 million and a lease liability of ₹ 888.90 million. The cumulative effect of applying the standard resulted in ₹ 123.60 million being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the period and earnings per share.
- 3 As reported in the previous quarters, Persistent Systems Limited ("the Parent Company") has deposits of ₹ 430.00 million with the financial institutions viz. Infrastructure Leasing & Financial Services Ltd. (IL&FS) and IL&FS Financial Services Ltd. (referred to as "IL&FS Group") as on the balance sheet date. The Group has not accrued any interest on these deposits since April 1, 2018. In view of the uncertainty prevailing with respect to recovery of outstanding balances from IL&FS Group, Management of the Parent Company has provided an additional amount of ₹ 200.00 million during nine months ended December 31, 2019, thereby taking the total provision to ₹ 382.50 million for impairment in value of deposits as of December 31, 2019. The provision currently reflects the exposure that may arise given the uncertainty. With the resolution plan in progress, the Management of the Parent Company is hopeful of recovery though with a time lag. The Parent Company continues to monitor developments in the matter and is committed to take steps including legal action that may be necessary to ensure full recovery of the said deposits.
- 4 The Board of Directors of Persistent Systems Limited, at its meeting commenced on January 29, 2020 and concluded on January 30, 2020 declared an interim dividend of ₹ 9 per share on the face value of ₹ 10 each for the Financial Year 2019-20. The Record Date for the payment of the same will be Friday, February 7, 2020. The payment will be made by Friday, February 14, 2020.
- 5 Aepona Holdings Limited, Ireland, the wholly owned subsidiary of Persistent Systems Inc., USA and step down subsidiary of the Company, dissolved w.e.f. October 24, 2019.
- 6 The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable.

By order of Board of Directors of Persistent Systems Limited

*Anand Deshpande*

Dr. Anand Deshpande  
Chairman and Managing Director

*Kiran Umrootkar*

Kiran Umrootkar  
Director

Pune  
January 30, 2020

"For risks and uncertainties relating to forward-looking statements, please visit our website :- [www.persistent.com](http://www.persistent.com)"



**Walker Chandlok & Co LLP**  
3rd Floor, Unit No 309 to 312  
West Wing, Nyati Unitree  
Nagar Road, Yerwada  
Pune - 411 006  
India

T +91 20 6744 8800  
F +91 20 6744 8899

**Independent Auditor's Review Report on Unaudited unconsolidated Quarterly Financial Results and Year to Date 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**

1. We have reviewed the accompanying statement of Unaudited unconsolidated financial results ('the Statement') of Persistent Systems Limited ('the Company') for the quarter ended 31 December 2019 and the year to date results for the period 1 April 2019 to 31 December 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the presentation requirements of the SEBI Circular, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.





# Walker Chandiok & Co LLP

## Persistent Systems Limited

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

---

5. The audit of unconsolidated quarterly financial results for the quarter ended 30 June 2019, included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP, who have expressed unmodified opinion vide their audit report dated 25 July 2019, whose audit report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.
6. The audit of unconsolidated quarterly and year-to-date financial results for the period ended 31 December 2018 and audit of unconsolidated financial results for the year ended 31 March 2019 included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP who have expressed unmodified opinion vide their audit report dated 28 January 2019 and 27 April 2019, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

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



**Bharat Shetty**  
Partner  
Membership No. 106815



**UDIN No:20106815AAAAAC4087**

**Place: Pune**  
**Date: 30 January 2020**

**Persistent Systems Limited**

Registered 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

**Unaudited unconsolidated financial results of Persistent Systems Limited for the quarter and nine months ended December 31, 2019**

(In ₹ Million)

Sr. No.	Particulars		Quarter ended			Nine months ended		Year ended
			December 31, 2019 (Unaudited)	September 30, 2019 (Audited)	December 31, 2018 (Audited)	December 31, 2019 (Unaudited)	December 31, 2018 (Audited)	March 31, 2019 (Audited)
	<b>Income</b>							
1	Revenue from operations (net)		5,448.79	5,017.09	4,879.75	15,419.83	14,435.96	19,598.67
2	Other income		409.73	558.94	222.95	1,275.72	782.33	1,037.90
3	<b>Total income</b>	(1+2)	<b>5,858.52</b>	<b>5,576.03</b>	<b>5,102.70</b>	<b>16,695.55</b>	<b>15,218.29</b>	<b>20,636.57</b>
4	<b>Expenses</b>							
	- Employee benefits expense		2,905.94	2,679.51	2,443.58	8,084.80	7,022.71	9,491.23
	- Cost of professionals		462.30	478.42	583.23	1,430.74	1,646.15	2,195.21
	- Finance costs		10.69	11.66	0.12	34.80	0.39	0.51
	- Depreciation and amortization expense		140.26	141.09	113.47	418.66	344.55	458.84
	- Other expenses		1,132.57	921.99	1,051.86	3,061.70	2,782.42	4,107.02
	<b>Total Expenses</b>		<b>4,651.76</b>	<b>4,232.67</b>	<b>4,192.26</b>	<b>13,030.70</b>	<b>11,796.22</b>	<b>16,252.81</b>
5	<b>Profit before exceptional items and tax</b>	(3-4)	<b>1,206.76</b>	<b>1,343.36</b>	<b>910.44</b>	<b>3,664.85</b>	<b>3,422.07</b>	<b>4,383.76</b>
6	Exceptional items		-	-	-	-	-	-
7	<b>Profit before tax</b>	(5-6)	<b>1,206.76</b>	<b>1,343.36</b>	<b>910.44</b>	<b>3,664.85</b>	<b>3,422.07</b>	<b>4,383.76</b>
8	<b>Tax expense</b>							
	- Current tax		324.83	262.58	235.00	925.60	981.50	1,283.16
	- Tax charge / (credit) in respect of earlier years		(1.60)	-	49.09	(1.60)	49.09	65.00
	- Deferred tax charge / (credit)		(16.03)	12.32	16.34	(61.56)	(38.60)	(114.48)
	<b>Total tax expense</b>		<b>307.20</b>	<b>274.90</b>	<b>300.43</b>	<b>862.44</b>	<b>991.99</b>	<b>1,233.68</b>
9	<b>Profit for the period / year</b>	(7-8)	<b>899.56</b>	<b>1,068.46</b>	<b>610.01</b>	<b>2,802.41</b>	<b>2,430.08</b>	<b>3,150.08</b>
10	<b>Other comprehensive income</b>							
	<b>A. Items that will not be reclassified to profit and loss</b>							
	- Remeasurements of the defined benefit liabilities / asset (net of tax)		0.25	(8.50)	(28.65)	(33.55)	(54.12)	(49.83)
			0.25	(8.50)	(28.65)	(33.55)	(54.12)	(49.83)
	<b>B. Items that may be reclassified to profit and loss</b>							
	- Effective portion of cash flow hedge		(31.11)	(124.71)	351.15	(179.01)	52.86	168.43
			(31.11)	(124.71)	351.15	(179.01)	52.86	168.43
	<b>Total other comprehensive income for the period / year</b>	(A+B)	<b>(30.86)</b>	<b>(133.21)</b>	<b>322.50</b>	<b>(212.56)</b>	<b>(1.26)</b>	<b>118.60</b>
11	<b>Total comprehensive income for the period / year (Comprising Profit (Loss) and Other Comprehensive Income for the period / year)</b>	(9+10)	<b>868.70</b>	<b>935.25</b>	<b>932.51</b>	<b>2,589.85</b>	<b>2,428.82</b>	<b>3,268.68</b>
12	Paid-up equity share capital (Face value of share ₹ 10 each)		764.25	764.25	800.00	764.25	800.00	791.19
13	Other equity excluding revaluation reserves							21,420.71
14	<b>Earnings per equity share in ₹ (Not Annualised)</b>							
	- Basic		11.77	13.98	7.63	36.50	30.38	39.40
	- Diluted		11.77	13.98	7.63	36.50	30.38	39.40
15	<b>Dividend per share (in ₹) (Nominal value of share ₹ 10 each)</b>							
	Interim dividend		9	-	8	9	8	8.00
	Final dividend		-	-	-	-	-	3.00
	<b>Total dividend</b>		<b>9</b>	<b>-</b>	<b>8</b>	<b>9</b>	<b>8</b>	<b>11.00</b>



*Amrind Deshpande*

**Notes:**

- 1 The unaudited condensed consolidated financial statements for the quarter and nine months ended December 31, 2019, have been taken on record by the Board of Directors at its meeting concluded on January 30, 2020, as recommended by the Audit Committee at its meeting held on January 29, 2020. The Audit Committee has reviewed the above results and the Board of Directors has approved the above results and its release at their respective meetings held on January 29, 2020 and January 30, 2020. The Statutory Auditors of the Company have carried out a 'Limited Review' of the aforesaid results.
- 2 Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all applicable lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the period / year have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 358.91 million and a lease liability of ₹ 501.15 million. The cumulative effect of applying the standard resulted in ₹ 106.44 million being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the period and earnings per share.
- 3 As reported in the previous quarters, the Company has deposits of ₹ 430.00 million with the financial institutions viz. Infrastructure Leasing & Financial Services Ltd. (IL&FS) and IL&FS Financial Services Ltd. (referred to as "IL&FS Group") as on the balance sheet date. The Company has not accrued any interest on these deposits since April 1, 2018. The amount due including interest have not been received as on date. In view of the uncertainty prevailing with respect to recovery of outstanding balances from IL&FS Group, Management of the Company has provided an additional amount of ₹ 200.00 million during the nine months ended December 31, 2019, thereby taking the total provision to ₹ 382.50 million for impairment in value of deposits as of December 31, 2019. The provision currently reflects the exposure that may arise given the uncertainty. With the resolution plan in progress, the Management is hopeful of recovery though with a time lag. The Company continues to monitor developments in the matter and is committed to take steps including legal action that may be necessary to ensure full recovery of the said deposits.
- 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 unaudited consolidated financial results.
- 5 The Board of Directors of Persistent Systems Limited, at its meeting commenced on January 29, 2020 and concluded on January 30, 2020 declared an interim dividend of ₹ 9 per share on the face value of ₹ 10 each for the Financial Year 2019-20. The Record Date for the payment of the same will be Friday, February 7, 2020. The payment will be made by Friday, February 14, 2020.

Pune  
January 30, 2020

By order of Board of Directors of Persistent Systems Limited

*Anand Deshpande*

Dr. Anand Deshpande  
Chairman and Managing Director



*Kiran Umrootkar*  
Kiran Umrootkar  
Director

"For risks and uncertainties relating to forward-looking statements, please visit our website :- [www.persistent.com](http://www.persistent.com)"

