



Re(AI)maging™ the World



Transforming Industries,
Engineering an AI Future

2025 Annual Report

35th Annual General Meeting

Monday, July 21, 2025
1600 Hrs. IST

Venue for Physical Meeting

Persistent Systems Limited, Dewang Mehta Auditorium
'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India

Video Conferencing and e-Voting

[Click here](#)

Members are requested to follow the instructions provided in the Notice of 35th Annual General Meeting in order to attend the AGM in person or via video conferencing and to e-Vote.

Remote e-Voting Period

1. 0900 Hrs. IST on Wednesday, July 16, 2025 —
1700 Hrs. IST on Sunday, July 20, 2025
2. During the AGM and within half an hour from the end of the AGM

Dividend

The Board has recommended a Final Dividend of INR 15 (INR Fifteen Only) per Equity Share having a face value of INR 5 (INR Five Only) for the Financial Year 2024-25 for the approval of the Members.

Read this Annual Report online:

[Click here](#)

More details of the Annual General Meeting can be found at:



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Re(AI)maging the World

Transforming Industries, Engineering an AI Future



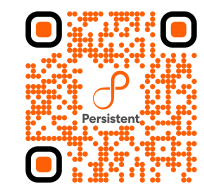
Years of
Excellence

Imagination is uniquely human and powerful. It's the ability to turn aspirations into reality. It's looking out on the horizon and envisioning new ways to shape the future. For global enterprises, AI is powering new waves of imaginative thinking and harnessing creativity to change, grow, and thrive within their industries. They want to reach new customers and gain competitive advantages. Most importantly, they want to work with a forward-thinking provider with a passion for AI solutions that will impact their business and contribute to the global good. At Persistent, as we move into our 35th year, we're embracing the innate human capacity for imagination and applying AI to our clients' most daunting business challenges by **Re(AI)maging the World**.

Given AI's vast potential, enterprises realise they need trusted collaborative providers that can assist them as they chart the best course to AI success. Enterprises don't need a provider that claims to know exactly how AI will shape the future. Instead, they want a partner that helps them reimagine what the future could be through AI's transformative capabilities. Clients have eagerly joined us on this **Re(AI)maging** journey, reflected in our outstanding FY25 results and positive outcomes for investors, including \$1.4 billion in annual revenue and 20 quarters of sequential growth. Our financial performance is complemented by a litany of achievements, brand recognitions, and third-party accolades that elevate Persistent to the pinnacle of the market.

Our commitment to AI is built upon our strong heritage in data systems, our unmatched prowess in software engineering and product development, our expertise in cloud modernisation, our extensive partner ecosystem, and our market-leading AI solutions and platforms.

Re(AI)maging requires teamwork and trust. Through the skill, dedication and innovation of our global workforce, we've collaborated with clients to unlock value, overhaul operations, and implement secure AI solutions at scale. Clients trust us to leverage our intimate knowledge of industries and domains to deliver AI solutions that are aligned to their unique needs, backed by an unwavering focus on quality and achieving success. In this extraordinary moment of AI transformation, we commit ourselves to applying our collective imagination to solve enterprises' most critical business issues — one question, one insight, one AI breakthrough at a time — by **Re(AI)maging the World**.



Scan the QR code to watch our celebration video



Message from THE CHAIRMAN

“Our growth journey continues with remarkable consistency — this year marked our 20th consecutive quarter of growth. I want to recognise all our employees for their dedication and their families for their unwavering support.”

Anand Deshpande

Founder, Chairman and Managing Director

Dear Fellow Shareowners,

It is a pleasure to share with you our 35th Annual Report for the Financial Year 2024-25. With immense gratitude, I am delighted to share that what started as an idea 35 years ago is now a Company with more than 24,500 employees and \$1.4 billion in revenue. The journey continues as we march steadily towards becoming a \$2 billion business.

We didn't get here alone. Not even close.

I still remember the early days of Persistent. We had big dreams but limited resources. What made the difference was our employees and their exceptional technical skills, and our clients' unwavering belief in us. Talented people who were willing to join us, and visionary clients were willing to take a chance on a small company in Pune with big dreams. I remain deeply grateful to the nearly 95,000 employees and the more than 4,500 clients who have contributed to our success and helped shape our journey over the last 35 years.

This year also marks the 15th anniversary of our IPO and listing on the National Stock Exchange of India Limited and BSE Limited. I extend my heartfelt appreciation to all investors for your steadfast support in making the Persistent stock one of the best-performing stocks since listing. Your confidence has created substantial wealth for all of us as shareowners. I am especially proud of the wealth we have generated for our employees through our employee stock option plans.

As we look ahead, I'm excited about where we go next. Technology is evolving at

an unprecedented pace. AI, cloud, and data science are powerful tools that we are deploying to solve our clients' most complex challenges. In a fast-changing and exponentially evolving world, continuous learning is critical. We have invested significantly in training our workforce, equipping them with innovative AI capabilities. This foundation has enabled us to develop our focused AI strategy — AI for Technology and AI for Business — and we are now confidently executing this vision, **Re(AI)maging the World** one client at a time, starting with ourselves as Client Zero.

Our growth journey continues with remarkable consistency — this year marked our 20th consecutive quarter of growth. I want to recognise all our employees for their dedication and their families for their unwavering support. The industry has taken notice and acknowledged our efforts and consistency, with our CEO and Executive Director, Sandeep Kalra, recognised as a Tech Titan by Business Today India.

As I look ahead, the market and our clients will expect even more from us. Our teams are ready, and I am confident they will exceed these expectations.

As responsible corporate citizens, giving back to our community is core to our DNA. We have systematically distributed 1% of our profits to Corporate Social Responsibility initiatives for more than 30 years, and since 2009, Persistent Foundation has led our CSR efforts. I am proud of the Foundation's impactful work in education, healthcare, community development, wildlife conservation, and heritage preservation.

Beyond funding, thousands of our employees volunteer their time to make a meaningful difference in society. Our ESG commitment has also gained recognition, and we are now a top member of the Dow Jones World Sustainability Index.

Throughout this remarkable journey, you, our shareowners, have been true partners in our growth story. Your patience during our early years, your faith in our vision when we were still proving ourselves, and your continued confidence as we scale new heights have been instrumental to our success. Many of you have held our stock for years, believing in our long-term potential even when quarterly results may have tested that conviction. This partnership approach — where shareowners, employees, and the management work together towards shared prosperity — has been fundamental to creating the value we celebrate today. Your support extends beyond capital; it represents a shared commitment to building something enduring and meaningful.

Finally, I would like to express my heartfelt gratitude to all our employees who bring passion and excellence to their work every day, to our clients who trust us with their most important initiatives, to our partners who amplify our capabilities and extend our reach, and to our vendors and suppliers who enable our operations with their reliability and quality. Each of you plays an indispensable role in our continued success, and your unwavering support and collaboration make our shared achievements possible.

With best regards,
Anand Deshpande
Founder, Chairman and Managing Director





Message from THE CEO

“**Re(AI)maging the World** reflects how we are investing into the latest market-leading AI innovations and initiatives aimed at fundamentally transforming our and our clients’ businesses.”

Sandeep Kalra

Executive Director and Chief Executive Officer

Dear Valued Shareholders,

I am pleased to present the Annual Report for the Financial Year 2024-25, a landmark year that celebrates 35 years of our journey as a leading technology and services company. Our robust financial performance and growth is a testament to our enduring legacy of product engineering excellence and collaborative client relationships. This achievement is a culmination of our team's dedication and our commitment to innovation, underscoring our position as a trusted partner for businesses worldwide.

Reflecting on the past year, I extend my sincere gratitude to our valued clients for their trust and partnership, our dedicated global team for their inspiring innovations, our technology partners for their collaboration and expertise that fuel our growth and innovation, and our investors for their steadfast support.

For FY25, we achieved 18.8% Year-on-Year growth, in US\$ terms, with \$1.409 billion in revenue, marking 20 quarters of sequential growth. We are pleased to announce a final dividend of ₹15 per share, bringing the total dividend for FY25 to ₹35 per share. This milestone is particularly significant as we celebrate two notable anniversaries: 35 years since Persistent’s inception and 15 years since our listing on the National Stock Exchange of India Limited and BSE Limited. During this period, our global team has expanded to more than 24,500 employees across 19 countries, with an unyielding focus on delivering client value.

The theme of this year’s report, “**Re(AI)maging the World**,” reflects how we are investing into the latest market-leading AI innovations and initiatives aimed at fundamentally transforming our and our clients’ businesses. By leveraging our AI capabilities across geographies and industries, our clients are transforming their businesses, building new levels of adaptability and resiliency into their operations to address market challenges, and creating new avenues of growth.

Our AI strategy is successfully proceeding with clients on several fronts. On the one hand, we are partnering with hyperscalers and leading technology companies to build scalable agentic platforms. On the other, our Generative AI-enabled platform, SASVA, is helping us to pivot towards AI-driven platform services, accelerating software development and reducing technical debt for tech companies.

We're revolutionising legacy backend processes by integrating AI agent-driven workflows, powered by platforms like GenAI Hub for innovative GenAI applications and iAURA for data-driven decision-making. Additionally, we are targeting high-growth sub-verticals with tailored AI solutions, including intelligent insurance operations, AI-powered payment platforms in Banking, Financial Services and Insurance, and personalised member experiences in Healthcare and Life Sciences.

Our success is resonating with third-party analysts and the broader market, underscoring our industry-leading capabilities as we continue to **Re(AI)magine the World**. This recognition is reflected in our recent accolades, including being named a Challenger in the Gartner Magic Quadrant for Public Cloud Transformation Services for the second consecutive year. We've also earned the 2024 ISG Star of Excellence award for Superior Customer Experience and achieved top European rankings for client satisfaction in innovation from Whitelane Research.

Our commitment to **Re(AI)maging the World** also encompasses our ongoing ESG initiatives. We have earned a spot in the top 10% of the S&P Global 2025 Sustainability Yearbook, reinforcing our dedication to responsible business practices and long-term sustainability. Notably, since February 2025, we have achieved 100% renewable energy sourcing for all our own locations in Pune, Nagpur, and Goa. Furthermore, we are proud to have made a \$1 million initial investment in Persistent Foundation US, mirroring our community-building and life-saving initiatives across India.

At the heart of our success lies our people-centric approach, recognising our employees as the driving force behind

innovation and growth. We are committed to nurturing talent through comprehensive Learning & Development (L&D) initiatives that empower our workforce to excel in an ever-evolving landscape. Our focus on employee growth and well-being has earned us multiple wins at the prestigious Economic Times Human Capital Awards 2025, recognising excellence in employee practices. By investing in our people and fostering a culture of continuous learning, we are poised to unlock new potential and drive sustainable success.

We continue to aspire to strengthen our position in terms of cutting-edge capabilities, unwavering customer focus, and a talented workforce as we move towards our aspiration of \$2 billion in revenue in the next several years. As we enter FY26, we are optimistic about our continued journey, poised to deliver impactful solutions, forge meaningful partnerships, and create lasting value for our clients, partners, and investors.

Through our **Re(AI)maging the World** vision, we are excited to explore new horizons, push boundaries, and redefine what is possible. Thank you for your continuous and valued support.

With best regards,
Sandeep Kalra
CEO and Executive Director



Knowledge Support: PwC India



FY25 PERFORMANCE HIGHLIGHTS

\$375.2M

FY25 Q4 Revenue +20.7% YoY

\$1,409.1M

FY25 Revenue +18.8% YoY

\$350.2M

FY25 Q4 Annual Contract Value (ACV) Booking

\$1,464.1M

FY25 Annual Contract Value (ACV)

₹3.96B

FY25 Q4 PAT +25.5% YoY

₹14.00B

FY25 PAT +28.0% YoY

\$10B+

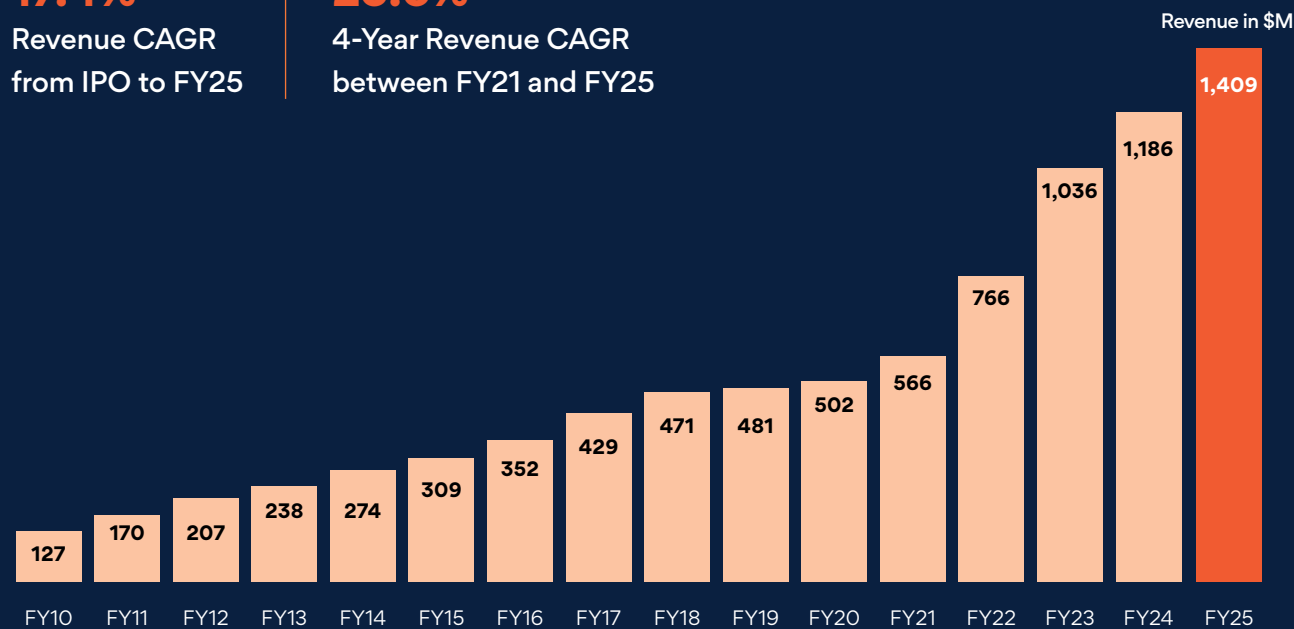
Market Capitalisation

24,594

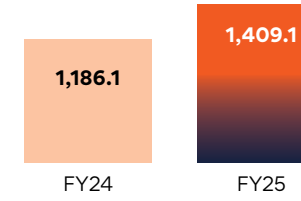
Employees

17.4%
Revenue CAGR
from IPO to FY25

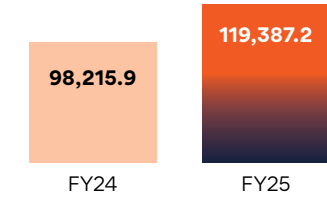
25.6%
4-Year Revenue CAGR
between FY21 and FY25



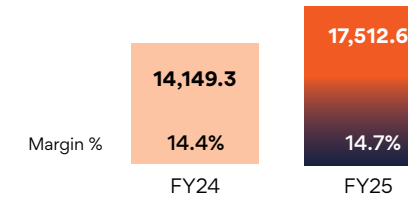
Revenue (\$ Million) ↑ 18.8%



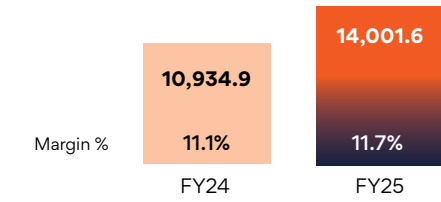
Revenue (₹ Million) ↑ 21.6%



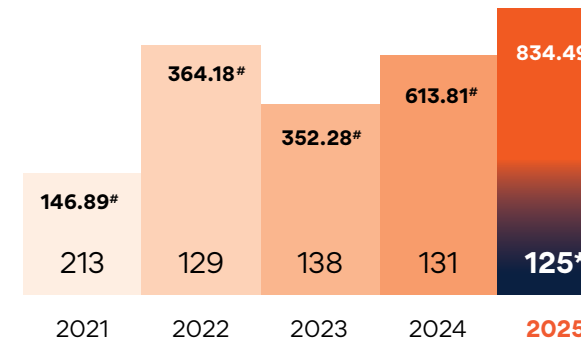
EBIT (₹ Million) ↑ 23.8%



PAT (₹ Million) ↑ 28.0%

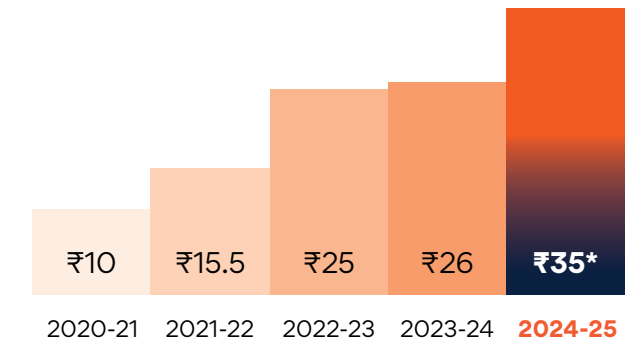


Ranking Based on Market Capitalisation



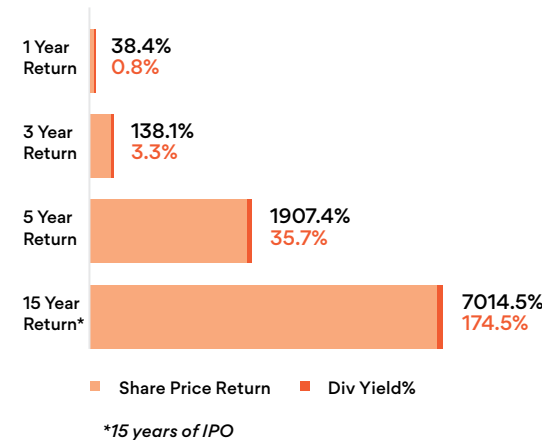
*As on December 31, 2024
#Market Cap in ₹ Billion

Dividend per Share

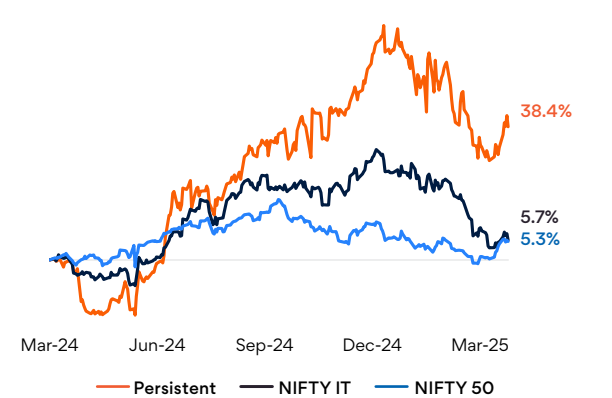


* Subject to Members' approval
For ease of reference, the dividends of the previous years have been restated in accordance with the Sub-Division

Persistent Total Shareholder Return



Persistent 1-Year Stock Performance*



* Stock Performance till March 31, 2025

Enabling Our AI-READY WORKFORCE



Our outstanding business performance is driven by a fundamental belief: when we invest in the growth and transformation of our people, we unlock value for our clients, shareholders, and society at large.

This year, our 24,500+ global employees leveraged a powerful combination of

AI expertise and training, business and industry insight, and ambition for personal and professional growth to deliver exceptional contributions in our journey to \$1.4 billion in annualised revenue. Our culture of empowerment, trust, and global collaboration continues to be a key differentiator, fuelling innovation and operational excellence.

We strategically expanded our capabilities in high-impact areas like data, AI, Generative AI-powered software development, and industry-specific AI agents to ensure our that our employees remain at the forefront of emerging technologies and platforms.

These investments in talent and transformation position us for sustained, long-term growth, and we remain committed to attracting and retaining top talent who are ready to accelerate their careers — and our business — while shaping a more intelligent, AI-driven future.

FY25 PEOPLE HIGHLIGHTS

Persistent's growth reflects the hard work and dedication of our 24,500+ global employees, driving more than \$1.4 billion in annual revenue in FY25. At the heart of this is a culture that fosters employee engagement, empowerment, and equity, making Persistent a phenomenal place to work.

Our efforts have yielded an industry-leading employee retention benchmark, as well as prestigious recognitions and awards. Moving with purpose, we introduced experiential learning courses for career development across all employee levels, integrated an end-to-end digital employee navigation platform that streamlines onboarding, and launched a flagship project — SHEROES — designed to empower women to steer their careers in technology.

We view our diverse backgrounds and viewpoints as one of our greatest strengths. Promoting a culture that advances diversity, equity, inclusion, and belonging, we celebrate team members who actively promote and embody our diverse spirit through their advocacy and actions. These leaders contribute to the education and awareness of colleagues and stakeholders, and demonstrate a commitment to our diversity principles throughout our global workforce, wherever they work and live.

24,594
Employees

19
Countries

87.4%
Employee Retention
(Industry-Leading)

Huddle 2025



CELEBRATING EMPLOYEE-DRIVEN SUCCESS

We received the **highest number of awards** at the **Economic Times Human Capital Awards** across multiple categories underscoring our **excellence in people practices**



Celebrating at the ET Human Capital Awards

-  Excellence in Performance Management (Silver)
-  Excellence in HR Business Partnership Function (Bronze)
-  Excellence in Employee Retention Strategy (Silver)
-  Excellence in HR Digital Transformation (Bronze)
-  Excellence in Freshers/ Campus Hiring (Silver)
-  L&D Practitioner of the Year (Gold) - Manoj Apte, Head - L&D

AWARDS & ACHIEVEMENTS



Arogya World Healthy Workplace

Persistent is the proud winner of the prestigious **Platinum Award** and has successfully entered the highest and most aspirational league of **2024 Platinum Healthy Workplaces**



TISS LeapVault CLO Awards

Awarded Best Employee Engagement Program at the 16th TISS LeapVault CLO Awards, our third consecutive year of recognition



SEAP Awards

SEAP, Pune awarded us with **Special Mention** in the category **Making a Difference in People Practices**



Employee Provident Fund Organisation

Best Complying Establishment in large establishment category by the Employee Provident Fund Organisation

MyLife @PERSISTENT

Ensuring our employees lead fulfilled lives outside of work is a hallmark of employee engagement at Persistent. We recognise the need to foster a culture that prioritises work-life balance, enabling our employees to lead healthy lives — physically, mentally, and emotionally.

MyLife@Persistent, envisioned by Dr. Anand Deshpande, promotes work-life harmony and employee happiness. It aims to create a supportive community that empowers employees to achieve their life goals and fosters holistic well-being. By focusing on Individual, Collective, and Community levels, MyLife@Persistent positions Persistent as an employer of choice, cultivates a vibrant work culture, strengthens employee belonging, and reduces attrition.

In FY25, MyLife@Persistent offered comprehensive programmes to support employees' overall well-being, encompassing physical, emotional, social, and financial wellness.

Wellness category	Number of events	Number of participants
Emotional Wellness	40	7,174
Financial Wellness	11	5,024
Physical Wellness	140	28,560
Social Wellness	270	57,358
Grand Total	461	98,116



WORKPLACE EVENTS

RUN

Persistent Run is our flagship event promoting physical wellness and teamwork. It is held annually across all global locations and open to Persistent family and friends to participate in 3K, 5K, and 10K runs.

10,500+
Runners

30+
Locations Across
the Globe

500+
Volunteers



WOMEN'S DAY

Celebrating International Women's Day was a week-long event with special sessions on financial investments, fitness, image management, and workplace equity.

1,900+
Participants

13
Locations

18
Activities



PULSE

PULSE is a platform for employees to showcase their talents. The Grand Finale showcases employees' talents in performing arts and cultural expressions, with leadership involvement to align with organisational values.

16,900+
Participants

13
Locations

500+
Volunteers



KUDOS

Kudos is an employee appreciation program that encourages teammates, managers, and leaders to share simple, heartfelt notes that strengthen connections and foster a culture of gratitude.

81%
Employee Connect

3,100+
Messages Sent

2,300+
Email Exchanges





Persistent University For Learning and Development

Recognising the need for a future-ready workforce in a dynamic business environment, Persistent University is a strategic hub for rapid skills development, with more than 2 million learning hours recorded. Focusing on reskilling and upskilling initiatives, the University offers learning programs and specific tracks for employees and leaders, helping them navigate their professional journeys and map career progression with business needs. The University enabled 11.16% of total customer demand for resources through internal skilling programs, ensuring that our workforce is future-ready and fully prepared to take advantage of new waves of innovation.

We are recognised as the Best Corporate University by the Tata Institute of Social Sciences for the breadth of our courses aligned with technical and domain expertise, our professional development for project and program managers, and our curated executive leadership program that is run in collaboration with external consultants.

As the AI ecosystem orchestrator of choice, Persistent has invested significantly in hyperscaler certifications, enabling our teams to deliver market-leading solutions to clients. Our teams are among the most certified globally, with 22,000 hyperscaler certifications and more than 8,000 partner certifications, including 3,900 Generative AI and AI/Machine Learning external certifications, which demonstrates our ability to co-drive complex AI projects with partners. Designed to meet the unique business requirements and niche technology capabilities of our clients, the Persistent Digital Engineering Academy 2.0 (PDEA) has set the benchmark in employee engagement, with more than 170 skill clusters and more than 650 tailored learning paths and certification-linked assessments. Rolled out for a limited set of employees last year, more than 6,600 employees are now certified under PDEA 2.0. This enables a culture of continuous learning, skill enhancement, and resilient career-building for our employees.

FY25 Key Highlights

425 Hours of average learning hours per full-time employee (FTE)	94.1% Learning coverage across the workforce	₹11,027 Average training investment per FTE	23,139 Employees trained globally
461 Digital, technical, and power skill courses conducted	3,900 GenAI and AI/ML external certifications	7 Internal GenAI trainings	20,529 Internal GenAI certifications
22,100 Hyperscaler partner certifications	8,285 Non-hyperscaler partner certifications	16 New domain and project management e-learning programmes	1,300 Certifications on SASVA, Persistent's proprietary AI platform

Persistent University's Awards and Recognitions

	Excellence in Learning & Development Learning Elite Organisation		Architect Competence Development Program for Technical Architects Program Best Assessment Tool Innovation in Learning
	Excellence in Learning & Development		Best Corporate University Gold, Silver - Best CLO, Best Game Based Learning, Best Employee Engagement
	CLO Chief Learning Officer of the Year		Best Corporate University
	Best Employee Engagement Program		L&D Team of the Year



Environmental, Social and Governance

“Our steadfast commitment to ESG principles has elevated us to industry-leading benchmarks, solidifying our position as a responsible corporate entity.”

Dear Stakeholders,

At Persistent, sustainability is not just an ambition, it is a fundamental pillar of our business strategy. During the past year, we have strengthened our ESG framework, ensuring that environmental stewardship, social responsibility, and governance excellence are deeply embedded in our growth trajectory. Our steadfast commitment to these principles has elevated us to industry-leading benchmarks, solidifying our position as a responsible corporate entity.

Our key milestones include maintaining carbon neutrality for Scope 1 and 2 emissions, increasing renewable energy use, aligning with global sustainability frameworks, inclusion in the Dow Jones World Sustainability Index, and enhancing ESG transparency.

A major achievement is the validation of our science-based greenhouse gas (GHG) reduction targets by the SBTi, confirming our commitment to a 1.5°C pathway. We aim to reduce GHG emissions by scaling renewable energy, deploying low-carbon technologies, working with value chain partners, and promoting ESG principles within our workforce through sustainability initiatives.

As we continue our advance towards becoming a net-zero, resilient, and responsible enterprise, we remain committed to collaborating with all of our stakeholders to foster a more sustainable, inclusive, and future-ready world.

Chitra Byregowda
Head of Environmental, Social and Governance

Our Commitments

SBTi-Approved Net-Zero Target

Our net-zero targets have been approved by the Science Based Targets initiative (SBTi). We plan to achieve a 54.6% reduction in Scope 1 and 2 emissions by FY 2034 and similar reductions in Scope 3 emissions. Our long-term objective is a 90% reduction in GHG emissions across our value chain by FY 2050.

Commitment to UNGC

Persistent has joined the **United Nations Global Compact** as a part of its commitment to being a responsible organisation. Participating members align their strategies and operations around universal principles on human rights, labour, the environment, and anti-corruption.

ESG Ratings

S&P Global ©S&P Global 2025.

Persistent Systems Limited
IT services

Top 10%

Corporate Sustainability Assessment (CSA) 2024 Score

85/100 | Score date February 5, 2025 | For terms of use, visit www.spglobal.com/yearbook.

MSCI ESG RATINGS **BBB**

S&P Global

Included in the **Dow Jones World Sustainability Index**

Learn more about our ESG activities:

<https://www.persistent.com/company-overview/environmental-social-and-governance/>



Key Achievements

Environment

Renewable Energy

Carbon Neutrality achieved for Scope 1 and Scope 2 emissions as per **ISO 14068-1:2023**

62.79%

Renewable energy consumed within our owned facilities in India

56.83%

of renewable energy consumed across global locations

99%

of waste recycled

42.80%

of Renewable Energy Certificates (IRECs) purchased

35.09%

Reduced Scope 1 & 2 GHG emissions in FY25 from FY 2024 baseline

24.08%

From two Windmills with 4.2 MW Wind Power

11.69%

of water consumption reduced from FY 2024 baseline

20.82%

From Green Tariff

35%

Treated wastewater in owned campuses is used within our facilities

11.92%

From two MW solar power

35,795

Trees planted in FY25

150,000+

Trees planted till date

Climate Action Goals

- Maintain carbon neutrality across Scope 1 and Scope 2 emissions annually
- Source 100% of electricity from renewable energy for all owned facilities by FY 2026
- Reduce absolute Scope 1, 2, and 3 emissions by 54.6% by FY 2034 from FY 2024 base year (as per SBTi-approved targets)
- Achieve net-zero GHG emissions across the value chain by FY 2050

Social

29.85%

Women in the workforce

Employee Well-Being

98,116

Participants engaged in Physical, Social, Emotional and Financial wellbeing initiatives

8.1/10

Employee Net Promoter Score (eNPS)

59

Nationalities

94 Hours

Average learning hours per Full Time Employee (FTE)

Zero

Accidents

51

Specially-abled people

94.1%

Learning coverage

Governance

7/9

Independent Non-Executive Directors on the Board

59

NPS

2/9

Women Independent Directors on the Board

81%

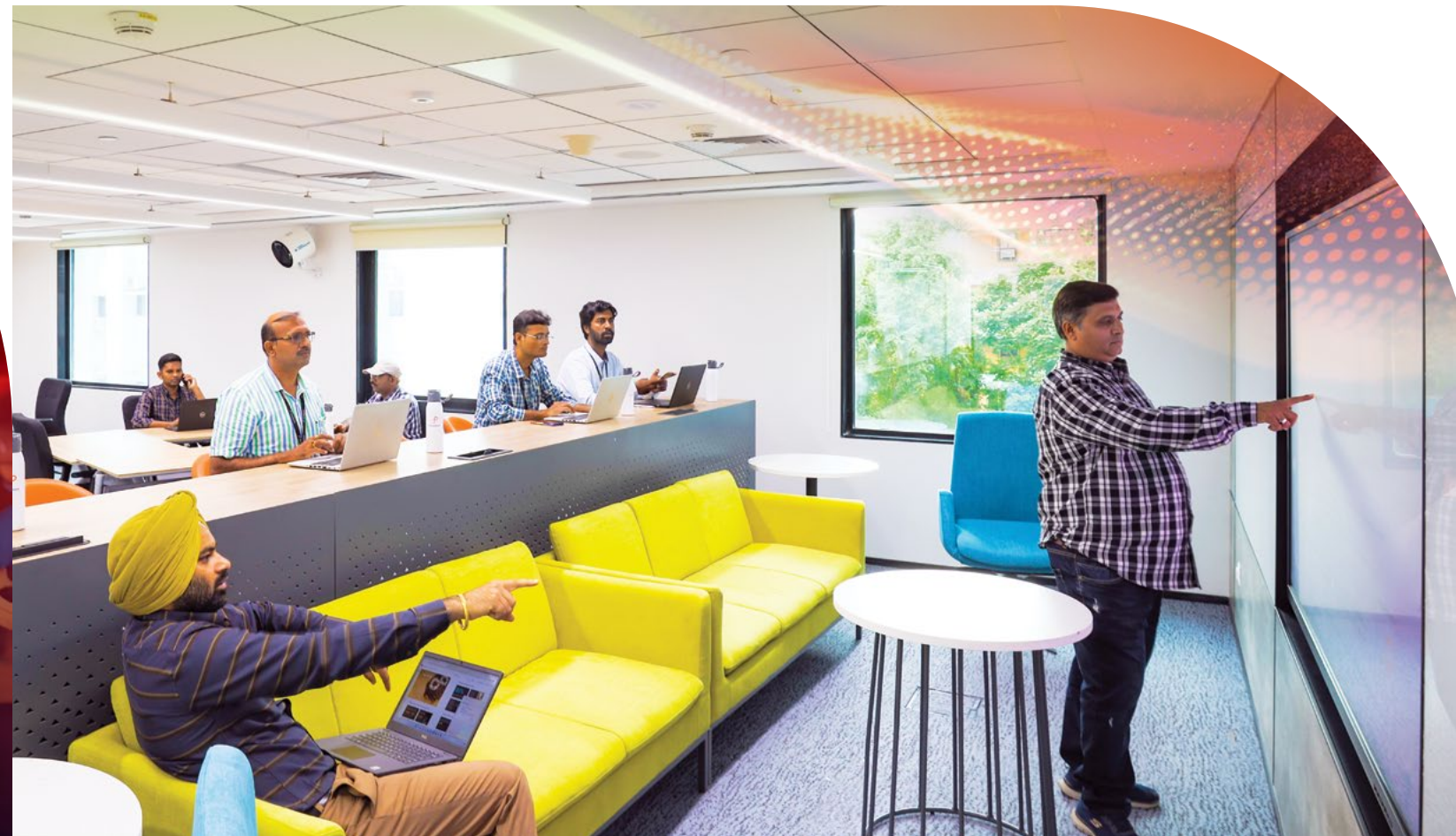
Response rate

97%

Code of Conduct training coverage

Zero

Data breaches reported





Message from CHAIRPERSON

“Our interactions with the NGOs we support helped us realise the value that our interventions have added to the lives of our beneficiaries. We are truly humbled and indebted to everyone who contributed to us reaching this milestone.”

Sonali Deshpande

Chairperson and Founder Trustee at Persistent Foundation

Dear Valued Stakeholders,

Commemorating 15 years of “Service to Society” has given us an added impetus to move ahead with more enthusiasm and energy. [The video](#) that we curated to showcase our success and the impact of our work was very well received and appreciated in all parts of India and the US as well. Our celebrations took us from Pune to Hyderabad, Goa, Bengaluru, and Nagpur.

Our interactions with the NGOs we support helped us realise the value that our interventions have added to the lives of our beneficiaries. We are truly humbled and indebted to everyone who contributed to us reaching this milestone. I would like to express my deepest gratitude to our stakeholders, employees, and our beneficiaries. Our Trustees and our Board Members are our guiding light every step of the way. The donations of time and money by Persistent employees always enhance the scope of our projects, and our Foundation team members are, of course, the torch bearers of our success and achievements.

Throughout the year, we have given our best efforts in ensuring the smooth flow of our commitments in the community. In Education, we onboarded a new batch of 52 young women pursuing engineering. Due to the new Government guidelines, we changed our format and decided to fund hostel and food expenses instead of the tuition fees. We now have 157 young women in our Kiran Girls Scholarship and Mentoring Program.

In schools, we are helping more than 6,000 students with life skills, substance abuse awareness, sex education, and hygiene and sanitation.

After-school coaching at our study centres is helping 600-plus children improve academic performance and concentration. Sports training in football is helping 1,000 deaf children improve physical endurance and self-esteem in a big way. Tribal students show exceptional prowess in athletics and are competing in inter-school tournaments. Intellectually challenged students are being provided with vocational skills to make them independent and employable.

In Health, our efforts continue to focus on child and adult health. Close to 1,300 life-saving paediatric cardiac and supra specialty surgeries, along with cleft lip and palate surgeries and cochlear implants, have been our top priority. About 3,400 children have benefitted through our morning nutrition program in schools in Goa and Bangalore. The 1,700-plus cataract surgeries for senior citizens in Hyderabad that we organised this year have worked wonders — to play a role restoring these people’s eyesight so they can be more productive and confident is incredibly gratifying.

In Community Development, our target has been to provide water for drinking and farming. Construction of wells for drinking water has reduced drudgery for women who regularly needed to walk long distances hauling water.

Building dams and reservoirs on streams and rivers has helped farmers improve agricultural practices and thus have better yields and increased incomes. Fodder and vaccination along with artificial insemination for cattle has yielded healthier and stronger calves along with increased milk production — leading to a dairy business boom.

We provided bio-gas plants to 250 families to provide energy savings as well as an alternative source of cooking for households. We have provided training for youth in fisheries, hair cutting, tailoring, and driving, assisting with job creation in the villages, and thus preventing migration and creating opportunities for nano entrepreneurs to blossom. We also planted more than 35,000 trees as per our annual target.

Our Preservation of Heritage and Wildlife efforts have seen some interesting developments. We helped to provide audio guides in three languages for a museum in Pune, a pioneering initiative which has transformed the museum experience for visitors. We were able to identify 60 nests of white-bellied sea eagle on the beaches of Goa and those have been under observation and preservation. We helped construct a bird aviary for an animal welfare shelter, allowing the facility to treat 200 birds and release 140 of them back in the wild. We have extended our support in helping design and print books in three tribal languages, which are being taught in the local regions, helping to keep them in existence.

Persistent employees have always proved to be generous and willing to participate in the Foundation's volunteering drives. Through 37 initiatives across 10 cities in India, we saw 10,000 employees contributing 11,500 hours of their time and INR 8.10 M for various causes. We cannot thank them enough.

This year saw the launch of Persistent Foundation in the US, allowing us to serve the US community with the help of Persistent's clients. Our areas of focus are Education, Community Development, and Environment and Sustainability. We have been able to establish connections with respected non-profit organisations and plan on working with high school students, army veterans, animal welfare shelters, homeless families, and more. We are very excited about this new venture and are anticipating lot of exciting developments in the coming months.

We look forward to sharing more news and details about our life-changing initiatives throughout the year, and we remain eternally thankful for your ongoing support and partnership.

With best regards,

Sonali Deshpande

Chairperson and Founder Trustee
Persistent Foundation
Persistent India Foundation

Learn more about Persistent Foundation:
<https://www.persistentfoundation.org>





For more than 15 years, Persistent Foundation has strived for transformative social change with innovative solutions and strategic collaboration. This year, we significantly expanded our impact across four key pillars: Education, Health, Community Development, and the Preservation of Heritage and Wildlife. Each initiative is purpose-driven and tackles systemic challenges head-on with forward-thinking approaches.

Re(AI)maging social change is about pushing boundaries — making education inclusive, ensuring access to healthcare for all, building resilient communities, and preserving our shared heritage. We are empowering young girls through technology education, providing essential medical care to children in need, revitalising rural learning environments, and safeguarding endangered languages and wildlife.

Our dedicated team, volunteers, and partners are the power behind this mission. Their unwavering commitment fuels our conviction that sustainable change comes from strong partnerships. By aligning our efforts with the United Nations Sustainable Development Goals, we are part of a broader global movement for equity and sustainability. As we look back on the past year, we remain steadfast in our commitment to challenge the status quo and shape a future empowered by thriving communities.

EMPLOYEE ENGAGEMENT IN CSR ACTIVITIES

INR 8.10M

Donated by Employees

3,960

Donors

9,577

Volunteers

11,507

Hours of Service





Education

**25 Initiatives | 6 Locations in India | 37 Schools |
31 Partnerships | 29,136 Total Beneficiaries |
21,579 Unique Beneficiaries**

These projects align with a multifaceted strategy that cultivates robust educational foundations, nurtures talent, drives confidence, and prioritizes inclusivity. Education is more than just access — it's about empowerment. By fostering curiosity, resilience, and critical thinking, we equip students with the tools to break cycles of limitation and create brighter, self-sustaining futures.

Kiran Girls Scholarship and Mentoring Program brings more high-potential underprivileged women into technology

DEAF Kidz initiative that trains deaf students in football and other sports to foster development and inclusion

Integrated School Development enhances learning environments

Lab on Wheels for hands-on learning

Skills Development Programs for workforce preparation

Health

**11 Initiatives | 6 Locations in India | 17 NGO Partners |
6,749 Total Beneficiaries | 6,748 Unique Beneficiaries**

Many conditions we address, such as congenital heart defects and cleft palates, impact not only physical health but also emotional well-being and social interactions. For instance, children with facial clefts often face stigma that affects their confidence and friendships. By providing access to surgery and ongoing medical, nutritional, and therapeutic support, we help them regain health, self-esteem, and thrive in school and community life. Through postoperative care and caregiver training, we ensure that each child recovers and flourishes, returning to their communities to live fulfilling and unbridled lives.

Providing 923 children with facial clefts the multifaceted care they need to grow and thrive

Bringing life-saving cardiac care to underprivileged children, changing the trajectory of 53 lives this year

Redefining auditory healthcare through cochlear implant surgeries and support, transforming the lives of 55 children and their families





Community Development

15 Initiatives | 9 Locations in India | 12 NGO Partners | 13,866 Total Beneficiaries | 11,170 Unique Beneficiaries | 246 Families

By addressing immediate needs and long-term resilience, we empower communities to build sustainable livelihoods. Our initiatives improve living conditions, foster economic stability, enhance environmental conservation, and promote social well-being, ensuring lasting progress. By nurturing local partnerships and community-driven solutions, we maximize our impact with training programs that address systemic gaps and equip individuals with essential skills, transforming beneficiaries into active changemakers who advocate for self-reliance within their communities.

Bolstering livelihoods through water security

- Benefitted more than 30,465 individuals across 48 villages to date.
- Significantly boosted water availability in drought-affected regions with the construction of 56 dams, 18 farm ponds, and the deepening of streams.
- Increased agricultural output by 10-20%, resulting in a 15-20% rise in average farmer income by providing seeds, fertilisers, grafts, drip irrigation sets, farm plots, and farm fencing.

Providing 246 families a sustainable energy source with biogas units in Velhe, Ambegaon, and Khed Village, Maharashtra, India

- Each unit saves families INR 24,000 annually on fuel and generates a net benefit of INR 70,000 per year through the production of 18 tons of nutrient-rich organic manure.

Enriching communities with diverse opportunities

- Significantly boosted productivity for 159 farmers, encouraging agricultural persistence and innovation.
- Trained 94 youths from 10 villages in sustainable fishing.
- Trained 120 youths, 40% of whom were women, to break gender barriers in ecotourism. Some candidates registered safari vehicles at the Sillari Eco-tourism gate of Pench Tiger Reserve in Maharashtra upon receiving their permanent licenses.
- Supported the training of 104 women in manufacturing processes.

Reviving biodiversity and economic prospects

- Restoring private forests in Koyna and engaging local farmers for both environmental and economic revival.
- Planted 35,795 trees this year across eight sites with four NGO partners, nurturing them for three years to achieve 70-80% survival rates.

Preservation of Heritage and Wildlife

5 Initiatives | 3 Locations in India | 5 NGO Partners | 3,000 Total Beneficiaries

This year, our projects have focused on preserving linguistic heritage, nurturing ecosystems, and enhancing access to historical knowledge. We address conservation needs using modern tools, whether through multilingual education, wildlife rehabilitation, or digital storytelling. Our mission is to ensure that the richness of our cultural and ecological heritage continues to educate and inspire. By fostering appreciation for our shared legacy, we empower individuals and communities to become stewards of preservation, paving the way for a future where heritage and wildlife are valued and celebrated.

Safeguarding cultural legacies through inclusion

- Developed five multilingual books in Kolami and tribal languages to preserve culture and enhance learning access, with 3,000 books published and distributed.
- Created a comprehensive visual archive, featuring extensive photographs that preserve tribal heritage — a great resource for communities and researchers.

Digitilising heritage through audio storytelling

- Launched an audiobook for the Raja Dinkar Kelkar Museum in Pune, India, enriching visitor experiences with engaging storytelling about its 22,000 artifacts.
- The audiobook recounts Dr. D.G. Kelkar's six-decade journey collecting and preserving India's everyday art and artifacts.

Wildlife Conservation with RESQ and Maharashtra's Forest Department Unite for Bird Rehabilitation

- Successfully treated and rehabilitated 194 birds, significantly improving their survival chances.
- Advanced aviary design and scientific techniques promote natural behaviors in birds, enabling them to survive independently and contribute to the ecosystem upon re-entry into the wild.



LAUNCH OF PERSISTENT FOUNDATION US



This year, we launched Persistent Foundation US with a focus on Education, Community Development, and Environment and Sustainability through connections with local US-based non-profits. This new venture will allow us to mirror our lifesaving and community-based activities throughout India within the US.



Re(AI)maging

CLIENT SUCCESS

Our global clients share a set of unique characteristics, anchored in a desire to leverage AI, automation, advanced analytics, and new software development methods to challenge the status quo. Whether they're delivering premier financial services to consumers or pushing the boundaries of medical research, our clients want to plan for the future by utilising AI for more efficient operations and intelligent decision-making. They're fully committed to implementing Generative AI and AI agent solutions to bring products and services to market faster than ever before, and to enhance end-user encounters with personalised experiences. They consistently turn to us as their AI-enabled collaborator that is willing to share distinctive offerings and market-leading IP to solve their most daunting enterprise challenges. Trust, confidence, and an unending pursuit of accomplishment are the hallmarks of our client collaborations and their ongoing achievements.

Learn more about our client successes:
<https://www.persistent.com/client-success/>

TRANSFORMING PATIENT CARE WITH CLOUD, DATA, AND AI

At a large paediatric healthcare system in the US, even the simple act of scheduling a referral had become a daily grind. It took 70 clicks, multiple screens, and far too much time just to complete a single task — something staff had to do thousands of times each month. The process was exhausting, and the pressure was starting to show. Administrative teams were burning out, and patients were waiting longer than they should.

The organisation knew it couldn't continue relying on outdated tools to support something as important as access to care. With patient data scattered across systems and no clear way to coordinate, delays and drop-offs became common. Insights were missed, handovers were clunky, and keeping patients engaged throughout their journey felt harder than it needed to be. The client realised it needed to reimagine its approach.

Our work began by identifying referrals earlier in the process, flagging patients by speciality to help route requests more efficiently.

Community provider offices were given a direct line to the contact centre, reducing the lag and confusion that had slowed everything down. On the front lines, staff gained scheduling tools built directly into the CRM system, including batch booking that made it possible to schedule 50 patients in just three clicks.

With data unified and accessible, Persistent also helped the organisation roll out omnichannel communications using Generative AI-enabled capabilities in Salesforce Marketing Cloud and Salesforce Data Cloud, so patients received timely, personalised updates without gaps or confusion. MuleSoft powered the integrations behind the scenes, helping everything function as a single system.

In the end, the changes were deeply felt. Referral processing dropped from four days to same-day, appointment clicks fell by 60 percent, and the entire experience became easier for both staff and patients — which ultimately contributes to better patient outcomes.



DIGITISING SUPPLIER RELATIONSHIPS WITH AI TO DRIVE GROWTH

When grocery delivery surged in popularity across Europe, one global food delivery leader based in Germany found itself at a turning point. Behind every seamless delivery was an increasingly complex network of supplier contracts, rebate calculations, and inventory management. Spreadsheets and disconnected systems could not keep up, and growth was at risk of stalling if something didn't change quickly.

The company already trusted Salesforce to manage its core food delivery operations, so expanding this platform into its quick commerce business was a natural next step. Persistent worked closely with the client to build a streamlined, intelligent CRM platform that unified supplier information, simplified contract handling, and used automation and AI to unlock critical insights. The clear goal was improved efficiency, reduced costs, and a €10 million increase in annual profitability.

Persistent began by migrating supplier portal data directly into Salesforce,

clearly linking SKUs to multiple suppliers. Automation transformed previously scattered documents into structured data, giving managers instant access to accurate contract details. A digital signing solution made onboarding faster and easier, ensuring compliance was never compromised.

Next, Persistent connected category managers, finance teams, and supply chain staff through shared, intuitive workflows. For the first time, category managers could instantly view rebate opportunities, while finance teams could accurately track payments in real time.

The new system quickly proved its value. Transparency improved dramatically, costs fell, and gross merchandise value began to rise steadily. But beyond the immediate numbers, the real story was simpler: the company was finally able to scale rapidly, confidently, and sustainably thanks in no small part to automation and AI — exactly what quick commerce demands.

REDUCING COSTS WITH AI-ENABLED CLOUD MIGRATION

For a statewide non-profit dedicated to improving health outcomes, ageing on-premises infrastructure slowed everything down. The systems were difficult to manage, costly to maintain, and spread across siloed servers. As technology demands increased, the tools in place simply could not keep pace.

The organisation needed a stronger foundation to support its mission. It partnered with Persistent to assess its existing environment, leverage automation and machine learning tools, and design a modern cloud architecture that could scale with its programmes and reduce operating costs. The Persistent team began by evaluating usage across more than 170 servers and quickly identified significant inefficiencies. Nearly one-third of the servers were barely used, and more than half showed extremely low CPU activity, resulting in unnecessary overheads and manual maintenance. To move forward, Persistent recommended migrating to Amazon Web Services.

Using the AWS Optimisation and Licensing Assessment framework, the team developed a detailed picture of future-state costs and performance. The numbers were clear: projected cloud costs were five times lower for server infrastructure and ten times lower for storage — even before factoring in licensing savings.

With an auto-managed, AI-enabled AWS setup in place, the client will no longer need to provision resources manually or chase performance issues. Server consolidation, improved utilisation, and automated scaling will reduce total cost of ownership by 30 percent, boost developer productivity, and align resources with utilisation.

Most importantly, this shift allows the organisation to focus less on infrastructure and more on what truly matters: delivering better health programmes, outreach, and outcomes across every community it serves.





AMPLIFYING CUSTOMER PERSONALISATION WITH GENERATIVE AI ACCELERATORS

The marketing team at a global healthcare manufacturer faced a challenge: they had the strategy, they had the vision, but they lacked the tools. Their legacy CRM — burdened by five years of custom code and manual workarounds — could not support the kind of modern outreach they needed. Tracking performance was cumbersome, personalisation was limited, and costs kept rising.

The company decided to move to Microsoft Dynamics Customer Insights, a cloud-based platform offering AI-powered segmentation and deeper visibility into marketing ROI. However, getting there wouldn't be straightforward. The complexity of the legacy system, combined with undocumented configurations, made the migration feel daunting.

That's where we stepped in. The team deployed SwiftShift, a unique GenAI-

powered CRM migration accelerator, to simplify and accelerate the process. Using Azure OpenAI, SwiftShift automatically mapped the legacy object model to the Dynamics schema, focusing solely on business-critical functions and removing unnecessary complexity. Amazingly, within just one week, the new environment was ready. We also developed executive dashboards, providing leadership with real-time visibility into marketing performance and outcomes.

The results exceeded expectations. The migration was quicker, costs were lower, and the marketing team finally had the tools to act on insights rather than work around limitations. With a clean, scalable AI-powered CRM in place and the data to support their decisions, the team is now equipped to deliver smarter, more personalised campaigns — and see the results more clearly.

AI-POWERED TESTING ENHANCES DIGITAL THERAPY AND TREATMENT

A US-based pharmaceutical innovator known for its prescription digital therapeutics found itself facing a major testing challenge. Its video game-based therapy, designed to improve attention and decision-making for patients with ADHD, relied on realistic gameplay to be effective. However, its testing process — based on simulated bot data — couldn't replicate the complexity of real-world scenarios. Without a way to extract 3D insights from 2D game frames, the company risked falling behind and impacting patient therapy.

The company partnered with us to accelerate development, improve accuracy, and ultimately maintain the efficacy of patient therapy. Combining data science and AI expertise with product engineering, we developed an AI-powered testing framework using Google Cloud Vision AI.

A new machine learning-powered super bot was layered onto the existing test

environment, simulating immersive, human-like gameplay. Each game frame was captured and converted into structured data using JSON, enabling the creation of adaptive machine learning models that improved over time. We also built a centralised data hub that ingested inputs from multiple systems and supported custom reporting for teams across the organisation.

The result was a fully automated testing pipeline that saved more than 50,000 hours of manual work and extended coverage across hundreds of hours of gameplay. The company gained faster, smarter insights and the ability to scale its innovations more effectively.

Most importantly, the therapy's potential impact on patients improved as well — because better testing meant a more immersive and responsive treatment experience, along with positive outcomes.



PROVIDING SPEED AND SCALE IN PAYMENTS WITH INTELLIGENT PROVISIONING

For one of the world's leading payments companies, staying ahead means moving fast. Every second, millions of transactions pass through its systems. But behind that speed was an operational challenge that was becoming increasingly difficult to ignore. Developers had the freedom to spin up cloud environments as needed, but there was no consistent process for switching them off. Over time, the cloud infrastructure became sprawling and costly, with little visibility into where the expenses were coming from or who was accountable.

The company collaborated with us to get back on track. At the heart of the approach was PiPOD (Persistent Intelligent Provisioning On Demand), our in-house AI-enabled platform for layered, on-demand infrastructure provisioning across cloud environments.

PiPOD brought consistency to what had been a fragmented process. Teams could provision and decommission environments using infrastructure-as-code, with automated pipelines to keep things moving quickly and efficiently.

A built-in scheduler helped control runtime, while routine clean-up was handled automatically. Governance became part of the workflow — not an afterthought.

We also supported the migration of applications to a containerised environment using Amazon Elastic Kubernetes Service, improving consistency across teams. A clearer tagging strategy gave business leaders the insights they needed to link cloud spend to actual business value, providing them with greater control over cloud and scale.

The results were immediate and long-lasting. Cloud operating costs dropped by 25 percent. Teams moved faster, with greater control. The cloud shifted from being a cost concern to a trusted platform for growth.

For a business where every second counts, the transformation wasn't solely about cost savings — it was about building the discipline to scale without slowing down and enabling growth.

KEEPING A GLOBAL WORKFORCE MOVING WITH GLOBAL SERVICE MANAGEMENT

When a global software security provider was carved out from its parent company, the IT team faced a stark reality. In just a few weeks, they would lose access to every system that powered their service desk. With more than 30,000 tickets a year, some 2,000 employees to support, and thousands of customers relying on them, failure wasn't an option if they wanted to provide seamless support and satisfactory user experiences.

The clock was ticking. They needed a fully independent IT service management platform that could go live in days, not months.

We deployed PiCSM, or Persistent Intelligent Cloud Service Management, a prebuilt cloud-based solution for ServiceNow designed to launch service desks fast without the overhead of configuring from scratch. PiCSM came with workflows, AI and automation, and security already embedded.

We provisioned a dedicated environment, integrated Okta for secure access, and connected Amazon Connect Telephony to capture tickets from every channel.

Three weeks later, the new system was live, and it gave both employees and service desk personnel exactly what they needed. Employees could log and track tickets through a streamlined portal and mobile app. Admin teams had a real-time dashboard to manage requests and enforce SLAs. Performance was measurable, and compliance was built in.

What could have been a disruption became a reset and an opportunity to reimagine service desk operations. The company not only met its divestiture timeline, but it also launched a smarter, more scalable support platform in the process, ready to serve employees and customers on Day One.





BETTER, FASTER ANSWERS FOR CONSUMERS WITH GENERATIVE AI

Every month, a regional grocery chain shares recipes and food features with millions of readers through its in-house magazine. But with more than 100 editions archived as unstructured PDFs, customers had no practical way to search this content online. What should have been a powerful tool for engagement and product discovery had become an underused digital asset.

Rather than simply improving the search bar, the team reimaged something more useful: a chatbot that could actually understand what people were looking for — even if they were not quite sure how to ask. However, building it was not straightforward. The magazine archive spanned more than 10,000 pages, containing everything from scanned images to curved layouts and cluttered tables.

We collaborated with the chain to develop a Generative AI-powered chatbot using

Google Cloud's latest language models (at that time) — Gemini and PaLM2 — within a Retrieval-Augmented Generation (RAG) framework that could interpret the disorderly archive. With Persistent's NOVA accelerator speeding up development, the chatbot was up and running in no time, using Google Cloud's Vertex AI and Cloud Run to ensure scalability and efficiency.

Soon after launch, customers began receiving better answers, faster. They could ask about a specific dish, revisit a favourite article, or explore new ideas — and the chatbot delivered. Search times fell by 20 percent, and average order value increased by 25 percent, delivering a rapid return on investment.

Now, the team is exploring what else GenAI can offer — such as personalising content, suggesting new products, and making the digital experience feel even more human.

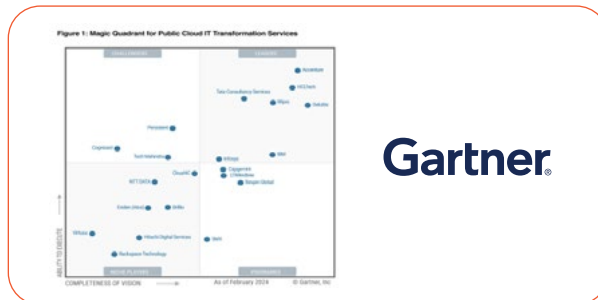
FY25 AWARDS AND ANALYST RECOGNITIONS



Won four 2024 ISG Star of Excellence™ Awards, including the Overall award based on the voice of the customer



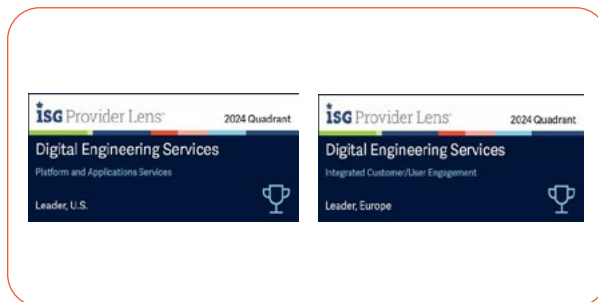
Leader in Everest Group Data & AI (D&AI) Services for Mid-market Enterprises PEAK Matrix® Assessment 2025



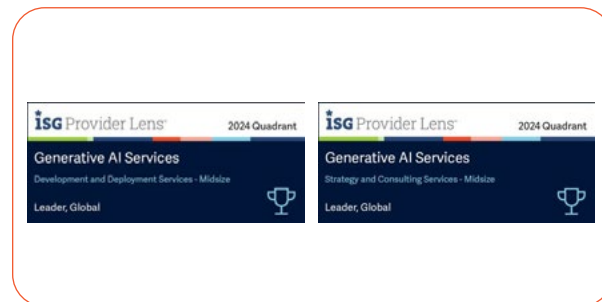
Challenger for the second year in a row in the Gartner® 2024 Magic Quadrant™ for Public Cloud IT Transformation Services



Included in four Constellation Shortlist™ 2024 — Public Cloud Transformation Services, AI Services, Custom Software Development Services, CX Operations Services



Leader in the ISG Provider Lens™ Digital Engineering Services Quadrant Report U.S. and Europe 2024



Leader in 2024 (Global) ISG Provider Lens Generative AI Services

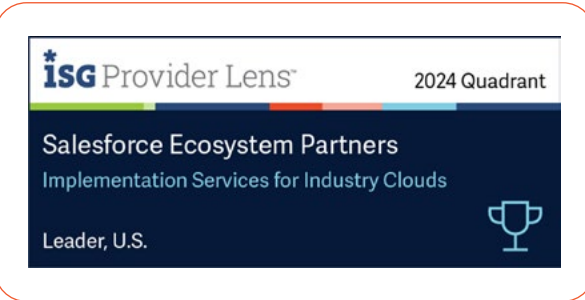


Dr. Anand Deshpande received the 2023 **ACM Presidential Award**

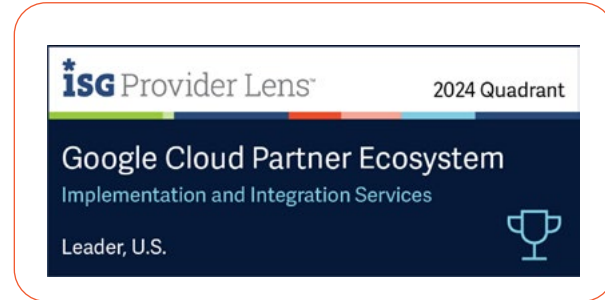


Dr. Anand Deshpande inducted as a **Fellow of the Indian National Academy of Engineering**

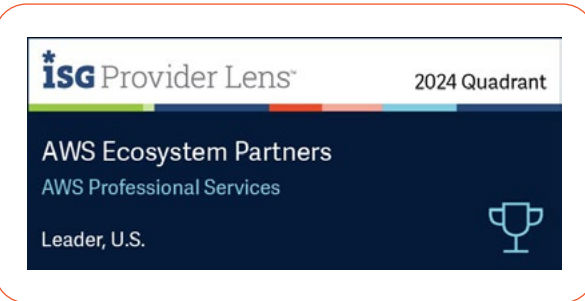
FY25 AWARDS AND ANALYST RECOGNITIONS



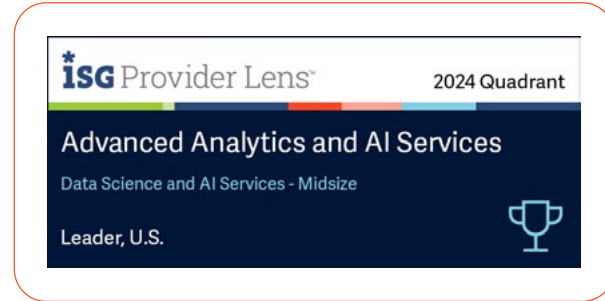
Persistent was recognised by ISG as a **US Leader** among **Salesforce Ecosystem Partners** for **Implementation Services for Industry Clouds**.



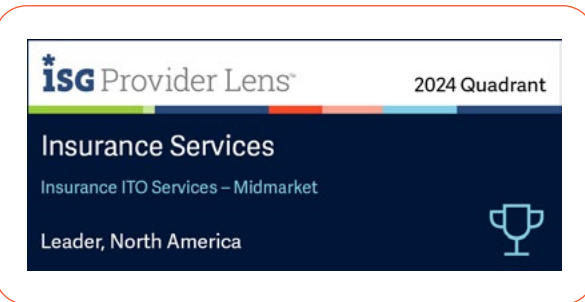
Persistent was recognised by ISG as a **US Leader** in the **Google Cloud Ecosystem** for **Implementation and Integration Services**.



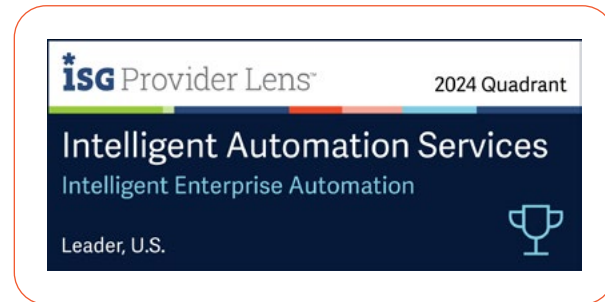
Persistent was recognised by ISG as a **US Leader** among **AWS Ecosystems Partners** for **AWS Professional Services**.



Persistent was recognised by ISG as a **US Leader** in **Advanced Analytics and AI Services** for **Data Science and AI Services (Midsize)**.



Persistent was recognised by ISG as a **North American Leader** in **Insurance Services** for **ITO Services (Midmarket)**.



Persistent was recognised by ISG as a **US Leader** in **Intelligent Automation Services** for **Intelligent Enterprise Automation**.



Sandeep Kalra recognised as a **Tech Titan** at **BT India's Best CEOs Awards**



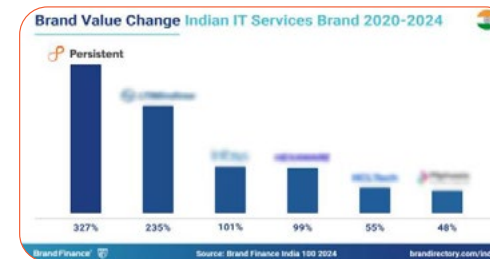
Sandeep Kalra named the **Best CEO in the IT Services (Emerging Companies)** Category by **Fortune India**



Recognised by highly regarded portfolio managers and analysts in the **2024 Asia (ex-Japan) Executive Team** survey



Included in the **Dow Jones World Sustainability Index**



Cited as the fastest-growing Indian IT services brand in the **Brand Finance India 100 2024** report



Awarded **AA+ (Stable)** credit rating by the **ICRA**

FY25 AWARDS AND ANALYST RECOGNITIONS



Featured on the **Nasdaq MarketSite Tower in Times Square** for awards won at the ICSI Business Responsibility and Sustainability Awards and National Awards for Excellence in Corporate Governance

Whitelane Research

Persistent is Ranked Amongst the Top 5 IT Providers in Europe for Overall Client Satisfaction and Transformative Innovation

2025



In **Everest Group's BFSI-specific Software Product Engineering Services PEAK Matrix® Assessment**, Persistent was recognised as a Leader for the second consecutive year



Winner in the large category (service sector) at the **ICAI Sustainability Reporting Awards 2023-24**

iNFHRA

Persistent received a Gold Award for "Excellence in Carbon Footprint Reduction" and a Silver Award for "Excellence in Workplace Security" at the INFHRA Corporate Excellence Awards 2024

2024

BW BUSINESSWORLD
www.businessworld.in

Persistent has been recognised among the Top 50 India's Most Sustainable Companies by Business World

2024

For more information, visit: <https://www.persistent.com/awards-and-recognitions/>

ENABLING AN AI FUTURE

As we enter our 35th year, we are embracing the emerging AI future, one that drives sustainable growth and durable value for clients and stakeholders by **Re(AI)maging** virtually every function across the modern enterprise — from customer experience to core operations.

We provide breakthrough AI solutions and platforms that enable us to deliver secure, enterprise-scale, and data-driven digital transformations among our clients. Our consulting teams play a pivotal role in guiding clients through these transformations — from strategic advisory and AI readiness assessments to enterprise-wide implementation support. With our intimate knowledge of data and AI, industry acumen, and proprietary IP, we help clients navigate ever-changing market forces, optimize operations and digital workflows, and unlock new paths to business success. This includes AI-led Experience Transformation (XT) which links technology innovation to business value through validated user needs, organizational readiness, and continuous outcome delivery.

We closely collaborate with cloud hyperscalers on their AI strategies, with first-mover insights and inputs into their new AI products, solutions, and roadmaps that drive cloud migration and modernization projects. Our product engineering heritage and innovation initiatives ensure that clients maximize their AI technology investments, underpinned by trusted client relationships.

From redefining customer experiences in financial services with AI agents, to transforming software and product development at lightning speed, to generating positive patient outcomes with Generative AI, we're not just enabling the AI future — we're guiding it to new and exciting frontiers. With a growing list of 35+ AI patents and others under development, every innovation we co-create with our clients reinforces our position as the AI ecosystem leader of choice and drives measurable outcomes — fuelling continued growth and creating long-term investor value.



AI Transformation for TECHNOLOGY AND BUSINESS

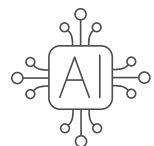
Our AI strategy is built around two core pillars: **AI for Technology** and **AI for Business** — each addressing distinct, high-value audiences while converging on a shared goal: enabling intelligent, scalable, and responsible AI transformation for the enterprise.

Our consulting teams collaborate with stakeholders to align these twin tracks of transformation with enterprise priorities, ensuring scalable and measurable deployment. We also embed **Experience Transformation (XT)** principles into AI design and deployment, ensuring that solutions align with user behavior and organisational goals from Day One.

Clients today face increasing pressure to deploy AI responsibly at scale. Our strategy helps them do this with speed, structure, and measurable impact. All of our efforts are underpinned by Responsible AI and Governance, which ensures ethical, transparent, and compliant AI practices across our offerings, and we enable the same practices for our clients. This addresses the growing need among boards, regulators, and executive leadership for accountability and trust in AI outcomes.

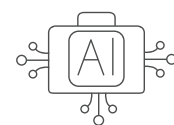
Collectively, this strategy offers our clients a clear, structured roadmap to AI adoption — one that's enterprise-grade, outcomes-focused, and grounded in responsibility — positioning us to lead in a market that demands both speed and trust in AI transformation.

Delivering outcomes with **Experience, Scale & Speed**



AI for Technology

AI-Powered Unified Digital Product Engineering Platform



AI for Business

AI for Data & Data for AI
AI-First Enterprise Data Management and Readiness Platform

Digital Trust Platform for Responsible AI and Governance
Experience Transformation (XT) Principles

The foundation of **AI for Technology** is **SASVA™**, our AI-powered Unified Digital Engineering platform that is unlike anything in the market.

SASVA is a fully integrated, end-to-end platform that puts the power of Generative AI, deterministic AI, and Agentic AI into the hands of product teams, developers, support staff, and line-of-business leaders. It helps turn intent into execution across the entire software, product, and services lifecycle, from planning through post-release support.

Product managers can turn scattered ideas into clear, data-driven roadmaps. Developers get real-time help with code generation, bug fixes, and security updates. Support and customer experience teams benefit from AI-powered insights and Agentic AI agents that help them respond faster and with more context, improving outcomes for users and customers alike.

Rather than forcing a standard approach, SASVA adapts to the unique environment of each organisation, enabling engineering for everyone, for everything they might need. It learns from internal systems, like codebases, documents, and ticketing tools, to deliver recommendations that are relevant, accurate, and secure.

SASVA boosts performance, scalability, and cost-efficiency by streamlining software and product development, enabling intelligent AI agents, and modernising legacy systems. It delivers deep contextual insights, personalised experiences with data privacy, and actionable productivity metrics — empowering organisations to drive transformation and enhance productivity. With SASVA, clients can respond faster and with more context — ultimately improving business outcomes, reducing costs, and accelerating value realisation.

Strengthening our IP, setting new benchmarks in AI-based innovation



35+ patents in core and emerging AI technologies

Agentic AI: Enable intelligent AI agents to solve complex challenges with efficient context management, memory integration, and persona-based behavior customisation

Repository-Level AI: Deliver complete contextual understanding to transform software development with automated insights, dependency resolution, and prioritisation

AI-Core: Revolutionise system performance, scalability, and cost-effectiveness to address challenges in AI and SDLC for optimised workflows

Personalised AI: Create secure, tailored customer insights and recommendations for personalisation and precision while ensuring data privacy

Productivity Measurement: Provide actionable insights through enhanced measurement for improved team performance and technological readiness for continuous improvement

Tech Debt & Modernisation: Transform legacy code with intelligent modernisation by identifying patterns, automating refactoring, and reducing technical debt

With **AI for Business**, our focus is on applying AI to generate tangible business value — helping functional leaders across industries harness intelligent automation, predictive analytics, and decision intelligence to drive growth, efficiency, and innovation. The emphasis here is on delivering outcomes with experience, scale, and speed.

AI for Business is centred on an AI for Data & Data for AI approach,

highlighting the importance of data management and readiness for AI applications. This is embodied in our comprehensive **iAURA** data management suite which utilises AI and machine learning to automate migrations, reconcile data, and guarantee quality and governance. From natural language analytics to legacy modernisation and real-time insights, **iAURA** provides a data infrastructure that is AI-enabled for better decision-making and outcomes.

iAURA addresses each aspect of the market opportunity by leveraging GenAI-based acceleration

SERVICES				
iAURA Insights	Data Insights Talk to your Data Autonomous Insights		Documents Insights Entity Extraction Search Chatbot	
iAURA Migrate	DWH Migration Extract Assess Migrate Validate	BI Migration Extract Assess Migrate Validate	Report Rationalisation Worksheets Charts Metrics Reports	ETL Migration Extract Assess Migrate Validate
iAURA Data Ops	Data Quality Profile Execute Orchestrate Reporting	Data Reconciliation Source - Destination Transformations	Data Freshness Anomaly Detection in Data Ingestion	iAURA - Utilities DataGen ImageGen
iAURA Platforms	Data Foundry Automated Deployment Tool Integrations Domain Organisation		GenAI Hub Platform for accelerated GenAI adoption with low cost	

Customised for
Snowflake | Databricks
Hyperscalers

Powered by
Azure OpenAI | Mosaic ML
Pandas | Open Source

Built using
Python | Flask
Streamlit Kubernetes





AI for Business also encompasses **GenAI Hub**, our platform that allows enterprises to rapidly build, evaluate, deploy, and monitor Generative AI applications using multiple LLMs and cloud providers, with built-in tools for experimentation, governance, and scalability. Our platform includes cost tracking so clients can synch up their AI and cloud investments and adjust according to business needs, as well as an evaluation framework for RAG applications and AI Agents.

With our commitment to Responsible AI, we embed robust security, monitoring, and transparency features throughout **GenAI Hub**, including at the application level.

GenAI Hub capabilities are deployed with tailored consulting support to ensure organizational alignment, adoption, and governance. Each implementation is supported by domain-focused consulting experts who contextualize AI solutions to business environments, regulatory frameworks, and adoption maturity. **GenAI Hub** has expanded capabilities in Agentic AI, including a comprehensive Agent Tool Catalog and an innovative No-Code Agent Builder, empowering users with a drag-and-drop interface to create personalised AI agents. These solutions are delivered with advisory and implementation support to drive adoption across client-specific use cases.

GenAI Hub is enabling leading financial services, life sciences, and manufacturing clients to modernize critical functions securely and efficiently.

DocIntel: An LLM-powered, cloud-agnostic intelligent document processing platform that automates document workflows including splitting, classification, and authoring without templates.

Aegis: A WhatsApp-integrated LLM-based underwriting solution for P&C insurance that enables collaborative, explainable AI-driven task automation with human step-in capabilities.

ProcessIntel: An Agentic AI-based framework using multi-agent systems and reasoning to autonomously optimize business workflows, decision-making, and customer experience.

Security Copilot: A language model-driven cybersecurity assistant that automates threat detection and response through intelligent log querying and autonomous decision-making.

Threat KG: A unified threat knowledge graph for Persistent's SOC Copilot that maps vulnerabilities across assets to enhance detection, investigation, and root cause analysis.

NetSynX: An AI agent-orchestrated network operations platform that autonomously manages incident detection, resolution, and learning using open-source tools and centralized intelligence.

Precision Medicine 2.0: An end-to-end patient management platform powered by GenAI and ML embeddings that supports personalised medicine, biomedical image analysis, and automated clinical reporting.

Smart UI: An end-to-end patient management platform powered by GenAI and ML embeddings that supports personalised medicine, biomedical image analysis, and automated clinical reporting.

Computational Drug Design (Pi-AFDD): A GenAI-enabled smart workbench for preclinical drug discovery that integrates protein modelling, virtual screening, and automated reporting using tools like Pi-OmniKG.

USER EXPERIENCES

Re(AI)magined

Creating robust user experiences is a critical component in the development of AI solutions.

Persistent Consulting is a practice aimed at making strategic, validated decisions about AI-enabled user experiences. These efforts are unified under APEX — our AI Powered Experience Transformation framework — which connects human-centred design with data, platforms, and AI to deliver personalised, scalable experiences.

Experience Transformation (XT) from Persistent Consulting is a practice aimed at making critical and impactful user experiences, resulting in tangible solutions that enable human behaviours directly connected to powerful business outcomes, such as improved product adoption,

customer satisfaction and operational efficiency. XT offerings start by identifying the right opportunities, envisioning breakthrough solutions, and driving better outcomes throughout the product lifecycle. XT delivers exceptional value by engaging early and consistently across the product lifecycle to optimize UX, UI, and front-end development operations. Through strategic experience consulting that bridges business and technology, XT identifies opportunities, validates solutions, and ensures alignment from concept to implementation. This integrated approach drives measurable outcomes and maximizes return on investment for clients.

Experience Transformation (XT) Portfolio

EXPLORATION	ALIGNMENT & VALIDATION	IMPLEMENTATION
<p>XTspotlight</p> <p>Identify and prioritise UX opportunities across omnichannel experiences by deploying our expert investigators.</p> <p>SOLUTION FEATURES</p> <ul style="list-style-type: none"> Heuristic Evaluation Competitive Landscape Feedback Synthesis Prioritisation Matrix 	<p>XTstrategy</p> <p>Set a strong foundation for your digital transformation initiatives by aligning to a validated, experience-lead vision, with defined and validated future state experience and mapped-out organizational readiness.</p> <p>SOLUTION FEATURES</p> <ul style="list-style-type: none"> Stakeholder Workshops Personas and Journeys Validated Roadmap Visualisation of Future State 	<p>XTdesign</p> <p>Execute better and faster by seamlessly integrating design expertise into development cycles.</p> <p>SOLUTION FEATURES</p> <ul style="list-style-type: none"> Agile Integration Continuous Discovery Dev-Ready Design Specs Technical Writing
<p>XTgrow</p> <p>Level-up your UX practice by optimising team performance and collaboration.</p>	<ul style="list-style-type: none"> Design Governance User-Centred Design 	<ul style="list-style-type: none"> Design Systems Design-Dev Ops





Partnering to

TRANSFORM, INNOVATE, AND **Re(AI)magine**

Re(AI)maging the World requires teamwork — not only between our talented employees and practitioners, but with our valued global partners. Our strategic relationships with leading hyperscalers and ecosystem partners embody a spirit of collaboration that is anchored in a belief that AI is profoundly changing the business world and society at large. Together with our partners, we're creating new AI-powered solutions, envisioning original industry use cases, and redefining software and product development. In addition to our long-time alliances, we've established new partner relationships and expanded others so we can tap new innovations and maintain our strong competitive positioning. With a market-leading roster of alliances, partner certifications, and proven solutions, we enable our clients to take full advantage of AI's infinite possibilities to unlock value, modernise operations, and accelerate growth.

ENABLING AI FOR INDUSTRIES WITH GOOGLE CLOUD

From decoding complex medical data to analysing CT scans for early detection of lung cancer, Persistent and Google Cloud's AI-powered solutions create a lasting impact across industries. In a partnership spanning more than a decade, Persistent has teamed its long-standing data and engineering expertise with Google Cloud's capabilities in enterprise modernisation, AI and machine learning, business intelligence tools, and GenAI. For helping clients leverage the Google Cloud Platform to meet business needs, we were recognised as the APAC Partner of the Year for Infrastructure Modernisation at this year's Google Cloud Next.

As a Google Cloud Premier Partner, Persistent secured early access to Google's Agentspace — one of only 20 invited adopters — to help clients utilise Google's Agentic AI to navigate complex business needs.

In July 2024, Persistent entered a Strategic Partnership Agreement with Google to co-build GenAI-led, industry-first use cases to drive scalable adoption across industries. Persistent deploys its data engineering capabilities and deep understanding of the Google Cloud's AI stack to create solutions that can be readily embedded and scaled for impact.

Pi-OmniKG is a knowledge graph-based solution that helps biotech analysts make sense of complex clinical data with a GenAI-led conversational interface.

Pi-AlphaFold Drug Discovery accelerates drug discovery and ensures higher success rates by embedding Google's AI stack and tools.

Pi-CanImageIn helps in the early detection of lung cancer with advanced AI and machine learning models that analyse CT scans to provide accurate, timely results.

Pi-EmPATHy enables faster cancer detection and report generation by analysing large volumes of images, assisting decision-making and unlocking cost savings in disease diagnosis.

Persistent continues to expand on this partnership, investing significantly across seven specialisations, most recently acquiring Data & Analytics and Machine Learning Specialisations, and 52 expertise designations. As a highly specialised Global Solutions Systems Integrator (SSI) partner, Persistent showcases a strong track record of its capabilities and expertise in integrating and implementing Google Cloud solutions.

Google Cloud Premier Partner

50+

Partner Expertise Designations

7

Partner Specialisations

1,640+

Google Cloud Certifications

350

Sales Engineers

550+

Google Cloud Engagements





POWERING AI-FIRST BUSINESS TRANSFORMATIONS WITH AWS

For the past 13 years, AWS and Persistent have partnered to co-drive enterprise cloud journeys with full-stack capabilities borne out of Persistent's engineering heritage and market-leading AWS cloud solutions. In the last three years, we have expanded this partnership to take AI and Generative AI into enterprise workstreams, following an integrated go-to-market approach where we co-build GenAI solutions with a transformative potential.

Together, we have demonstrated early GenAI adoption across clients with Amazon CodeWhisperer and Bedrock. We have worked behind the scenes with AWS' engineering teams to pool in early client feedback to hone these products further. As a Premier Tier Partner — an accolade awarded to the top 1% of companies in the AWS Partner Network — Persistent has been a collaborative sounding board for leading AWS GenAI solutions, specifically Amazon Q, a GenAI-powered

data analytics and business intelligence tool, where we developed 40 of the 42 connectors, built rules and remediations that were integrated with Amazon Q for Developers, and conducted benchmarking studies to assess productivity gains. For our innovation and thought leadership, AWS awarded Persistent with the status of Lighthouse Partner for Amazon Q.

As part of our Strategic Collaboration Agreement with AWS, Persistent secures early access to AWS GenAI advancements to create proofs of concepts that help clients envision tangible value from their GenAI strategies.

With our deep integration into the AWS ecosystem and a front-row view of the latest GenAI developments, Persistent has built accelerators that make it easier, more secure, and cost-efficient for enterprises of any size to design and adopt GenAI solutions.

AWS Premier Consulting Partner

10

Competencies &
Services Delivery
Designations

2,100

AWS Cloud
Certifications

100+

AWS Cloud
Client Engagements

2,500+

Team Members

ADVANCING AI INNOVATIONS WITH IBM

What began as a small security project for IBM in 2002 is now a strategic partnership powering large-scale digital transformation for more than 400 shared customers. A truly collaborative mindset underpins the Persistent and IBM partnership, nurtured during the last 23 years and the engineering of more than 30 IBM products. Today, slightly under 10% of Persistent's workforce manages the IBM portfolio, including product enhancements and support for Netezza, watsonx, Guardium, Concert, IBM Cloud for VMware, and more.

Persistent's co-engineering pods deliver these value enhancements through custom development and integration with our technology solutions. For instance, to streamline watsonx's adoption and scale, we have set up a dedicated Centre of Excellence and Customer Experience Centers with 70+ watsonx proficiency badges, and 15+ watsonx Practitioner Advanced badges. We have also set up a watsonx Lab to build Generative AI proofs of concepts for industry verticals.

Persistent champions innovation through participation in Call for Code, IBM's annual global hackathon, which brings together builders, developers, and humanitarians to use technology with purpose. Through Call for Code, top solutions receive implementation support from IBM and the Call for Code ecosystem to make a real impact in the communities with the greatest need. The 2024 Call for Code was hosted by Persistent, where the best and the brightest minds worked to create solutions that help communities navigate access to clean water, air, and the environment. Team KindThreads, our own team, was the first runner-up with a watsonx.ai-powered platform that transforms clothing waste into opportunity, empowering local communities to generate income and reduce landfill burden through AI-driven recycling and reuse.

This multifaceted relationship marks our mutual commitment to helping customers confidently onboard AI, driving innovation and pushing the boundaries of what's possible.

Joint Go To Market (Sell With)

MDM, ELM, Instana, watsonx, AIOps, PAM, TNCP, QRadar

Products Takeover

Netezza, MDM, IBM Mobile Foundation, IBM Security Verify Governance, TNPM, TNCP



Engineering Partner

Netezza, ELM, App Connect, DB2, IBM Power Systems, AWS/Azure SaaSification, IBM Cloud for VMWare

600+ IBM Badges	550+ Certifications	2,300+ Trained Engineers
23+ Years of Partnership	70+ Active Engagements Annually	40+ Proficiencies
400+ Shared Customers	30+ Products Engineered	



ACCELERATING VALUE WITH MICROSOFT AGENTIC AI

For more than 32 years, Persistent has partnered with Microsoft to drive key co-innovative initiatives, emerging as the top partner of choice for Microsoft enterprise clients. In this 360-degree partnership, Persistent provides, buys, and sells Microsoft services across applications, cloud, and datacentres, embedding ourselves deeply in the Microsoft ecosystem to bring a bespoke approach to enterprise clients.

Persistent is collaborating with Microsoft to develop Copilots to help enterprises

accelerate the time to value of AI-infused applications. Our collaborative efforts have created niche solutions that unlock productivity and operational efficiencies across workstreams. For instance, ContractAsslst streamlines contract lifecycle management by helping teams interact conversationally with an AI agent to trace, track, and understand clauses in a contract. For the value it brings to enterprises, ContractAsslst was mentioned in a keynote by Microsoft CEO Satya Nadella during his January tour of India.

Together, Persistent and Microsoft have created a host of Copilots across domains and functions:

- Client Advisor Copilot (Financial Services) enhancing client meetings with structured insights.
- Multi-Agent Automation Engine (HR and Marketing) automating workflows with AI-driven orchestration.
- Researcher Copilot (Healthcare) assisting researchers in discovering grants and drafting applications.
- Conversational Knowledge Mining (Customer Support) transforming customer service with AI-powered insights.
- Chat With Your Data (Energy, Financial, Legal) providing conversational AI for internal data navigation.
- Code Generation (Modernisation and Upgrade) simplifying SQL to PostgreSQL conversions for seamless modernisation.
- Document Generator (Legal) automating document creation using AI-driven summarisation.
- Content Processing (Healthcare, Legal, Finance, Retail, Manufacturing) automating data extraction and analysis for enhanced efficiency.
- Task Management (Sustainability and Environment) improving sustainability initiatives with AI task automation.

32+

Years of 360° Partnership

15+

Marketplace Offers

4,500+

Microsoft Certifications

50+

IP and Assets

100,000+

Workloads Migrated

Solution Partner

Designation for All Six Solution Areas

Direct CSP

Reseller

2,800+
Salesforce Engineers

11,000+
Salesforce Certifications

150+
GenAI Certifications

5/5
CSAT Score

300,000+
Trailhead Badges

A SALESFORCE POWERHOUSE DELIVERING ROI WITH AGENTIC AI

Persistent has been a Salesforce Summit Partner for more than two decades, enabling enterprises to monetise their data to deliver exceptional customer experiences, streamline business processes, and unlock operational efficiencies with AI-led, data-driven Salesforce solutions.

Persistent has 24 industry specific offerings across BFSI, Healthcare and Life Sciences, Hi-Tech and Communications, Media, and Technology, and has designed 100 use cases demonstrating tangible business ROI. While riding the wave of Agentforce, Salesforce's Agentic AI capability suite, we have also built Agentic AI offerings for client engagements.

With a team of more than 2,800 Salesforce consultants and an impressive 11,000 certifications, of which 2,000 are Salesforce AI Associate, Persistent is a Salesforce powerhouse and a leader in per capita certifications among global system integrators. Our combined capabilities have created a far-reaching impact, with 2,500 engagements for our enterprise clients. For instance, through Persistent's industry-led Salesforce expertise, a marquee pharmaceutical company launched 12 major drugs over a span of three years, and a leading US healthcare provider processed 12-15 million daily transactions related to complex care for more than a million patients without any performance issues.

Persistent's six-week Genesis framework enables Agentforce adoption by helping clients understand and remediate gaps in data utilisation and process flows, all while demonstrating business benefits within three months. Our Agentforce approach focuses on enhancing productivity through a digital labour platform that leverages automated workflows, reduces operational costs, frees up developer bandwidth through automated coding tasks, and speeds up development by reducing technical debt.



Summit Partner



ISV & Product Dev Partner



GDC Partner

APPIAN

As an Appian global systems integrator for more than 16 years, Persistent has helped global leaders streamline processes and accelerate time to value with 350+ enterprise applications leveraging Appian's automation platform. Our Appian projects are supported by five Centres of Excellence across the US, Canada, Mexico, Australia, and India, helping clients adopt hyperautomation, optimise processes for efficiencies, and digitally transform business processes. Appian and Persistent collaborate to jointly market co-created solutions built on Persistent's digital and data engineering capabilities, along with its deep domain expertise, which helps clients achieve critical business goals.

We helped a prominent financial services organisation in the APAC region automate its end-to-end investment and loan application processes. This initiative involved integrating investor, borrower, and introducer portals, as well as automating portfolio management and loan application workflows, to streamline operations. To gain real-time insights, we implemented role-specific dashboards for enhanced reporting capabilities and leveraged AI-driven analytics to improve the identification of investment opportunities, while ensuring regulatory compliance. Together, we enabled the client to manage \$1.2 billion in assets successfully and facilitated the onboarding of more than 700 clients, achieving a 50% reduction in processing time.

Capability Summary

Appian GSI (Soon: Elite Program)

16+

Years of Partnership

500

Certified Engineers

350+

Successful Enterprise Applications

75+

Enterprise Customers with CSAT 95%

5

Centres of Excellence in US, Canada, Mexico, Australia, and India





DATABRICKS

Persistent, with its rich data engineering and AI legacy, leverages its partnership with Databricks to co-create enterprise data platforms that help clients adopt data-led decision-making, simplify MLOps, and fast-track Generative AI implementations. As a certified Databricks implementation partner, Persistent combines deep domain and technology expertise and Databricks' recommended data lake architecture so clients across industries can transition to real-time data processing while ensuring security and compliance. Our iAURA platform seamlessly integrates with Databricks to allow enterprises to transform into Agentic AI-driven, scalable, future-ready, and data-driven enterprises.

For instance, Persistent partnered with Databricks to co-engineer an enterprise data platform (EDP) for a leading scientific

instrumentation, consumables, and software services provider. The client, working with more than 80 enterprise resource planning (ERP) applications and multiple third-party systems, had a data sprawl that was siloed and difficult to monetise for readily available insights. With Databricks, Persistent consolidated the client's data landscape with an AWS-hosted EDP that enabled reliable, available data for real-time analysis. We simplified data integration from source systems to the EDP by leveraging common frameworks using Databricks notebooks, which required the least amount of coding. This allowed the client to connect more than 1,000 source tables for insights. With our data engineering expertise, Persistent implemented use cases to support analysis across expenditure, supply chain risk, and finance functions, enabling the client to gain richer insights with cross-functional data.

Capability Summary

Databricks Global SI & PS Partner

15+

Active Databricks Engagements

9+

Accelerators

800 Resources

300+ are Databricks Certified / Enabled

OUTSYSTEMS

Since 2016, Persistent has fostered a robust partnership with OutSystems, a pioneer in low-code software development platforms. With more than 500 OutSystems-certified engineers, Persistent harnesses the power of high-performance, low-code development to design, build, and deploy innovative solutions swiftly. This collaboration enables clients to bring their innovations to life and secure a lasting, competitive market edge. As a trusted systems integrator and software development partner of OutSystems, Persistent offers a diverse range of blueprints, reusable templates, and more than 20 technical and industry-

specific accelerators so clients can modernise legacy systems and develop mission-critical applications in just weeks.

For a leading financial services firm, Persistent collaborated with OutSystems to deliver up to 40% savings in operational costs and boost platform utilisation across user bases. We improved the UI, migrated loan data to OutSystems, and integrated APIs like Amazon S3. Legacy features were consolidated, and the application now supports RESTful APIs, resulting in a 60% increase in merchant portal users, 100% PII compliance, and a 55% improvement in customer experience.

Capability Summary

OutSystems Global Systems Integrator

8+

Years of Partnership

500+

Certified Engineers

20+

Domain & Technical Solutions

5/5

CSAT Score

5

Centres of Excellence in US, Canada, Mexico, Australia, and India



SERVICENOW

As a top-rated ServiceNow implementation partner, Persistent works with enterprises to digitise workflows, unlock operational efficiencies, and eliminate friction from business processes. Our breadth of domain and technical expertise, combined with our deep understanding of the ServiceNow ecosystem, positions us as a strategic partner for enterprises striving to maximise returns from ServiceNow investments. Our in-house IP and accelerators allow our clients to onboard ServiceNow functionalities within time and budget — a key component of our private equity strategy, setting up compliant, greenfield, and secure IT desks within weeks for portfolio companies.

For instance, Persistent helped a newly independent US-based publishing firm successfully establish secure operations from Day One by leveraging ServiceNow's Integrated Risk Management (IRM) system. The client reduced threat exposure through business impact-first risk prioritisation, while enhancing operational transparency with an enterprise-level risk reporting mechanism that protected stakeholder value. By automating policy lifecycle management and continuous compliance monitoring, the client improved compliance scores across the organisation. Real-time access to risk data enabled proactive mitigation of audit findings, ensuring timely audit clearances and reinforcing the client's commitment to safeguarding proprietary information and assets in a complex threat landscape.

Capability Summary

ServiceNow Partnership Level Specialist

350+

Certifications

10

Unique Offerings Beyond
ServiceNow Native Apps

500+

Domain Certifications

98%

Trained / Certified
Engineers





SNOWFLAKE

Persistent’s 10-year strong partnership with Snowflake, a leader in data management and analytics, positions us as a top-of-mind partner for data monetisation solutions. Our Snowflake team delivers innovative solutions in data and AI, augmented with Persistent accelerators such as iAURA to transform enterprise data management. Backed by more than 180 Snowflake-certified experts and more than 500 Snowflake-trained professionals, Persistent delivers scalable, secure, and industry-aligned solutions across data engineering, cloud modernisation, and GenAI adoption. With proven accelerators and deep expertise in Snowflake offerings, Persistent helps clients seamlessly migrate, govern, and monetise data — turning the Snowflake platform into a true engine for innovation.

Persistent partnered with Snowflake to build a modern data management platform for a leading medical technology company to forecast demand, optimise inventory, and streamline shipping operations. Leveraging our domain-aligned data engineering expertise, we developed

an AWS-backed Snowflake solution that seamlessly integrates and consolidates data across disparate systems.

To ensure compliance with regulatory standards such as PII and HIPAA, we implemented robust Identity and Access Management (IAM) frameworks and enforced role-based access controls to safeguard sensitive data. We also established clear procedures and security guidelines for the client’s data platform team to maintain operational integrity. Furthermore, Persistent collaborated with the client to integrate Snowflake with Microsoft Sentinel, enabling real-time log auditing and enhancing the overall security posture.

By automating data inputs and eliminating manual consolidation, the platform now delivers timely access to accurate surgical case data, resulting in better forecasting, faster surgical lead times, enhanced productivity, and improved patient outcomes.

Capability Summary

Snowflake SI & Premium Technology Validation Partner

20+

Active Snowflake Engagements

500+

Team of Snowflake Experts with 30+ Certified Specialists

4+

Accelerators



UiPATH

As a Gold partner for the past eight years, Persistent collaborates with UiPath to help enterprises adopt robotic process automation (RPA) and reduce operational costs, improving process efficiencies. With five Centres of Excellence, Persistent's, 150+ UiPath-certified developers and business analysts have built more than 100 applications leveraging UiPath's innovative cognitive technologies. Our in-house accelerators and IP align with industry needs, accelerating the time to market of critical capabilities and enabling clients to gain and maintain a competitive edge. Persistent is also a UiPath Agentic Automation Fast Track Partner.

For a prominent life sciences firm, Persistent and UiPath collaborated to develop a digital front-office solution that improved response time by 70%. We automated order tracking, integrated AI-driven mechanisms for dispute resolution, and deployed role-based access controls for dashboards to securely provide insights. By successfully migrating 50% of users and reducing legacy code by half, the project improved market response time by 70%. Seamless API integration fostered enhanced collaboration, driving increased lead conversion rates and improving customer engagement.

Capability Summary

UiPath Partner Level Gold

7+

Years of Partnership

150+

RPA Certified Consultants

10+

Domain & Technical
Solutions Accelerators

100+

Successful Enterprise
Applications

5

Centres of Excellence
in Atlanta, Dublin,
Ohio, and Pune, India

The **Re(AI)maging** Journey Continues

By **Re(AI)maging the World**, our global clients continue to demonstrate that AI's incredible transformative power takes many forms. A global pharmaceutical giant is utilising AI to massively accelerate drug trials for new medical advancements that are saving lives. Global banks are creating new mobile banking experiences and solutions with AI virtual agents, so consumers and investors feel more secure about their financial futures. Marquee product and software providers are applying AI and data in their development processes, unlocking new capabilities and reducing go-to-market times from months or years to weeks or even days.

Our market performance, focus on growth, and ability to create AI value motivates clients to place their trust and confidence in our enduring relationships. We remain committed to innovating new AI solutions that are differentiated, value-driven, and transformative, revealing new frontiers and achievements that were previously out of reach.

We know from our client collaborations that **Re(AI)maging the World** is not a solo journey. When we embrace the unknown together, when we combine our capabilities and experience, and when we unite vision with commitment — that's when transformation and **Re(AI)maging** through AI truly begins.



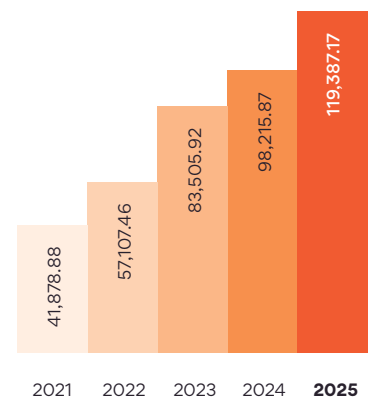
Corporate Information



Financial Highlights

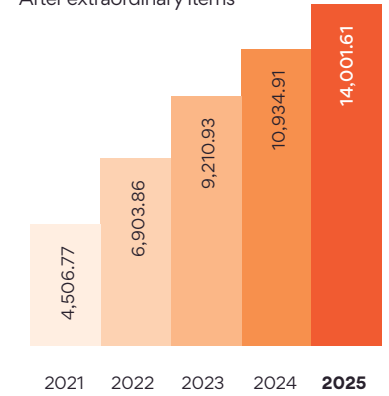
Financial Year ending on March 31, 2025

Total Revenue In ₹ Million

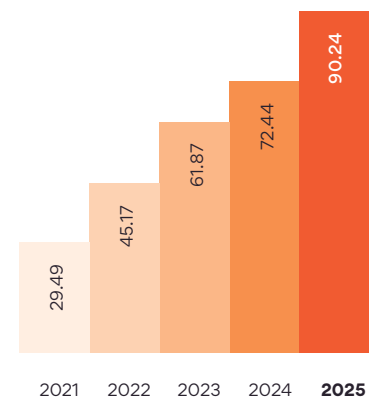


Profit After Tax In ₹ Million

After extraordinary items



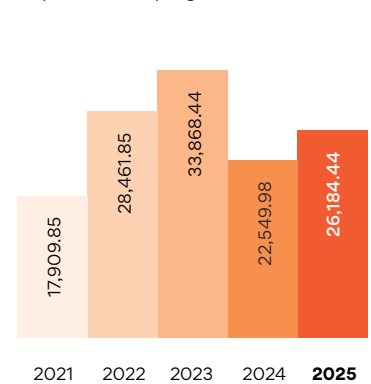
Earnings Per Equity Share (Basic)* In ₹



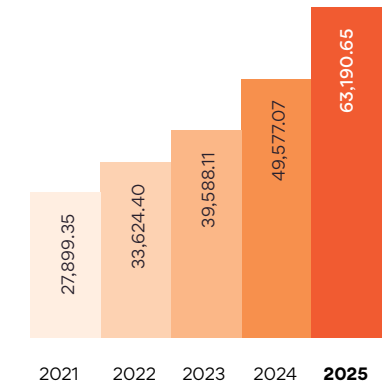
* EPS adjusted for post split number

Fixed Assets In ₹ Million

Gross block, including Capital work-in-progress

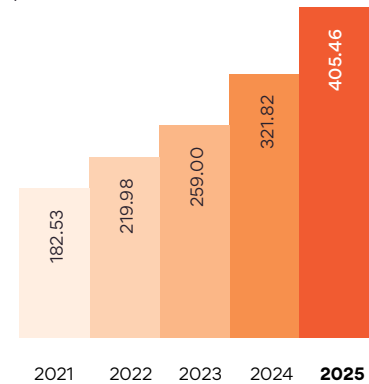


Net Worth# In ₹ Million

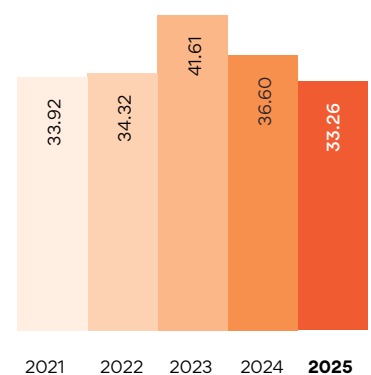


Book Value per Share** In ₹

* Book Value per share adjusted for post split number

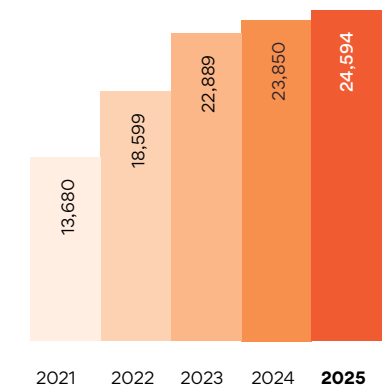


Dividend Payout Ratio^ In %



Persistent Team In Numbers

Including trainees and associates



© EPS is computed after considering the impact of exceptional item.

Equity Share Capital, Reserves and Surplus (excluding Gain on bargain purchase) and other comprehensive income are considered for the purpose of computing Net Worth and Book Value per share.

^ Considering aggregate payout of dividend and dividend distribution tax (including proposed dividend and tax thereon).

Financial Performance

Based on consolidated figures

Profit and Loss Statement

In ₹ Million

Particulars	2024-25	2023-24	2022-23	2021-22	2020-21
Income					
Revenue	119,387.17	98,215.87	83,505.92	57,107.46	41,878.88
Other Income	1,381.54	1,280.20	706.17	1,439.55	1,077.72
Total	120,768.71	99,496.07	84,212.09	58,547.01	42,956.60
Personnel expenses (including cost of professionals)	86,228.82	71,102.40	60,121.66	42,567.28	30,721.67
Operating and other expenses	12,576.42	10,356.61	8,193.01	4,958.47	4,327.06
Profit before interest, depreciation and amortisation, exceptional item and tax	21,963.47	18,037.06	15,897.42	11,021.26	7,907.87
Interest*	671.29	467.27	473.40	118.35	57.94
Depreciation and amortisation	3,069.10	3,093.73	2,718.95	1,660.12	1,755.50
Exceptional item (expense)	-	-	(296.55)	-	-
Provision for taxation	4,221.47	3,541.15	3,197.59	2,338.93	1,587.66
Profit After Tax (PAT)	14,001.61	10,934.91	9,210.93	6,903.86	4,506.77
Dividend (including proposed dividend) and tax thereon #*	4,657.50	4,002.10	3,832.25	2,369.18	1,528.50

* Finance costs include interest on lease liability of ₹ 254.23 million under finance costs (Previous year ₹ 180.02 million) and notional interest on amounts due to selling shareholders ₹ 15.27 million (Previous year ₹ 51.05 million).

The minor variation in figure as compared to the last year is due to change in outstanding number of equity shares post Buyback.

Profit and Loss Account (Ratios)

Particulars	2024-25	2023-24	2022-23	2021-22	2020-21
Personnel expenses/Revenue (%)	72.23	72.39	72.00	74.54	73.36
Operating and other expenses/Revenue (%)	10.53	10.54	9.81	8.68	10.33
Profit before interest, depreciation and amortisation, exceptional item and tax/Revenue (%)	18.40	18.36	19.04	19.30	18.88
Interest/Revenue (%)	0.562	0.476	0.567	0.207	0.138
Depreciation and amortisation/Revenue (%)	2.57	3.15	3.26	2.91	4.19
Exceptional item/Revenue (%)	-	-	(0.36)	-	-
Tax/Revenue (%)	3.54	3.61	3.83	4.10	3.79
PAT/Revenue (%)	11.73	11.13	11.03	12.09	10.76
ROCE (%)*	30.49	28.58	30.43	24.00	19.55

* ROCE calculation is based on post tax return and average of opening and closing capital employed.

Committees of the Board

As on June 6, 2025

Audit Committee	Praveen Kadle Avani Davda Prof. Ajit Ranade	Chairman of the Committee and Independent Director Independent Director Independent Director
Risk Management Committee	Praveen Kadle Arvind Goel Prof. Ajit Ranade Sandeep Kalra Vinit Teredesai Debashis Singh	Chairman of the Committee and Independent Director Independent Director Independent Director Executive Director and Chief Executive Officer Additional Director (Executive Member) and Chief Financial Officer Chief Information Officer
Nomination and Remuneration Committee	Dr. Ambuj Goyal Arvind Goel Dan'l Lewin Prof. Ajit Ranade	Chairman of the Committee and Independent Director Independent Director Independent Director Independent Director
Stakeholders Relationship and ESG Committee	Arvind Goel Avani Davda Dr. Anand Deshpande Vinit Teredesai	Chairman of the Committee and Independent Director Independent Director Chairman and Managing Director Additional Director (Executive Member) and Chief Financial Officer
Corporate Social Responsibility Committee	Avani Davda Dr. Anand Deshpande Arvind Goel	Chairperson of the Committee and Independent Director Chairman and Managing Director Independent Director
Executive Committee	Dr. Ambuj Goyal Avani Davda Anjali Joshi Praveen Kadle Sandeep Kalra	Chairman of the Committee and Independent Director Independent Director Independent Director Independent Director Executive Director and Chief Executive Officer
Investment Committee	Praveen Kadle Avani Davda Dr. Ambuj Goyal Anjali Joshi	Chairman of the Committee and Independent Director Independent Director Independent Director Independent Director

Directors' Profiles



Dr. Anand Deshpande
Founder, Chairman and
Managing Director



Sandeep Kalra
Executive Director and
Chief Executive Officer



Vinit Teredesai
Additional Director
(Executive Member) and
Chief Financial Officer



Avani Davda
Independent Director



Dr. Ambuj Goyal
Independent Director



Arvind Goel
Independent Director



Anjali Joshi
Independent Director



Praveen Kadle
Independent Director



Dan'l Lewin
Independent Director



Prof. Ajit Ranade
Independent Director



Dr. Anand Deshpande

Founder, Chairman and
Managing Director

Dr. Anand Deshpande is the Founder, Chairman, and Managing Director of Persistent Systems since October 19, 1990, and is responsible for the overall leadership of the Company.

Dr. Deshpande received his Bachelor of Technology (B. Tech.) with Honours (Hons.) in Computer Science and Engineering from the Indian Institute of Technology (IIT), Kharagpur, in 1984 and an M.S. and a Ph.D. in Computer Science from Indiana University, Bloomington, Indiana, USA in 1986 and 1989 respectively. He has been recognised by both his alma maters – as a Distinguished Alumnus by IIT Kharagpur in 2012 and with the Career Achievement Award by the School of Informatics of Indiana University in 2007.

Prior to founding Persistent, Anand began his professional career at Hewlett-Packard Laboratories in Palo Alto, California, where he worked as a Member of Technical Staff from May 1989 to October 1990.

Dr. Deshpande is a true technology visionary and has been the driving force in growing Persistent from its inception in 1990 to the publicly traded global Company of today. In 2023, he received the EY Entrepreneur Of The Year™ Award in the Services Category, recognising his prowess in transforming the business by anticipating client needs, bringing innovative perspectives to boost the economy, and contributing to a better working world. Some of his recent awards include the ACM Presidential Award in 2024 and the Engineering Council of India’s Eminent Engineer Award for 2024. He was

also inducted as a fellow of the Indian National Academy of Engineers (INAE) in 2024.

He is a founding trustee of Persistent Foundation and Persistent India Foundation, a trustee of the VLDB Endowment, the co-chair of the Biotechnology Research Innovation Council (BRIC) set up by the Department of Biotechnology, Government of India, and the Chairman of the VJTI Board of Governors. He is also an honorary Adjunct Professor of Practice at the Desai Sethi School of Entrepreneurship at IIT Bombay.

He was a part-time member of the Unique Identification Authority of India (UIDAI) from 2016-22 and in the last three years has served as the Chairman of the Board of Governors of IIT Patna, the interim Chairman of the Board of Governors at IIT Allahabad. He also served on, on the governing board of the College of Engineering, Pune, and the Gokhale Institute of Politics and Economics, Pune.

His past responsibilities include being the founding President of the Association for Computing Machinery (ACM) India, founding member of the Indian Software Products Industry Round Table (ISPIRT), and founding member of I4C. He served as a trustee in the Computer History Museum, a member of the NASSCOM’s Executive Council, and a member of the Dean’s Advisory Council in the School of Informatics, Computing and Engineering of Indiana University.

He is on the Board of the Mahratta Chamber of Commerce and Industries, Pune, a trustee on the Board of BAIF and has served industry associations as a past President of Software Exporters’ Association of Pune (SEAP), Pune Chapter of Computer Society of India (CSI), and CII’s Pune Zonal Council.

After transitioning from the role of CEO at Persistent in 2019, Anand has committed to making a broader impact and is focused on data, higher education, and entrepreneurship.

Anand and his family members, have established DeAsra Foundation. This non-profit entity focuses on creating self-employment at scale and has supported more than 400,000 nano-entrepreneurs. Through the Second

Orbit program, in collaboration with Dr. Ashok Korwar, he has helped hundreds of entrepreneurs scale their businesses. He is actively working with clinicians and researchers on projects to create a data platform for Indian patients suffering from cancer and diabetes.

Anand is married to Sonali, and they have an entrepreneur daughter, a son and a daughter-in-law.



Sandeep Kalra

Executive Director and
Chief Executive Officer

Sandeep Kalra serves as the CEO and Executive Director on the Board of Persistent Systems.

Sandeep has more than 30 years of experience in the IT services industry with a track record of revitalising businesses to boost growth and profitability. Highly regarded for his passion and growth-oriented mindset, Sandeep has expanded on Persistent’s impressive Digital Engineering pedigree to become an industry leader.

Under his tenure as CEO, Persistent has surpassed \$1 billion in annual revenue and evolved from a specialised technology provider into a dynamic full-stack, digital transformation partner and a strong global brand. His leadership has positioned Persistent as a trusted enterprise provider in foundational technologies such as product and platform development, data and analytics, application and infrastructure modernisation, as well as cloud for key industry verticals. In addition, his focus on innovation has established Persistent as a leader in cutting-edge technologies like

intelligent automation, AI and GenAI. Sandeep’s commitment to Environmental, Social, and Governance issues (ESG) has resulted in numerous awards, including Persistent’s addition to the Dow Jones Sustainability Indices (DJSI) acknowledging the Company’s excellence in sustainability performance as well as being recognised by Dun & Bradstreet as an ESG Champion of India. Sandeep is also well-known throughout the industry for fostering talent and executive leaders as well as building a dynamic and welcoming culture.

During the past five years, Sandeep’s strategic direction has led to significant recognition from renowned industry analysts such as Gartner, ISG, Zinnov, Everest Group, and Constellation Research, as he has fortified the Company’s capabilities across industry verticals and service lines. Persistent was acknowledged as the "Most Promising Company" of the Year by CNBC-TV18 at the 2023 India Business Leader Awards. Sandeep was named the Best CEO in the IT Services (Emerging Companies) Category by Fortune India in 2024 for his visionary leadership and acknowledged for his transformative leadership by the respected business magazine Business Today with the “Best CEO in IT/ITES Industry” 2023 award.

Under Sandeep's leadership, Persistent is now included in three prestigious capital market indices – MSCI India Index, S&P BSE 100 and S&P BSE SENSEX Next 50 Indices — reflecting investor confidence in the Company's trajectory with Sandeep at the helm.

A graduate of the Indian Institute of Management Calcutta, Sandeep spent more than 16 years at HCL Technologies, holding various leadership positions including for outsourced Product Engineering, extending HCL Technologies' presence in Latin America and Canada, as well as leading the Pharmaceuticals vertical. After leaving HCL Technologies, Sandeep

joined Symphony Teleca, where he was instrumental in its growth and successful acquisition by HARMAN. Subsequently, he led the 7,000+ member services business unit for HARMAN (now a Samsung company), providing digital transformation solutions to technology firms and enterprises.

Sandeep loves hiking, watching gymnastics and American football, and traveling to meet new people and learn about other cultures.

He lives in Pennsylvania along with his wife, Jyotika, and their three daughters.



Vinit Teredesai

Additional Director (Executive Member) and Chief Financial Officer

As an Additional Director (Executive Member) and the Chief Financial Officer of the Company, Vinit Teredesai is responsible for Corporate Finance, Treasury, Financial Reporting, Taxation and investor relations at Persistent.

Prior to joining Persistent in May 2024 as the Chief Financial Officer, Vinit has over 29 years of experience in the areas of corporate finance, international and domestic taxation and management accounting. He has worked with LTIMindtree, KPIT Technologies and his most recent role was with LTIMindtree where he was the Chief Financial Officer of the merged entity post the merger of L&T Infotech and Mindtree in 2022.

He is a Chartered Accountant, Cost and Works Accountant, Certified Public Accountant (USA) and has also completed his General Management from MIT Sloan School of Management, Cambridge MA focusing on Strategy, Innovation and Technology.

He has received many industry accolades with recently as Best CFO Award for Large Enterprises from The Economic Times (ETCFO), Associated Chamber of Commerce and Industry of India (ASSOCHAM) and the Institute of Cost and Management Accountants India (ICMAI).

Vinit is married to Rashmi and they have two daughters.



Avani Davda

Independent Director

Avani Davda is an eminent Business leader with diverse experience in operating and leadership roles across consumer, retail and hospitality industries. She has successfully demonstrated skill in creating premium brand experience in the consumer and retail space.

Currently, she is a strategic advisor at Bain Advisory Network. Prior to joining Bain, she has played multiple leadership roles in various industry segments.

Her professional career took off when she started her career with Tata Group as a recruit into the Group's flagship leadership program 'TAS' (Tata Administrative Services) in 2002. Thereafter she worked in Tata companies including TAJ Luxury Hotels (IHCL) and Tata Consumer Products Ltd.

She was the Chief Executive Officer of Tata Starbucks Private Limited, the 50/50 joint venture between Starbucks Coffee Company and Tata Global Beverages Limited (TGBL). As the founding CEO, she successfully set up the JV Company and created the right leadership and cultural environment that resulted in the aggressive expansion of over 85 Starbucks stores in India in 3 years. The brand was established in 6 key

metropolitan cities of India and is recognised for its unmatched coffee house experience in India. Subsequently, she played the role of MD and CEO at Godrej Nature's Basket from May 2016 to November 2019. In Godrej, she led the transformation and turnaround of the business with a focus on delivering store-level profitability culminating in the strategic sale of the business.

She featured in Fortune US's annual global list of '40 under 40 leaders' in 2013 and ranked 13 on Fortune and Food & Wine's list of '25 Most Innovative Women in Food and Drink' in 2014 – the only Indian woman on the list. She was nominated as a Young Global Leader in 2014 by the World Economic Forum, Geneva, Switzerland. Avani was also named in "ET & Spencer Stuart Women Ahead" 2019.

Avani grew up in Mumbai, India and holds a bachelor's degree in commerce with Honors (Advertising & Media) from the University of Mumbai and a Master of Management Studies (MMS) from the Narsee Monjee Institute of Management Studies, University of Mumbai (Gold Medalist).

Avani is also the Chairperson of the Corporate Social Responsibility Committee of the Board of Directors of the Company.

Avani is married to Vishal and they have a son.

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Dr. Ambuj Goyal
Independent Director

Dr. Ambuj Goyal holds a bachelor’s degree in technology from IIT Kanpur and a Ph.D. from the University of Texas, Austin. He is a Fellow of Institute of Electrical and Electronics Engineers (IEEE) and Association for Computing Machinery (ACM) and has received multiple industry awards.

Dr. Ambuj is currently an advisor to multiple start-ups and private equity firms. Earlier, he was the Chief Executive Officer of Magine, a Stockholm-based start-up. He started his career with IBM Research and served in several leadership positions across various divisions for two decades, including leading Computer Science Research with over 1500 scientists, creating a multibillion-dollar software

and services portfolio as General Manager for Information Management and Analytics, and transforming products worth \$20 billion as General Manager for Development, IBM Systems & Microelectronics.

Dr. Ambuj has extensive experience with highly innovative systems and software businesses, which require deep understanding of technology and critical business drivers in multiple markets and industries. He has led and motivated worldwide research and large business teams across the globe and managed P&L for businesses generating revenue over \$10 billion.

Dr. Ambuj Goyal is also Chairman of Nomination and Remuneration Committee and Executive Committee of the Company.

Dr. Ambuj is married to Barbara and they have two daughters.



Arvind Goel
Independent Director

Arvind Goel holds a bachelor’s degree in mechanical engineering from National Institute of Technology, Kurukshetra. He has completed advance leadership and management programs from Harvard Business School, NYU Stern School of Business and Center for Creative Leadership in Singapore.

Arvind is currently the Non-Executive Chairman of Tata AutoComp Systems Limited. Previously, he was the Managing Director & Chief Executive Officer of Tata AutoComp

Systems Limited till October 2022. Associated with the Tata Group since 2018, Arvind has held several leadership positions, including Chief Operating Officer and President and has been instrumental in creating multiple joint ventures and the acquisition of TitanX.

Previously, Arvind has held senior leadership positions in several companies, including Man Trucks, Force Motors, Bajaj Tempo, and Kirloskar Oil Engines.

Arvind has been an active member of various industry bodies and currently serves as the Vice President of Maharashtra Chamber of Commerce Industries and Agriculture (MCCIA); Chairman of

Western Region Automotive Components Manufacturers Association (ACMA); Elected Member of CII National Council and CII Western Regional Council.

With an extensive experience of more than 40 years in the automotive industry, Arvind has been the recipient of several awards, including “India’s Most Inspirational Leader 2020” by White Page International, “Global Indian of the

year 2020-21” by AsiaOne, “Auto Component Leader of the year 2021” by Auto Components India Magazine and “Economic Times Inspiring CEO 2021” by Economic Times.

Arvind is also the Chairman of the Stakeholders Relationship and ESG Committee of the Board of Directors of the Company.

Arvind is married to Dr. Suniti, and they have a son and a daughter.



Anjali Joshi
Independent Director

Anjali Joshi is an experienced technology and product leader and professional director with more than 30 years of experience in engineering and product management. She received her B. Tech. in Electrical Engineering from IIT, a Master's in Computer Engineering from the State University of New York, and a Master's in Engineering Management from Stanford University. She was awarded the Distinguished Alumni Award from the Indian Institute of Technology.

She is currently a director of Xero and LocoNav and was previously a director of Alteryx,

Lattice Semiconductor, Iteris, MobileIron, and McClatchy. Anjali holds advisory positions at the Markkula Center for Applied Ethics at Santa Clara University, the National AI Institute for Exceptional Education at SUNY Buffalo, and Insight Partners in New York.

Anjali spent 13 years in senior product leadership at Google where she was instrumental in building and scaling several products including Search and Maps globally across internet, mobile, and video platforms. Before joining Google, Anjali held engineering leadership positions at Covad Communications and Systems Engineering roles at AT&T Bell Labs.

Anjali is married to Sanjay Kasturia and they have two daughters.

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Praveen Kadle
Independent Director

Praveen Kadle completed his bachelor's degree with Honours in Commerce and Accountancy from Bombay University in 1977. He is also a member of the Institute of Chartered Accountants of India since 1981. Apart from this, Praveen is a qualified Cost Accountant from the Institute of Cost Accountants of India and also a professionally qualified Company Secretary from the Institute of Company Secretaries of India.

Praveen was the non-executive Chairman of Tata Autocomp Systems Limited. Praveen is associated with the Tata Group for close to the last three decades. He is on the boards of various Tata and non-Tata companies.

Praveen is a recipient of many recognitions and awards such as CFO of the Year Award in the years 2004, 2006, and Best CFO in Auto Sector in the year 2007. Praveen was inducted into "CFO- Hall of Fame" in 2008. Praveen was recognised as "Indian Business Leader of the Year" in 2015 by 'Horasis', a Global Leadership Institute and Best Indian CEO in Financial Services Sector by Finance Asia in 2017.

Praveen has been associated with CRY (Child Rights and You), the most respected social sector player for the last fourteen years as an Honorary Trustee and Treasurer.

Praveen is also the Chairman of Audit Committee, Risk Management Committee and Investment Committee of the Board of Directors of the Company.

Praveen is married to Chetana; an accomplished artist and they have a son.

and governance as well as foster growth to achieve strategic goals and scalability.

Dan'l has served on the boards of the Silicon Valley Community Foundation, UI Labs, Advanced Energy Economy, and currently serves as a Board Director at StartX. He

is also on the Advisory Council for the Department of Politics at Princeton University.

Dan'l has two sons and three grandchildren.



Prof. Ajit Ranade
Independent Director

Prof. Ajit Ranade's thirty-five-year career has spanned both academic and corporate assignments. He is a noted economist. He received his PhD in Economics from the Brown University, USA.

Prior to that, he did his Post Graduate Diploma in Management (PGDM) from the Indian Institute of Management, Ahmedabad, after completing B. Tech. in Electrical Engineering at the prestigious Indian Institute of Technology (IIT), Bombay. He received the Distinguished Alumnus award from IIT, Bombay in 2009.

Prof. Ranade was the Vice-Chancellor and former member of the Board of Management at the Gokhale Institute of Politics and Economics till October 29, 2024.

Prior to that he was Group Executive President and Chief Economist with the Aditya Birla Group, an Indian multinational conglomerate.

Prof. Ranade has been a member of executive committees of apex industry chambers; CII, FICCI and MCCIA. He has earlier taught at universities in the USA and in India. He has been a member of the Boards of several companies and trusts, and is also a columnist for over two decades, writing on economics and other current topics. He is a co-author of an award-winning book: "Rising to the China Challenge" (2021).

Prof. Ranade is a co-founder and trustee of the Association for Democratic Reforms. He is also a trustee of the Pune International Centre and an Honorary Senior Fellow at the Takshashila Institution.

Prof. Ranade is married to Alpana and they have two daughters.



Dan'l Lewin
Independent Director

Dan'l Lewin has joined the Board as an Independent Director in June 2022. He holds an A.B. degree in Politics from Princeton University.

He was the President and Chief Executive Officer of the Computer History Museum (CHM), a US-based non-profit organisation, where he was responsible for strategic planning, fundraising and operations.

Prior to CHM, Dan'l led Microsoft's work in applying technology for public good during a 17-year tenure. His portfolio included setting

up Microsoft's global start-up and venture capital engagement model, campaign and civic tech engagement, affordable internet access, environmental sustainability, and partnerships with leading research universities.

Earlier, Dan'l accrued over 30 years of leadership experience in Silicon Valley. He led the initial launch of the Macintosh to higher education for Apple Computer, Inc. Dan'l was Co-founder and VP marketing and sales at NeXT, Inc. after leaving Apple. Later, he led sales and marketing for GO Corporation. Dan'l also served as Chief Executive Officer of Aurigin Systems, Inc.

Dan'l has helped organisations establish long-term competitive positioning, guide strategy

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Corporate Information

As on June 6, 2025

Board of Directors

Dr. Anand Deshpande

Founder, Chairman and Managing Director

Sandeep Kalra

Executive Director and Chief Executive Officer

Vinit Teredesai

Additional Director (Executive Member)
and Chief Financial Officer

Independent Directors

Avani Davda

Anjali Joshi

Arvind Goel

Dr. Ambuj Goyal

Praveen Kadle

Dan'l Levin

Prof. Ajit Ranade

Company Secretary

Amit Atre

Auditors

M/s. Walker Chandiook & Co. LLP

Secretarial Auditors

M/s. SVD & Associates

Registered Office

'Bhageerath', 402 Senapati Bapat Road
Pune 411 016, Maharashtra, India
CIN: L72300PN1990PLC056696

Bankers

Axis Bank

Banco Nacional - Costa Rica

Banco Nacionalde Mexico S. A.

Bank of Baroda

Bank of India

Bank of Tokyo-Mitsubishi

Barclays Bank

BNP Paribas

Canara Bank

Citibank NA

Deutsche Bank

First National Bank

HDFC Bank

Hongkong and Shanghai

Banking Corporation

Silicon Valley Bank

Union Bank of India

Wells Fargo Bank

Zürcher Kantonal Bank

DBS Bank

State Bank of India

ICICI Bank Limited

Saraswat Co-operative Bank

Kotak Mahindra Bank

OCBC Bank

PNC Bank

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Contact Info

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Fax: +91 20 6703 6003

Email: info@persistent.com

Website: www.persistent.com

Global Presence

As on June 6, 2025

Persistent Systems Limited

Registered Office
'Bhageerath', 402 Senapati Bapat Road
Pune 411 016, Maharashtra, India
Tel: +91-20-6703-5555

Pune

Aryabhata-Pingala

9A/12, Kashibai Khilare Marg, Erandawana
Pune 411 004, Maharashtra, India
Tel: +91-20-6703-5555
Fax: +91-20-6703-6003

Rigveda-Yajurveda-Samaveda-Atharvaveda

Plot No. 39, Phase I
Rajiv Gandhi Information Technology Park
Hinjawadi, Pune 411 057, Maharashtra, India
Tel: +91-20-6798-0000
Fax: +91-20-6798-0009

Ramanujan

B9, The Loft commercial Building
Blue Ridge Township, S. No.119 (part) to
125+154 (part) to 160+160/2 to 171+173
Plot No.1, Sector R-1, Hinjawadi
Pune 411057, Maharashtra, India

Persistent India Foundation - CSR Foundation - Section 8 Company

Registered Office:
'Bhageerath', Vetal Chowk, 402E
Senapati Bapat Road, Gokhale Nagar
Haveli, Pune 411 016, Maharashtra, India
Tel: +91-20-6703-5555

Arrka Infosec Private Limited

Bhageerath, Vetal Chowk, 402E, Senapati
Bapat Road, Gokhale Nagar, Pune
Haveli, Maharashtra, India, 411016
Tel: +91-20-6703-5555

Ahmedabad

D-02, The First Commercial Complex B/S
Keshavbaug Party Plot, B/H ITC Hotel
Vastrapur, Ahmedabad 380015, Gujarat, India

Bengaluru

5th Floor, Block 9, Primal Projects Pvt.
Ltd. SEZ (Pritech Park), Survey Nos. 51 to
64/4 & 66/1, Belandur Village, Varthur
Hobli, Bangalore East Taluk, Bangalore
Urban 560 103, Karnataka, India
Tel: +91-80-6135-9301

12th Floor, Crescent 1, Prestige
Shantiniketan Business Precinct
Whitefield Main Road, Mahadevapura
Bengaluru 560067, Karnataka, India

6th Floor, The Cube-Karle Town Centre
100 Ft. Nada Prabhu, Kempe Goda Main Road
Next to Nagavara, Bengaluru
560045, Karnataka, India

Chennai

1st Floor, No. 282/1A, 'Arihant
Verge' Kandanchavadi, Old
Mahabalipuram Road (OMR)
Rajiv Gandhi Salai 600096
Chennai, Tamil Nadu, India

5th floor, Olympia Pinnacle, #1
S.No. 69/2A1, S.No. 67/1-2A
New S.No. 67/4, Old Mahabalipuram Road
Okkiam Thuraipakkam Village, Thuraipakkam
600096, Chennai, Tamil Nadu, India

Goa

Bhaskar - Charak

L-44, Unit 1, Software Technology Park
Verna Industrial Estate, Verna, Salcete 403 722
Goa, India
Tel: +91-0832-67 53333

Gurugram

Persistent Systems Limited

DLF - Cyber City - 18th floor, Tower C
DLF Bldg.5, DLF Cyber City
Gurugram, 122002, Haryana, India

MediaAgility India Private Limited

Registered Office:
DLF - Cyber City - 18th floor, Tower C
DLF Bldg.5, DLF Cyber City
Gurugram 122002, Haryana, India

Hyderabad

11th and 12th Floor, WaveRock Building
Survey No. 115 (part) TSIC IT / ITES SEZ
Nanakramguda Village, Serilingampally Mandal
Hyderabad 500 008, Telangana, India
Tel: +91-40-6722-9555

Knowledge City- Unit 1 & Unit 2 of 6th floor
Argus Block, 'Sattva Knowledge City'
Plot No 2 in Phase 1, Survey No.83/1 of Raidurg
Village, Serilingampally Mandal, Ranga Reddy
District, Hyderabad, 500081, Telangana, India

Indore

4th and 5th Floor, Brilliant Centre
17 Race Course Road, Indore 452003
Madhya Pradesh, India

Jaipur

5th Floor, Plot No. 3, Fort Anandam, Indira Place
Malviya Nagar, Jaipur 302017, Rajasthan, India

Kochi

9th floor, Level 10, Nippon Q 1, Near Don
Bosco Cultural Centre, NH 66 Bypass Vennala
PO, Ernakulam, Kerala 682028, India

Kolkata

7th Floor, Godrej Genesis, Block EP & GP
Sector - V, Salt Lake City Bidhannagar
700091, Kolkata, India

Mumbai

12th Floor, Tower C, Times Square
Andheri-Kurla road, Opposite Mittal
Industrial Estate, Marol, Andheri-East
Mumbai 400059, Maharashtra, India

Nagpur

Gargi-Maitreyi

Plot No. 8 and 9, IT Park, MIDC Parsodi
Nagpur 440 022, Maharashtra, India
Tel: +91-0712-6692960
Fax: +91-0712-6692111

2nd and 3rd Floor, Infotech Tower, IT Park, M.I.D.C.
Parsodi, Nagpur 440 022, Maharashtra, India
Tel: +91-0712-6732321

Ground Floor, B wing, North Block
CFB Building, MIHAN SEZ
Nagpur 441 108, Maharashtra, India

Noida

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201301, Uttar Pradesh, India

Australia

Persistent Systems Limited

Registered Office
Level 12, 680 George Street, Sydney, NSW, 2000
Australia
Tel: +61 (02) 8280 7355
Fax: +61 (02) 9287 0350

Sydney

Level 20 & 21, 201 Sussex Street, NSW, 2000
Australia

Melbourne

Level 21, 567 Collins St. Melbourne, VIC, 3000
Australia

Persistent Systems Australia Pty Ltd

Level 20 & 21, 201 Sussex street, NSW, 2000
Australia

Canada

Persistent Systems Limited

Development Centre

515 Legget Drive, Suite 920
Ottawa, ON, K2K 3G4, Canada

British Columbia

Pacific Centre, 400-725 Granville Street
Vancouver, BC, V7Y 1G5, Canada
Tel: 1 604 687 2242
Fax: 1 604 643 1200

Ontario

Scotia Plaza, 40 King Street West
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Fax: +1 416 595 8695

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1000 De La Gauchetière Street West
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Tel: 1 514 875 5210
Fax: 1 514 875 4308

Costa Rica

Persistent Systems Costa Rica Limitada

Registered Office
Sigma Business Center, Republic Tower A
second Floor, San Pedro Montes de Oca
Post code: 11501, Costa Rica

France

Persistent Systems France S.A.S.

Registered Office
31-35, rue de la Fédération
75015, Paris, France

Branch Offices

Grenoble

1 rue Hector Berlioz, 38600, Fontaine, France
Tel: +33 (4) 7653 3580
Fax: +33 (4) 7653 3589

Paris Office

Symphony Partners
61, Boulevard Haussmann, 75008, Paris, France

Mâcon

Cité de l'entreprise – Bâtiment MC
200 boulevard de la Résistance
71000, Mâcon, France

Lyon

Wojo Lyon Grand Hotel Dieu
4 Place Amédée Bonnet
CS 20265 69002, Lyon, France

Nantes

SCI LA CORDERIE, 9 Rue Jean-Jacques
Rousseau 44000, Nantes, France

Germany

Persistent Systems Germany GmbH

Registered Office
Lyoner Straße 14, 60528, Frankfurt am
Main Germany
Branch Office
Christoph-Rapparini-Bogen 25
80639, München, Germany

Ireland

Aepona Group Limited

9, Exchange Place, International Financial
Services Centre, Dublin 1, Ireland

Japan

Persistent Systems Limited

2-21-7-703 Kiba, Koto-ku, Tokyo 135-0042, Japan
Tel: +81 3 5809 8444

Malaysia

Persistent Systems Malaysia Sdn. Bhd.

Registered Office
Level 15-2 Bangunan Faber Imperial Court
Jalan Sultan Ismail 50250, Kuala Lumpur,
Wilayah Persekutuan, Malaysia

1303A, Level 13A, Uptown 2
Jalan SS21/37, Damansara Utama
47400, Petaling Jaya, Selangor
Darul Ehsan, Malaysia
Tel: +603 766 38 301
Fax: +603 761 00 993

Mexico

Persistent Systems Mexico S.A. de C.V.

Development Centre
Lopez Mateos Sur 1450, Piso 2 - Plaza LasVillas
Tlajomulco, Jalisco, 45640, Mexico

Digitalagility S de RL de CV

Av. Lopez Mateos Sur 1450 Piso 2
Colonia Las Villas, Tlajomulco de Zuñiga
45643, Jalisco, Mexico

Poland

Persistent Systems Poland Spółka Z O O

Warsaw, ul. Towarowa 28, 00-839
Warsaw, Poland

4th Floor Chilliflex Imperial

Wadowicka 7, 30-363, Kraków, Poland

Romania

Persistent Systems S.R.L.

Registered Office
Bucharest Sector 2, Strada C. A. Rosetti
Nr. 17, Biroul O09, ResCo-Work 10
Sectorul 2, Bucuresti 020011, Romania

Singapore

MediaAgility Pte Ltd.

30 Cecil Street, #19-08 Prudential Tower
Singapore 04971

Persistent Systems Pte. Ltd.

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Fax: +65 6223 7955

Sri Lanka

Persistent Systems Lanka (Private) Limited

3rd Floor, 123, Baudhaloka Mawatha
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Persistent Systems Limited

Spaces, Design Quarter
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Switzerland

Persistent Systems Switzerland AG

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The Netherlands

Persistent Systems Limited

Teleportboulevard 110
1043 EJ Amsterdam, The Netherlands
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United Kingdom

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MediaAgility UK Limited

London

3 More London Riverside, London
SE1 2RE, United Kingdom

Persistent Systems UK Limited

Forsyth House, Cromac Square

Belfast, Northern Ireland

BT2 8LA, United Kingdom

USA

Persistent Systems Inc.

Persistent Telecom Solutions Inc.

Registered Office

2055 Laurelwood Road, Suite 210

Santa Clara, CA 95054, USA

Tel: +1 (408) 216 7010

Fax: +1 (408) 451 9177

Branch Offices

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Township, New Jersey, NJ 08807, USA

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Morrisville, North Carolina, 27560, USA

Dallas

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275, Plano, TX 75024, USA

Seattle / Bellevue

3380 146th Place SE, Suite 220

Bellevue, Washington 98007, USA

Dublin

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150 Dublin, Ohio 43016, USA

Raleigh / Morrisville

3005 Carrington Mill Blvd, Suite 175

Morrisville, North Carolina 27560, USA

Persistent Telecom Solutions Inc.

Atlanta

12600 Deerfield Parkway, Suite 100,

Alpharetta, Georgia, 30004, USA

Starfish Associates LLC

New Jersey

1200 US Highway 22, Bridgewater

NJ 08807, USA

MediaAgility Inc.

100 Somerset Corporate Center Bridgewater

Township, New Jersey, NJ 08807, USA

Persistent Systems Limited

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Santa Clara, CA 95054, USA

Persistent Systems Limited

North Carolina

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Suite 305, Mecklenburg County North Carolina

Charlotte, NC 28262, USA

Persistent Systems Limited

Texas

CT Corporation System, 1999 Bryan St.

Suite 900, Dallas, TX 75201-3136, USA

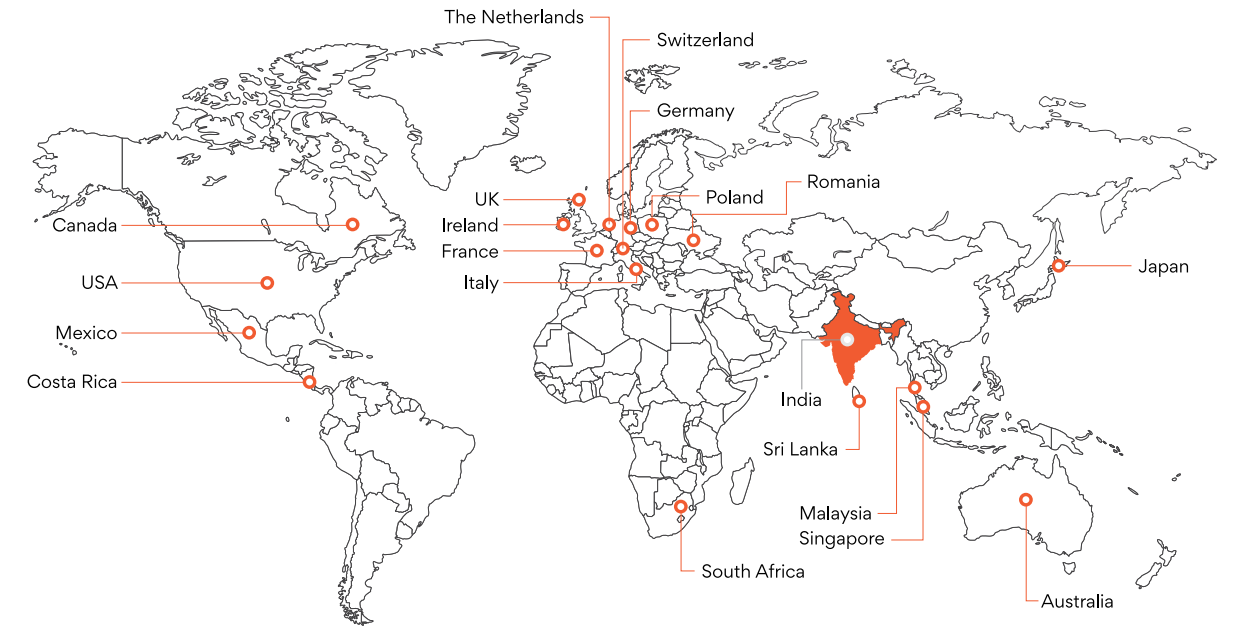
Persistent Systems Limited

Florida

CT Corporation System, 1200 South

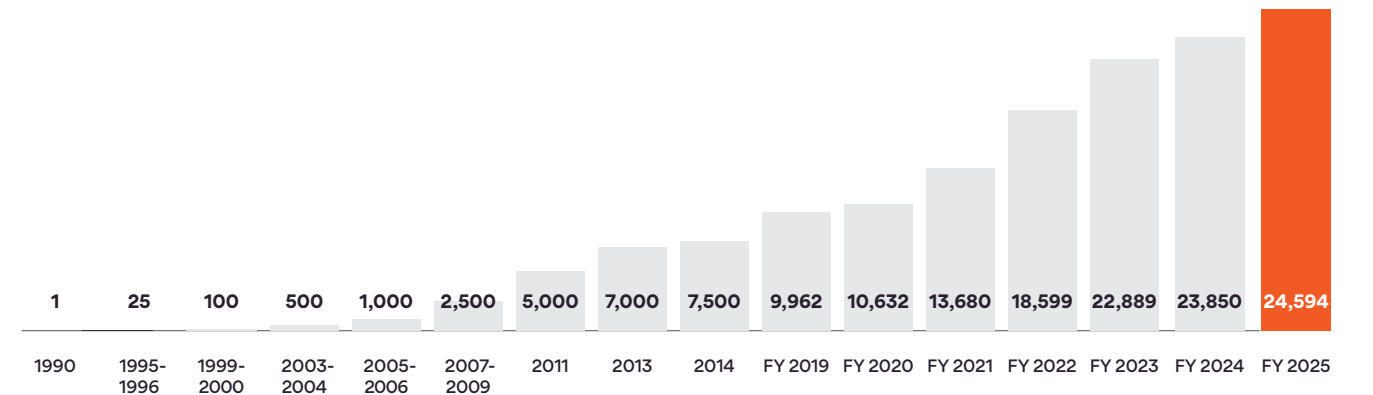
Pine Island Road, Plantation, Florida, 33324, USA

Global Presence



The map depicted is meant only to identify our global locations. No attempt is made to indicate political or geographical boundaries.

Employee Growth





Statutory

Message from the CFO

Dear Shareholders,

It is my privilege to address you for the first time as Persistent's Chief Financial Officer. I am honoured to join this remarkable organization and to share with you the financial and strategic highlights of a year that tested businesses worldwide, yet showcased Persistent's enduring strength and adaptability.

The fiscal year 2024-25 was marked by dynamic macro-economic conditions that posed significant hurdles. These events reinforced a fundamental truth: resilience and agility are essential for sustainable success. I am proud to report that Persistent not only weathered these storms but emerged stronger, delivering outstanding financial results, and strategic progress.

Our performance this year reflects the collective commitment of our leadership team and employees. Key financial highlights include:

- Revenue grew by 18.8%, in US\$ terms to \$1.409 Billion (INR 119.4 Billion), a testament to our robust business model and client trust.
- Profit After Tax (PAT) increased by 28% to INR 14 Billion, reflecting operational excellence and disciplined execution.
- Earnings Per Share (EPS) rose by 25.9% to INR 91.2, resulting in our market capitalization touching \$10 Billion as of March 31, 2025.
- Return on Capital Employed (RoCE) improved to 39.8%, up from 35.7% for the last year, underscoring our focus on value creation.
- Days Sales Outstanding (DSO) reduced to 58 days, helping improve our cash flow and working capital efficiency.
- Our cash and investments (net of borrowings) as of March 31, 2025, was INR 19.5 Billion, a growth of 19.7% over last year.
- Our Board recommended a final dividend of INR 15 per share, totalling INR 35 per share for the year, 34.6% increase over last year.
- This year, your Company also achieved a rating of AA+(stable) from ICRA (Investment Information and Credit Rating Agency) reinforcing our strong financial position, business resilience, and operational excellence.

To drive long-term value and enhance margins, we launched a comprehensive cost optimization program. Exercising fiscal discipline and prudent investment prioritization resulted in achieving significant savings that helped fuel continued investments in our AI and other capability investments to support future growth while also aiding in margin growth.

We have been consistently Re(AI)maging and helping our clients transform their businesses. Our commitment to innovation is unwavering. This year, we accelerated investments in Generative AI and developed new capabilities to unlock value for our clients. Strategic acquisitions have further bolstered our expertise in data, AI, and digital transformation.

As I reflect on my first year with Persistent, I am energized by our bold vision for the future. We will continue to optimize value for our clients and investors while continuing to invest in being the best in technology, talent, and operational excellence. Our financial discipline and strategic focus position us well to navigate uncertainties and seize new opportunities.

I sincerely thank our Board of Directors for providing me with the opportunity to join the Board of Persistent. I am deeply honoured and grateful for the trust and confidence placed in me.

Above all, I am deeply appreciative of our 24,500+ employees, whose dedication and talent are the bedrock of our success.

To our shareholders, clients, partners, and advisors - thank you for your continued support and confidence. Together, we will continue to build on Persistent's legacy of excellence.

With optimism and determination, I look forward to contributing to Persistent's ongoing journey of growth and value creation.

Sincerely,

Vinit Teredesai

Additional Director (Executive Member) and Chief Financial Officer

Report of the Directors

Your Directors are pleased to present the Thirty-fifth Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2025.

A. Business Update

Persistent is Re(AI)maging the World with market-leading solutions and innovations. Powered by your Company's commitment to collaborate with clients for growth, your Company has concluded another successful year with \$1.4 Billion in annual revenue, positioning Persistent as the AI ecosystem partner of choice across geographies and industries. As your Company celebrates its 35th year, we extend our sincere thanks to its employees, clients, partners, and shareowners for their continued trust and confidence in our ability to create significant value and achieve mutual success.

Despite challenging macroeconomic conditions, your Company continued to make remarkable strides and build on the unique heritage in product engineering and AI. This year, your Company achieved \$1,409 Billion in revenue, an 18.8% year-on-year growth in US\$ terms. This marks 20 quarters of sequential growth, outpacing the performance of other major service providers in India. The EBIT margin for FY25 came in at 14.7%, compared to 14.4% for FY24, and the profit after tax for the full year came in at 11.7%. Your Company announced a final dividend of INR 15 per share, marking our 15 years since its listing on the National Stock Exchange of India Limited and BSE Limited. This translates into a total dividend of INR 35 per share for FY25, which marks 35 years since the Company began this incredible journey. In addition, your Company's compound annual growth rate (CAGR) is 17.4% since its Initial Public Offering (IPO) in April 2010, and 25.6% over the last four years (FY21-FY25), outperforming the majority of your Company's peers.

Your Company's global team has expanded to more than 24,500+ employees across 19 countries.

Your Company continues to transform its operations with new AI solutions and innovations, which provide high degrees of agility and resiliency to respond to changing market dynamics. Your Company is persistently Re(AI)maging with its clients and partners, helping them in their transformation journey.

Despite the Company's ongoing achievements, it continuously propels itself to search for new innovations as a way to remain differentiated and competitive in the market. With the proliferation of AI, clients continue to rely on your Company as their trusted AI partner, with a commitment to developing solutions that unlock value, drive growth, and instil operational resiliency.

Your Company's AI strategy is proceeding with clients on several fronts, with a particular focus on sub-verticals within its primary industries of BFSI, Healthcare and Life Sciences, and Software / Hi-Tech:

- Your Company is collaborating with leading tech firms and Hyperscalers partners such as Microsoft Azure, AWS, Google Cloud, and Salesforce to engineer scalable platforms, utilising our unique Generative AI-enabled platform, SASVA, to accelerate software and application development. To date, your Company has filed for 35 patents for SASVA in areas such as backlog prioritisation, LLM-driven security simulations, and dynamic data pipeline orchestration.
- Your Company is leveraging AI agents to transform clients' outdated backend processes into AI-driven workflows, utilizing its unique platforms such as GenAI Hub for new GenAI-powered applications.
- Your Company unveiled iAURA 2.0, the latest version of our AI-enabled data transformation platform, as customers look for ways to leverage their vast amounts of structured and unstructured data for powerful data-driven decision-making.
- Your Company has made key strategic acquisitions with Starfish Associates and Arrka to bring AI-driven enhancements to contact centre transformation, unified communications, and data privacy.
- Your Company is focusing on bringing AI solutions into fast-growing sub-verticals, such as intelligent operations for insurance, AI-driven payments platforms in banking, and enhanced member experiences in healthcare.
- Your Company is also using ongoing AI investments to pivot clients to outcome-driven business models, with a focus on accelerating value, growth, and time-to-market for new products and services.

These strategic moves have occurred in parallel with the continued expansion of your Company's Hyperscalers partnerships. In collaboration with Microsoft, your Company launched new AI-powered offerings, including ContractAsslst, an AI-driven contract management solution, and a GenAI-powered Population Health Management (PHM) solution. Your Company entered into a long-term Strategic Partnership Agreement with Google Cloud to expand its reach across the US, India, the UK, and Australia, with a focus on Google Cloud's AI platforms. As an AWS Premier Tier Services Partner, your Company continues to build on its multi-year Strategic Collaboration Agreement to accelerate the development and adoption of GenAI solutions utilising platforms such as Amazon Bedrock. Building on its relationship with Salesforce, your Company has successfully enabled its team members to achieve more than 1,000 Salesforce AI Associate Certifications, bringing its total certifications to more than 10,500. This milestone showcases its team's deep expertise and proficiency in Salesforce technologies, particularly in AI-driven solutions.

Your Company matches these investments with continued AI training through Persistent University, ensuring it provides provide AI talent at scale for its clients' transformation initiatives.

Third-party analysts and market observers are acknowledging your Company's innovation and success. Your Company was identified for the second consecutive year as a Challenger in the Gartner Magic Quadrant for Public Cloud Transformation Services and awarded the 2024 ISG Star of Excellence for Superior Customer Experience. Your Company received additional accolades from ISG, including Star of Excellence awards in the categories of Most Adaptable Partner, Universal Information Technology Outsourcing, and for Outstanding Service in the Americas Region. As your Company continues its European investments, it received top rankings for client satisfaction in innovation in the European IT outsourcing study by Whitelane Research. Your Company was also recognised in the prestigious Economic Times Human Capital Awards 2025 across multiple categories for its excellence in employee practices.

Furthermore, your Company remains committed to achieving success through various Environmental, Social, and Governance (ESG) activities. Since February 2025, your Company has achieved 100% renewable energy sourcing for all its owned locations in Pune, Nagpur, and Goa through solar rooftops, wind energy and green tariffs. Your Company is included in the top 10% of S&P Global 2025 Sustainability Yearbook for its responsible business practices and long-term ESG impact. Your Company was recognised at the Institute of Chartered Accountants of India (ICAI) Sustainability Reporting Awards 2023-24, highlighting its dedication to transparent ESG practices. Finally, your Company was featured on the Nasdaq MarketSite Tower in New York's Times Square for winning awards at the the Institute of Company Secretaries of India (ICSI) Business Business Responsibility and Sustainability Awards and the National Awards for Excellence in Corporate Governance.

By remaining focused on innovation and client success, your Company remains committed to Re(AI)maging the World by collaborating with enterprises as they harness the power of AI. As your Company continues to build on its product engineering heritage to drive new AI advancements, your Company remains confident in its ability to deliver lasting value for all of its stakeholders.

B. Financial Section

Financial Results

The highlights of the financial performance on a consolidated basis for the year ended March 31, 2025, are as under:

Particulars	(Amount in USD Million except EPS and Book Value)		(Amount in INR Million except EPS, Book Value and Market Value per share)		% Change (based on amounts in INR)
	2024-25	2023-24	2024-25	2023-24	
Revenue from Operations	1,390.65	1,185.99	119,387.17	98,215.87	21.56%
Earnings before interest, depreciation, amortisation and taxes	239.74	202.35	20,581.93	16,756.86	22.83%
Finance Cost*	7.82	5.64	671.29	467.27	43.66%
Depreciation and amortisation	35.75	37.36	3,069.10	3,093.73	-0.80%
Other incomes	16.09	15.46	1,381.54	1,280.20	7.92%
Tax expenses	49.17	42.76	4,221.47	3,541.15	19.21%
Net profit	163.09	132.04	14,001.61	10,934.91	28.05%
Transfer to general reserve	-	47.54	-	3,965.23	0.00%
Net worth#	738.57	593.69	63,125.46	49,513.46	27.49%
Earnings per share (EPS) (Basic)®	1.07	0.87	91.22	72.44	25.92%
Earnings per share (EPS) (Diluted)®	1.06	0.86	90.24	71.07	26.97%
Book value per equity share	4.74	3.85	405.46	321.41	26.15%
Market value per equity share as on March 31					
BSE Limited	-	-	5,206.15	3,989.25	30.50%
National Stock Exchange of India Limited	-	-	5,290.55	3,984.55	32.78%

[Conversion Rate USD 1 = INR 85.85 for Profit and Loss items; USD 1 = INR 85.47 for Balance Sheet items (Financial Year 2024-25) and USD 1 = INR 82.81 for Profit and Loss items; USD 1 = INR 83.40 for Balance Sheet items (Financial Year 2023-24).]

®The Equity Shares of the Company have been sub-divided in a 1:2 ratio and the impact of the Sub-Division has been given to EPS.

*Includes notional interest on lease liability FY 25: INR 254.23 Million (FY 24: INR 180.02 Million) recognised in accordance with Ind AS-116 on Leases and notional interest on amounts due to selling Members INR 15.27 Million (Previous year: INR 51.05 Million).

#Equity Share Capital, Reserves and Surplus (excluding Gain on bargain purchase) and other comprehensive income are considered for the purpose of computing Net Worth and Book Value per share.

The highlights of the financial performance on a standalone basis for the year ended March 31, 2025, are as under:

Particulars	(Amount in USD Million except EPS and Book Value)		(Amount in INR Million except EPS and Book Value)		% Change (based on amounts in INR)
	2024-25	2023-24	2024-25	2023-24	
Revenue from Operations	1,366.11	786.62	117,280.21	65,142.17	80.04%
Earnings before interest, depreciation, amortisation, and taxes	188.23	160.77	16,159.25	13,313.91	21.37%
Finance Cost*	5.53	2.05	474.66	169.84	179.47%
Depreciation and amortisation	20.52	19.61	1,761.98	1,623.64	8.52%
Other income	21.06	19.86	1,808.25	1,644.86	9.93%
Tax expenses	48.68	39.95	4,179.45	3,308.64	26.32%
Net profit	134.55	119.02	11,551.41	9,856.65	17.19%
Transfer to general reserve	-	47.54	-	3,965.23	0.00%
Net worth#	698.96	572.98	59,740.08	47,786.51	25.01%
Earnings per share (EPS) (Basic)*	0.87	0.77	74.45	64.06	16.22%
Earnings per share (EPS) (Diluted)*	0.87	0.77	74.45	64.06	16.22%
Book value per equity share	4.48	3.72	383.32	310.20	19.07%

[Conversion Rate USD 1 = INR 85.85 for Profit and Loss items; USD 1 = INR 85.47 for Balance Sheet items (Financial Year 2024-25) and USD 1 = INR 82.81 for Profit and Loss items; USD 1 = INR 83.40 for Balance Sheet items (Financial Year 2023-24)]

*The Equity Shares of the Company have been sub-divided in a 1:2 ratio and the impact of the Sub-Division has been given to EPS.

*Includes notional interest on lease liability FY 25: INR 218.69 Million (FY 24: INR 147.50 Million) recognised in accordance with Ind AS-116 on Leases and notional interest

#Equity Share Capital, Reserves and Surplus (excluding Gain on bargain purchase), and other comprehensive income are considered for the purpose of computing Net Worth and Book Value per share.

Material Events Occurring after Balance Sheet Date

1. The Hon'ble National Company Law Tribunal, Mumbai (the 'Hon'ble NCLT') sanctioned the merger of M/s. Capiot Software Private Limited (Wholly Owned Subsidiary - Transferor Company) into Persistent Systems Limited (Holding Company - Transferee Company) by absorption through its order dated April 9, 2025. The Certified Copy of the said order has been received by your Company on April 21, 2025, and filed with the Registrar of Companies (ROC), Pune on May 13, 2025.
2. The Board of Directors approved the proposal of merger of M/s. Arrka Infosec Private Limited (Wholly Owned Subsidiary) into Persistent Systems Limited (Holding Company), subject to the receipt of necessary approvals in accordance with the provisions of the Companies Act, 2013.
3. Consequent to the receipt of approval by the Members at the 34th Annual General Meeting (AGM) held on July 16, 2024, Mr. Praveen Kadle (DIN: 00016814) commenced his second term as the Independent Director of the Company for 5 (Five) consecutive years effective from April 23, 2025, to April 22, 2030.
4. The Board has approved the issuance of 560,000 Equity Shares of INR 5 each to PSPL ESOP Management Trust ('ESOP Trust') in its meeting held on January 22, 2025. Based on the authority given by the Board, the Stakeholders Relationship and ESG Committee has inter-alia approved the allotment of 550,000 (Five Hundred Fifty Thousand only) Equity Shares of INR 5 (Five) each at the allotment price of INR 316.30 per Equity Share, aggregating to the total consideration of INR 173.9650 Million to the ESOP Trust on May 8, 2025.

5. Ms. Anuja Ramdasi, Head - Internal Audit of the Company upon changing her role and responsibilities due to internal reorganization, decided to relinquish the position of Head - Internal Audit of the Company effective from the closure of business hours on June 6, 2025 (IST). In view of the same, the Board of Directors, at its meeting held on June 6, 2025 approved the appointment of M/s. Ernst & Young LLP, Chartered Accountants (LLP Identification No.: AAB-4343) as the Internal Auditors of the Company for the term of 3 (Three) consecutive financial years effective from FY 2025-26 to FY 2027-2028 based on the recommendation of the Audit Committee.

There were no other material changes and commitments affecting the financial position of your Company between end of the Financial Year 2024-25 and the date of this report.

The following businesses are recommended to the Members for their approval at the ensuing 35th Annual General Meeting of the Company:

- a. The Board of Directors appointed Mr. Vinit Teredesai (DIN: 10661577), Chief Financial Officer (CFO) of the Company, as an Additional Director (Executive Member) of the Company to hold office with effect from April 24, 2025, till September 30, 2028, subject to the approval of Members.

As the Chief Financial Officer of the Company, Mr. Teredesai is responsible for Corporate Finance, Treasury, Financial Reporting, Taxation, Investor Relations, Risk Management and Administration.

Prior to joining the Company in May 2024, Mr. Teredesai has over 29 years of experience in the areas of corporate finance, international and domestic taxation, and management accounting. He has worked with Mindtree as CFO, KPIT Technologies as CFO and CIO and his most recent role was with LTIMindtree where he was the Chief Financial Officer of the merged entity post the merger of L&T Infotech and Mindtree in 2022.

He is a qualified Chartered Accountant, Cost and Works Accountant, Certified Public Accountant (USA) and has also completed his General Management from MIT Sloan School of Management, Cambridge MA focusing on Strategy, Innovation and Technology.

Further details regarding Mr. Teredesai's proposed appointment are included in the [35th AGM Notice](#).

- b. The current term of M/s. Walker Chandok & Co LLP, Pune (Firm Registration No.: 001076N/N500013) existing Statutory Auditors of the Company, will complete at the conclusion of the ensuing 35th AGM of the Company. In view of the same, the Board of Directors appointed M/s. B S R & Co. LLP, Chartered Accountants, Pune (FRN: 101248W/W-100022) as the Statutory Auditors of the Company for the first term of 5 (Five) consecutive years effective from the conclusion of the ensuing 35th AGM till the conclusion of the 40th AGM of the Company, subject to the approval of Members.
- c. The Board of Directors appointed M/s. SVD & Associates, Practising Company Secretaries, Pune, bearing Peer Review Certificate No. 6357/2025, as the Secretarial Auditors of the Company for the first term of 5 (Five) consecutive years effective from FY 2025-26 to FY 2029-30, subject to the approval of Members.
- d. The Board of Directors, at its meeting held on June 6, 2025, recommended the re-appointment of Dr. Anand Deshpande (DIN: 00005721) as the Managing Director of the Company liable to retire by rotation, to hold office for a period of 5 (Five) consecutive years i.e., up to the conclusion of the 40th Annual General Meeting of the Company to be held on or before September 30, 2030, subject to the approval of the Members.
- e. The Board of Directors, at its meeting held on June 6, 2025, recommended the re-appointment of Mr. Sandeep Kalra (DIN: 02506494) as an Executive Director of the Company liable to retire by rotation, to hold the office for 3 (Three) consecutive years i.e., from October 1, 2025, till September 30, 2028, subject to the approval of the Members and the Central Government of India.

Particulars required as per Section 134 of the Companies Act, 2013

As per Section 134 of the Companies Act, 2013 (the 'Act'), your Company has provided the Consolidated Financial Statements as of March 31, 2025. Your Directors believe that the consolidated financial statements present a more comprehensive picture as compared to the Standalone Financial Statements. The financial statements are available for inspection during business hours at the Registered Office of your Company and the offices of the respective subsidiary companies. A statement showing the financial highlights of the subsidiary companies is enclosed with the Consolidated Financial Statements.

The Annual Report of your Company does not contain full financial statements of the subsidiary companies; however, your Company will make available the audited annual accounts and related information of the subsidiary companies electronically in line with the Ministry of Corporate Affairs' (MCA) Circular dated May 5, 2020, and its extensions from time to time upon

written request by any Member of your Company. The Standalone and Consolidated Financial Statements, along with relevant documents and audited financial statements of the subsidiaries, are available on the Company's website at <https://www.persistent.com/investors/financial-results-and-reports/financial-statement-of-subsiary/>

Consolidated Financial Statements

Consolidated Financial Statements of your Company and its subsidiaries as of March 31, 2025, are prepared in accordance with the Indian Accounting Standard (Ind AS) - 110 on 'Consolidated Financial Statements' notified by the Ministry of Corporate Affairs of India (MCA) and form part of this Annual Report.

Changes in the capital structure of your Company during the year

- a. The Stakeholders Relationship and ESG Committee has inter-alia approved the allotment of 600,000 (Six Hundred Thousand only) Equity Shares of INR 5 each at the allotment price of INR 643.50 per Equity Share to PSPL ESOP Management Trust on July 10, 2024.
- b. The Stakeholders Relationship and ESG Committee has inter-alia approved the allotment of 1,200,000 (One Million Two Hundred Thousand Only) Equity Shares of INR 5 each at the allotment price of INR 1,216.50 per Equity Share to PSPL ESOP Management Trust on September 6, 2024.

Auditors

Statutory Auditors

The Members of your Company at the 30th Annual General Meeting (AGM) held on July 24, 2020, appointed M/s. Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as the Statutory Auditors of your Company to hold such office for a period of 5 (Five) years i.e., up to the conclusion of the 35th AGM to be held in the calendar year 2025 or before September 30, 2025.

Further, in terms of Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), M/s. Walker Chandio & Co. LLP, Statutory Auditors of your Company have confirmed that they hold a valid certificate issued by the 'Peer Review Board' of Institute of Chartered Accountants of India (ICAI) for these years and have provided a copy of the said certificate to your Company for reference and records.

The Auditors' Report for the FY 2024-25 does not contain any qualifications, observations, reservations, or adverse remarks.

Further, the Audit Committee and Board of Directors, in their meetings held in April 2025, have recommended the appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 01248W/W-100022) as the Statutory Auditors of the Company to hold office from the conclusion of the 35th Annual General Meeting ('AGM') up to the conclusion of the 40th AGM of the Company to be held in the calendar year 2030, to the Members for their approval.

A detailed profile of M/s. B S R & Co. LLP is included in the [35th AGM Notice](#) along with the resolution for the consideration of the Members. M/s. B S R & Co. LLP have confirmed that they hold a valid certificate issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India (ICAI) and have provided a copy of the said certificate to your Company for reference and records.

Considering the rich experience and reputed clientele, and based on the recommendation of the Audit Committee, the Board of Directors recommends the Resolution at Item No. 5 for the approval of the Members as an Ordinary Resolution.

Secretarial Auditors

Pursuant to Section 204 of the Act, the Board of Directors had appointed M/s. SVD & Associates, Practising Company Secretaries, Pune as the Secretarial Auditors of your Company for the Financial Year 2024-25.

Accordingly, the Secretarial Auditors have given the report, which is annexed hereto as Annexure A. There are no qualifications in the Secretarial Audit Report for FY 2024-25, however, the Secretarial Audit Report contains an observation as follows:

a. Nature of observation noted:

Delayed submission of intimation about resignation of SMP of the listed entity through Corporate Announcement bearing Ref. No. NSE & BSE / 2024-25 / 026 dated April 28, 2024.

b. Detailed Observation:

A disclosure under Regulation 30 of SEBI LODR pertaining to the resignation of Senior Management Personnel was intimated with a delay to BSE and NSE (the Stock Exchanges) for which clarifications was sought by BSE vide their letter dated April 29, 2024, which was duly replied by the Company. Subsequently, both the Stock exchanges have issued a warning email asking the Company to take necessary steps to avoid such delays in the future.

c. Management Response:

In response to the clarification letter, the Company submitted the reason for the delay with a copy of the resignation through the Corporate Announcement bearing Ref. No. NSE & BSE / 2024-25 / 026A on April 29, 2024. The Company informed in the clarification that the delay in reporting was inadvertent and unintentional and the Company has taken necessary steps to avoid such delays in the future.

Further, the Company disseminated the warning emails received from the Stock Exchanges through Corporate Announcements to both Stock Exchanges and also placed the same before the Board of Directors with the proposed corrective steps as advised by the Stock Exchanges.

In terms of newly inserted Regulation 24A of the Listing Regulations, the appointment of M/s. SVD & Associates, Practising Company Secretaries, Pune, to act as the Secretarial Auditors of the Company for the term of 5 (Five) consecutive years from the financial year 2025-26 till 2029-30, has been recommended by the Audit Committee and the Board of Directors at their meeting held in April 2025 to the Members for their approval.

Prior to the above, M/s. SVD & Associates were appointed as the Secretarial Auditors for three financial years, 2022-23, 2023-24, and 2024-25, respectively, in terms of the provisions of Section 204 of the Act. In terms of the aforesaid Listing Regulations, any association of an individual / firm as the Secretarial Auditor of the listed entity before March 31, 2025, shall not be considered for the purpose of calculating the tenure.

M/s. SVD & Associates hold a valid Certificate of Peer Review (bearing No. 6357/2025) as issued by the Institute of Company Secretaries of India and have confirmed their eligibility to be appointed as the Secretarial Auditors for the term of 5 (Five) consecutive years at such audit fee as provided in Item No. 9 of the [35th AGM Notice](#).

Considering the rich professional experience, reputed clientele, and guidance on best secretarial practices to ensure governance and based on the recommendation of the Audit Committee, the Board of Directors recommends the Resolution at Item No. 9 of the [35th AGM Notice](#) for the approval of the Members as an Ordinary Resolution.

Reporting of Frauds by the Auditors

During the year under review, the Statutory Auditors have not reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against your Company by its officers or employees, the details of which would need to be mentioned in the Board's Report or directly to the Central Government under intimation to your Company.

Adequacy of the Internal Financial Controls

Your Board is responsible for establishing and maintaining adequate Internal Financial Control as per Section 134 of the Act.

Your Board has laid down policies and processes with respect to Internal Financial Controls and such Internal Financial Controls were adequate and were operating effectively. The Internal Financial Controls covered the policies and procedures adopted by your Company for ensuring orderly and efficient conduct of business including adherence to your Company's policies, safeguarding of the assets of your Company, prevention, and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Internal Audit

The details of the internal audit team and its functions are given in the Management Discussion and Analysis Report forming part of this Annual Report.

Disclosure about the Cost Audit

Maintenance of cost records and the requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by your Company.

Particulars of Loans and Guarantees given and Investments made

Loans, guarantees and investments covered under Section 186 of the Act form part of the notes to the financial statements provided in this Annual Report (Refer notes 5, 6, 10, 14, 17, and 33 of the Standalone Financial Statements).

Transfer to Reserves

During the year, the Company has not transferred any amount to the General Reserves.

Fixed Deposits

In terms of the provision of Sections 73 and 74 of the Act read with the relevant Rules, your Company has not accepted any fixed deposits during the year under report.

Liquidity

Your Company maintains adequate liquidity to meet the necessary strategic and growth objectives.

Your Company aims to balance between earning adequate returns on liquid assets and the need to cover financial and business risks. As of March 31, 2025, your Company, on a standalone basis, had cash and cash equivalents (including investments) amounting to INR 15,948.29 Million as against INR 14,300.66 Million as of March 31, 2024.

The details of cash and cash equivalents (including investments) are as follows:

Particulars	(In INR Million)	
	Year ended on March 31	
	2025	2024
Investment in Mutual Funds at fair value	6,158.97	4,801.50
Fixed Deposits with scheduled banks	3,175.75	3,244.72
Bonds (quoted)	2,995.57	2,995.61
Cash and Bank balances	3,618.00	3,258.83
Total	15,948.29	14,300.66

The particulars of expenditure on Research and Development on an accrual basis are as follows:

Particulars	(In INR Million)	
	Year ended on March 31	
	2025	2024
Capital expenditure	-	-
Revenue expenditure	210.62	269.48
Total research and development expenditure	210.62	269.48
As a percentage of total income	0.18%	0.40%

The particulars of foreign exchange earnings and outgo, based on actual inflows and outflows are as follows:

Particulars	(In INR Million)	
	Year ended on March 31	
	2025	2024
Earnings	59,854.22	48,403.78
Outgo	18,927.15	8,548.03

Update on Fixed Deposits with IL&FS

Your Company has deposits of INR 430 Million with Infrastructure Leasing & Financial Services Ltd. (IL&FS) and IL&FS Financial Services Ltd. (referred to as 'IL&FS Group') as on March 31, 2025. These were due for maturity between January 2019 and June 2019. In view of the uncertainty prevailing with respect to the recovery of outstanding balances from IL&FS Group, the Management has fully provided for these deposits along with interest accrued thereon till the date the deposits had become doubtful of recovery.

During the year, the Company recovered INR 21.12 Million from the IL&FS Group, and the Management is hopeful of the recovery of the balance amount with a time lag. The Company continues to monitor developments in the matter and is committed to taking steps, including legal action, that may be necessary to ensure full recovery of the said deposits.

Related Party Transactions

The Policy to determine the materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors, is available on your Company's website at <https://www.persistent.com/investors/corporate-governance/related-party-transactions-policy/>

During the year under report, your Company did not enter into any material transaction with any party who is related to it as per the Act. There were certain transactions entered into by your Company with its subsidiaries and other parties who are related within the meaning of the Indian Accounting Standards i.e., Ind AS - 24. The attention of Members is drawn to the disclosure of transactions with such related parties set out in **Note No. 33** of the Standalone Financial Statements, forming part of this Annual Report. The Board of Directors confirms that none of the transactions with any of the related parties were in conflict with your Company's interests. The list of Related Party Transactions entered into by your Company for the Financial Year 2024-25 (on a consolidated basis) is available on <https://www.persistent.com/investors/corporate-governance/related-party-transactions-policy/>

The related party transactions are entered into based on considerations of various business requirements, such as synergy in operations, sectoral specialisation, and your Company's long-term strategy for sectoral investments, optimisation of market share, profitability, legal requirements, liquidity, and capital resources of subsidiaries.

All related party transactions are entered into on an arm's length basis, are in the ordinary course of business, and are intended to further your Company's interests.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in **Annexure B** in Form No. AOC-2 and the same forms part of this report.

C. Board and its Committees

Board Meetings

The details pertaining to the composition, terms of reference, and other details of the Board of Directors of your Company and the meetings thereof held during the Financial Year 2024-25 are given in the **Report on Corporate Governance** forming part of this Annual Report.

Directors and Key Managerial Personnel

- a. During the year under report, Mr. Sunil Sapre, Executive Director (DIN: 06475949) relinquished his office as the Chief Financial Officer with effect from the closure of business hours of May 15, 2024.
- b. Subsequently, the Board of Directors of your Company appointed Mr. Vinit Teredesai as the Chief Financial Officer of the Company with effect from the closure of business hours of May 15, 2024.
- c. Ms. Roshini Bakshi retired as an Independent Director of the Company w.e.f. the conclusion of the 34th AGM held on July 16, 2024 pursuant to completion of two terms on 5 (five) consecutive years.
- d. During the year under report, the Members of your Company, in the 34th AGM held on July 16, 2024, confirmed the appointment of Ms. Anjali Joshi, USA (DIN: 10661577) as an Independent Director of your Company, not liable to retire by rotation, to hold office for the first term of 5 (Five) consecutive years, i.e. from June 12, 2024, to June 11, 2029.
- e. Pursuant to the approval of the Members in the 34th AGM held on July 16, 2024, Mr. Sunil Sapre, Executive Director, was reappointed as an Executive Director for a term of 3 (Three) months from October 1, 2024, to December 31, 2024, given his superannuation.

Thereafter, Mr. Sapre ceased to be an Executive Director of the Company w.e.f. the closure of business hours of December 31, 2024. The Board expressed its appreciation for his valuable contribution to the Company's growth journey.

Retirement by Rotation

In terms of Section 152(6) of the Act and Article 137 of the Articles of Association of your Company, Mr. Sandeep Kalra, Pennsylvania, USA (DIN: 02506494), Executive Director is liable to retire by rotation at the ensuing AGM as he is the Non-Independent Director who is holding office for the longest period among the Non-Independent Directors on the current Board.

Mr. Kalra has confirmed his eligibility and willingness to accept the office of Director of your Company if confirmed by the Members at the ensuing AGM.

The Board at its meeting held on June 6, 2025, discussed the same and approved the proposal of the Nomination and Remuneration Committee ("NRC") for the reappointment of Mr. Kalra. In the opinion of your Directors, Mr. Kalra has the requisite qualifications and experience, and therefore, your Directors recommend that the proposed resolution relating to the reappointment of Mr. Kalra in the [35th AGM Notice](#), be passed with the requisite majority.

Appointment of Directors since last AGM

- 1. Proposed reappointment of Dr. Anand Deshpande as a Managing Director (Executive Member), liable to retire by rotation, to hold office for a period of 5 (Five) years i.e., up to the conclusion of the 40th AGM of the Company to be held on or before September 30, 2030**

In terms of Section 196 of the Act, the Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company at its meeting held on June 6, 2025, recommended the reappointment of Dr. Anand Deshpande (DIN: 00005721) as the Managing Director (Executive Member) of the Company for a period of 5 (Five) years i.e., from the conclusion of the 35th AGM up to the conclusion of the 40th AGM of the Company to be held on or before September 30, 2030.

The Board at its meeting held on June 6, 2025, discussed and approved the proposal of the NRC for the reappointment of Dr. Deshpande is the Founder of your Company and as part of the promoter group, owns 29.25% of the shares of your Company as of March 31, 2025. In addition, your Board considered his expertise in the Software Industry, large-scale global operations, strategy and planning, and business acumen of Dr. Deshpande while recommending his appointment.

Further details regarding the appointment of Dr. Deshpande forms part of the [35th AGM Notice](#).

- 2. Proposed reappointment of Mr. Sandeep Kalra as an Executive Director, liable to retire by rotation, to hold the office for 3 (Three) consecutive years i.e., from October 1, 2025, till September 30, 2028, subject to the approval of the Members at the ensuing AGM and the Central Government of India.**

The Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company at its meeting held on June 6, 2025, recommended the reappointment of Mr. Sandeep Kalra (DIN: 02506494) as the Executive Director of the Company i.e., from October 1, 2025, till September 30, 2028, subject to the approval of the Members at the ensuing AGM and the Central Government of India.

The Board at its meeting held on June 6, 2025, discussed and approved the proposal of the NRC for the reappointment of Mr. Kalra. Your Board considered expertise in the Software Industry, large-scale global operations, strategy and planning, and business acumen of Mr. Kalra while recommending his appointment. Further details regarding the appointment of Mr. Kalra forms part of the [35th AGM Notice](#).

- 3. Proposed appointment of Mr. Vinit Teredesai as an Additional Director (Executive Member), liable to retire by rotation, to hold office with effect from April 24, 2025, to September 30, 2028.**

The Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company at its meeting held on April 23, 2025 (PDT) / April 24, 2025 (IST) recommended the appointment of Mr. Vinit Teredesai (DIN: 03293917) as an Additional Director (Executive Member) of the Company with effect from April 24, 2025, to September 30, 2028.

The Board at its meeting held on April 24, 2025, discussed and approved the proposal of the NRC for the appointment of Mr. Teredesai. Your Board considered expertise in the Corporate Finance, Treasury, Financial Reporting, Taxation, Investor Relations, Risk Management and Administration, and business acumen of Mr. Teredesai while recommending his appointment. Further details regarding the appointment of Mr. Teredesai forms part of the [35th AGM Notice](#).

In the opinion of your Directors, Dr. Deshpande, Mr. Kalra and Mr. Teredesai have the requisite qualifications and experience and therefore, your Directors recommend that the proposed resolutions relating to the appointment / re-appointments be passed with the requisite majority. The candidates' profiles forms part of this Annual Report and have also been provided in the [35th AGM Notice](#).

As on the date of this report, your Company has 7 (Seven) Non-Executive Members on the Board who are Independent Directors. Pursuant to Regulation 17(1)(b) of the Listing Regulations, every listed company where the Chairperson is an Executive Director shall have at least half of its total strength of the Board of Directors as Independent Directors. Your Company complies with this requirement.

There is no inter-se relationship between the Directors except the following:

- Dr. Anand Deshpande, Chairman and Managing Director, Prof. Ajit Ranade, Independent Director and Mr. Arvind Goel, Independent Director, are Directors of Mahratta Chamber of Commerce Industries and Agriculture (MCCIA).

In terms of the Listing Regulations, your Company conducts the Familiarisation Programme for Independent Directors about their roles, rights, and responsibilities in your Company, the nature of the industry in which your Company operates, the business model of your Company, etc., through various initiatives. The details of the same can be found at:

<https://www.persistent.com/investors/familiarisation-programme/>

Declaration of Independence by Independent Directors

The Board confirms that all Independent Directors of your Company have given a declaration to the Board that they meet the criteria of independence as prescribed under Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16 of the Listing Regulations.

Further, they have included their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

During the Financial Year 2024-25, 2 (Two) separate meetings, exclusively of the Independent Directors, were held on April 21, 2024 and October 21, 2024, in which the Independent Directors transacted the following businesses along with a few other important strategic and policy-related matters:

1. Reviewed performance of the Executive Directors and Management of the Company
2. Discussed the quality, quantity and timeliness of the flow of information between the Directors and the Management of the Company
3. Discussed the strategic matters of the Company and the current state of the global IT industry
4. Discussed the business continuity plan in the organisation

Committees of the Board

The details of the powers, functions, composition, and meetings of all the Committees of the Board held during the year under report are given in the [Report on Corporate Governance](#) forming part of this Annual Report.

Audit Committee

The details pertaining to the composition, terms of reference, and other details of the Audit Committee of the Board of Directors of your Company and the meetings thereof held during the Financial Year are given in the [Report on Corporate Governance](#) forming part of this Annual Report. The recommendations of the Audit Committee in terms of its Charter were considered positively by the Board of Directors of your Company from time to time during the year under Report.

Nomination and Remuneration Committee

The details including the composition and terms of reference of the Nomination and Remuneration Committee (NRC) and the meetings thereof held during the Financial Year and the Remuneration Policy of your Company and other matters provided in Section 178(3) of the Act are given in the [Report on Corporate Governance](#) section forming part of this Annual Report.

Policy for the appointment of a new director on the Board

The Board of Directors decide the criteria for the appointment of a new Director on the Board from time to time, depending on the dates of retirement of existing Directors and the strategic needs of your Company. The criteria include expertise area, industry experience, professional background, association with other companies, and similar important parameters. It is important to have alignment and balance on the Board. Efforts are made to ensure that there is diversity on the Board. By design, every member of the Board represents a critical function of the Company, and when considering new members, efforts are made to ensure that the new member has demonstrated operating a business function at a significantly greater scale than your Company.

Once the criteria are determined, the Board directs the NRC to compile profiles of suitable candidates through networking, industry associations and business connections. The NRC considers each and every profile based on the decided parameters and shortlists the candidates.

The NRC Chair interacts with four to six shortlisted candidates and recommends at most three candidates for other Members of the NRC to interact with.

Efforts are made to ensure that the Board has adequate diversity across various parameters such as expertise, nationality and gender in terms of [The Board Diversity Policy](#). The Board has decided that for new appointments, female candidates must be considered and will be included in the pool of potential candidates.

The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on the Company's website, at <https://www.persistent.com/wp-content/uploads/2023/05/Board-Diversity-Policy.pdf>

Once the NRC is convinced about a candidate's competency, his / her business acumen, commitment towards his/her association with your Company, disclosure of his / her interest in other entities and his/her availability for your Company on various matters as and when they arise, it recommends the candidate to the Board of Directors for its further consideration. Generally, the Board accepts the recommendation by consensus.

The Policy for appointment of a new Director is also available on your Company's website at <https://www.persistent.com/wp-content/uploads/2022/05/Policy-for-appointment-of-a-new-director.pdf>

The general terms and conditions of appointment of Independent Directors is available on the Company website at <https://www.persistent.com/investors/corporate-governance/other-disclosures/terms-and-conditions-of-appointment-of-independent-directors/>

Performance Evaluation of the Board, its Committees and Directors

Your Company conducts the annual performance evaluation of the Board, the Chairman, its various Committees, and the Directors individually, including the Independent Directors. The performance evaluation is done by an external management consultant who specialises in Board evaluations. The performance of the Board is evaluated by seeking inputs from all the directors and senior management. The evaluation criteria include aspects such as the Board composition, structure, effectiveness of board processes, information, and functioning, etc.

This year, our fourteenth evaluation was conducted in March and April 2025, and the findings were presented at the April 2025 meetings of the Nomination and Remuneration Committee and the Board of Directors.

The details of the evaluation form part of the [Report on Corporate Governance](#).

Employees' Remuneration

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) (as required under the Act) to the median of employees' remuneration, and the details required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of [Annexure C](#) to the Report.

The statement containing particulars of all the employees employed throughout the year and in receipt of remuneration of INR 1.02 Crore or more per annum and employees employed for part of the year and in receipt of remuneration of INR 8.5 lakh or more per month, as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. However, pursuant to the first provision to Section 136 (1) of the Act, this report is being sent to the Members, excluding the aforesaid information. Any Member interested in obtaining the said information may write to the Company Secretary at the Registered Office of the Company and the said information is open for inspection at the Registered Office of the Company.

Employee Stock Option Plan

Over the years, your Company has implemented 13 (Thirteen) ESOP Schemes. These Schemes are being implemented as per the SEBI Share Based Employee Benefits and Sweat Equity Regulations, 2021 ('SEBI SBEB Regulations'), and as of March 31, 2025, 2 (Two) schemes viz. 'Persistent Employee Stock Option Scheme 2014' ('PESOS 2014') and 'Persistent Systems Limited-Employee Stock Option Plan 2017' ('ESOP 2017') are active.

The Members of your Company in the 31st AGM and 33rd AGM approved amendments in the 'Persistent Employee Stock Option Scheme 2014' ('PESOS 2014') and 'Persistent Systems Limited-Employee Stock Option Plan 2017' ('ESOP 2017') and increased the kitty available for grant of Stock Options. Further, through Postal Ballot Notice dated February 6, 2024, the results of which were announced on March 11, 2024, the Members approved an amendment in the PESOS 2014 to add a time period to the existing maximum cap on the Stock Options that could be granted to an individual employee of the Company under PESOS 2014. Further, the Members also approved increasing the kitty available for grants under the PESOS 2014 Scheme in the 34th AGM.

During the Financial Year 2024-25, the Company granted 1,862,610 options under PESOS 2014, and 115,800 options under ESOP 2017 to the eligible employees.

As required under the SEBI SBEB Regulations, the Secretarial Auditor's certificate confirming that the implementation of share-based schemes is in accordance with these regulations will be made available at the AGM.

The disclosure pursuant to the SEBI SBEB Regulations is available on the website of the Company at <https://www.persistent.com/wp-content/uploads/2025/06/esop-details-2025.pdf>.

Corporate Social Responsibility

Your Company is committed to making a difference in the community that we all belong to. Your Company considers society and the environment as important stakeholders of the Company.

Your Company has engaged with various non-profit organisations and has voluntarily donated 1% of the Company's profit for social causes since 1996 and increased that to 2% of the profit since 2013, in accordance with Section 135 of the Companies Act, 2013.

To institutionalise and to further your Company's CSR commitment, your Company formed a Public Charitable Trust- 'Persistent Foundation' in the Financial Year 2008-09 and a Section 8 Company, Persistent India Foundation, in the Financial Year 2024-25 (together referred to as 'Foundations'). When the CSR provisions were first introduced in the Companies Act, 2013, your Directors formally requested the Foundation's help to fulfil the Company's CSR obligations.

Your Company acknowledges the contribution made by the Foundation in coordinating and ensuring that the CSR donations made by your Company are being effectively deployed as proposed and have an impact on society. Volunteering by employees of the Company is an important part of the Foundation's mission. Your Company believes that when employees contribute to the community, it makes them feel good, which in turn helps in their productivity.

The Foundation has defined primary focus areas to include Health, Education, Community Development, Wildlife and Heritage Conservation.

During the year under report, the Foundations continued to create excitement among employees to participate in socially relevant causes. With the cooperation of your Company's employees, the Foundations have set up several well-defined programmes and activities for the promotion of Health, Education, Community Development, and Wildlife and Heritage Conservation. These activities are carried out through projects undertaken by the Foundations with the support of the employees and through the Government authorities, reputed social organisations, and institutions.

The total CSR contribution of INR 217.78 Million, which is greater than the 2% of the profits calculated as per the Act, was spent on various CSR initiatives through the Foundation during the Financial Year 2024-25.

A detailed Report on CSR activities of your Company under the provisions of the Act during the Financial Year 2024-25 is annexed hereto as [Annexure D](#).

A detailed [Report on the activities of the Foundation](#) forms part of this Report.

CSR Committee and CSR Policy

The Board of Directors of your Company has constituted a CSR Committee to help your Company frame, monitor, and execute the Company's CSR activities under its CSR scope. The Committee defines the parameters and observes them for effective discharge of your Company's social responsibility.

The Board of Directors of your Company has further approved the CSR Policy of your Company to provide a guideline for the Company's CSR activities.

The CSR Policy can be viewed on your Company's website at <https://www.persistent.com/investors/csr-at-persistent/>

Your Company's CSR Policy highlights that the need for contributing to the society is extensive and your Company can make a significant impact by staying focused on a few areas through its social initiatives. The constitution of the CSR Committee is provided in the Report on Corporate Governance section, forming part of this Annual Report.

Stakeholders Relationship and ESG Committee

The Stakeholders Relationship Committee was constituted on October 4, 2007.

Your Company believes that in today's day and age, the definition of stakeholders must be extended beyond what is traditionally considered as stakeholders. Accordingly, your Company has decided to adopt a broader definition of stakeholders to explicitly include society, customers, partners, our employees and their families, the Members, vendors and even the environment.

Your Company also aims to provide more focused and detailed efforts towards Environment, Social, Governance (ESG) implementation. Considering the same, the Board, at its meeting held in January 2022, decided to assign the Stakeholders Relationship Committee the additional responsibility of overseeing the ESG monitoring-related work at the Company. Accordingly, the name of the Committee was amended to 'Stakeholders Relationship and ESG Committee'.

A separate section on ESG at Persistent can be accessed at <https://www.persistent.com/company-overview/environmental-social-and-governance/> and the ESG Report for FY 2024-25 can be accessed at update link to: <https://www.persistent.com/wp-content/uploads/2025/06/esg-sustainability-report-2025.pdf>

D. Equity and Related Information

Institutional Holding

As on March 31, 2025, the total institutional holding in your Company stood at 51.21% of the total share capital.

Dividend for the Financial Year 2024-25

The details of the Dividend for the Financial Years 2024-25 and 2023-24 are as follows:

Type of Dividend	Financial Year 2024-25		Financial Year 2023-24	
	Interim	Final*	Interim	Final
Month of declaration / recommendation	Jan-25	Apr-25	Jan-24	Apr-24
Date of Payment	February 9, 2025	To be scheduled upon Members Approval, if any	February 7, 2024	July 16, 2024
Amount of Dividend (In INR)	20 Per Equity Share of INR 5 each	15* Per Equity Share of INR 5 each	12 Per Equity Share of INR 10 each	10 Per Equity Share of INR 5 each
% of Dividend	400%	300%	120%	200%
Total Dividend (In INR Million)	3,117.00	2,337.75	2,461.60	1,540.50
Total Dividend Outflow for the year (In INR Million)		5,454.75		4,002.10

* The payment of the Final Dividend of INR 15 per Equity Share of INR 5 each is subject to the approval of the Members during the 35th AGM of your Company. If approved at the AGM, the Dividend will be paid out of the profits of your Company for FY 2024-25.

Out of the interim dividend declared in January 2025, INR 11.54 Million remained unclaimed as of March 31, 2025.

The total unpaid dividend as on March 31, 2025 for the last 7 (Seven) years is INR 20.08 Million which is 0.12% of the total declared dividend over these 7 (Seven) years.

The increase in the amount of unpaid dividend is primarily due to KYC non-completion by Members, which has resulted in keeping the dividends in abeyance by the Company. Your Company is taking due efforts to encourage all Members to complete their KYC in accordance with various circulars issued by the Statutory Authorities. The Company also processed unpaid dividends from the last 7 years on a voluntary basis in March 2025. This resulted in INR 0.8 Million being paid to past and present Members.

Your Company has a Dividend Distribution Policy, which is available on the Company website at <https://www.persistent.com/wp-content/uploads/2016/09/Dividend-Distribution-Policy.pdf>. As per the policy, the dividend payout ratio shall be maintained up to 40% of the Consolidated Profit After Tax. Dividend Payout Ratio for this year, subject to members approving the dividend, is 39%.

Pursuant to the Finance Act, 2020 (the 'Act' for this section), dividend income is taxable in the hands of Members and the Members are requested to refer to the Finance Act, 2020 and amendments thereof.

As per the Act, your Company is expected to deposit 10% of the dividend to the Income Tax Department as TDS on your behalf. Your Company has appointed M/s. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) ('MUFG Intime') to manage the share and dividend management process. They have created a facility for online submission of Tax Exemption forms where the Members can submit their tax-exemption forms along with other required documents.

The requisite form for claiming tax exemption can be downloaded from MUFG Intime's website. The URL for the same is as under: <https://web.in.mpms.mufig.com/client-downloads.html> → On this page, select the General tab. All the forms are available under the head "Form 15G / 15H / 10F".

The aforementioned forms (duly completed and signed) are required to be uploaded on the URL mentioned below: <https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html> → On this page, the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
 - a. Document attachment — 1 (PAN)
 - b. Document attachment — 2 (Forms)
 - c. Document attachment — 3 (Any other supporting document)

Please note that the documents (duly completed and signed) should be uploaded on the website of MUFG Intime in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax.

Incomplete and / or unsigned forms and declarations will not be considered by the Company.

The Members may note that in case the tax on said interim / final dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents, the option is available to the Members to file the return of income as per the Income Tax Act, 1961 and claim an appropriate refund, if eligible.

Transfer of Unclaimed Dividend and Corresponding Shares to the Investor Education and Protection Fund (IEPF) Authority

During the year under report, your Company has transferred unclaimed and unpaid dividend of INR 68,496 relating to the Final Dividend 2016-17 and an amount of 147,504 relating to the Interim Dividend 2017-18 to the IEPF Authority. Further, 1,670 corresponding Equity Shares on which the dividend was unclaimed for seven consecutive years have been transferred as per the requirement of the IEPF Rules during FY 2024-25.

The Company made all due efforts to contact the Members with unclaimed / unpaid dividends through emails and letters dispatched to registered addresses to enable them to claim the dividends that were liable to be transferred to IEPF.

Members are requested to update their Bank Account details, e-mail ID, Mobile Number, and KYC details with their Depository Participants to receive all future communications and dividends, if any, declared by the Company in electronic form.

The details are provided in the shareholder information section of this Annual Report and are also available on the website: <https://www.persistent.com/investors/unclaimed-dividend/>

The Board has appointed Mr. Amit Atre, Company Secretary, as the Nodal Officer to ensure compliance with the IEPF rules. His coordinates form part of the Report on Corporate Governance in this Annual Report.

E. ESG

ESG Environmental, Social, and Governance (ESG) practices are essential for companies to operate sustainably and responsibly in today's corporate environment. Your Company demonstrates its commitment to ESG through structured governance and continuous improvement of its initiatives, ensuring alignment with business goals and stakeholder interests.

- **ESG Framework Overview:** ESG framework includes Board oversight, management responsibility, and a dedicated ESG council that collaborates across various functions to achieve ESG goals.
- **Board of Directors Role:** The Board drives long-term sustainability strategies, approves ESG initiatives, and oversees associated risks to align with the company's business objectives.
- **Stakeholder Relationship and ESG Committee:** This Board Committee plays a vital role in implementing ESG vision and initiatives, meeting biannually to address ESG goals and climate-related risks.
- **Leadership Commitment:** The Chief Operating Officer (COO) and Head of ESG are responsible for implementing ESG policy, setting targets, and allocating resources for sustainability initiatives. The ESG Head collaborates with executive leadership to integrate ESG principles into the organization's strategy, operations, and culture.
- **Compliance and Risk Management:** The Chief Risk Officer (CRO) identifies ESG risks, ensuring they are integrated into the overall Enterprise Risk Management (ERM) framework.

Our ESG Vision

Since 2022, Persistent supports the Ten Principles of the United Nations Global Compact (UNGC) on human rights, labour, environment and anti-corruption. Your Company is committed to making the UNGC principles part of the Company's strategy, culture and day-to-day operations. The ESG framework adopted by your Company includes the following:

- **Environmental Sustainability:** Use technology solutions to reduce greenhouse gas emissions
- **Diversity and Inclusion:** Build an inclusive workplace and nurture diverse talent
- **Social Responsibility:** Commitment to positively impact society
- **Corporate Governance:** Good governance practices for responsible business and stakeholder value creation.

Environmental Sustainability: Addressing climate change and environmental sustainability is important, and your Company believes in working with all stakeholders in this journey. Your Company is firmly dedicated to lowering and minimising the environmental impact of our internal operations.

The focus is on four aspects:

- Reducing Greenhouse Gas (GHG) emissions and using energy from Renewable sources
- Improving the efficiency of energy, as well as water use and recycling
- Waste management that is sustainable and reduces waste to landfills
- Protecting biodiversity

Climate Action Goals: Your Company has taken short and long-term targets to reduce GHG emissions by aligning to the Sustainable Development Goals (SDG) as follows:

- Achieve Carbon Neutrality for Scope 1 and Scope 2 every year
- To source 100% of electricity from renewable energy for all owned facilities by FY 2026
- Achieve Net-zero greenhouse gas emissions across the value chain by 2050

Through the adoption of clean technology solutions across the operations, your Company demonstrates a strong dedication to reducing our environmental footprint and fostering a positive impact. By aligning the business strategies with sustainability initiatives, the focus remains on shaping a brighter future for upcoming generations. Your Company has set targets and has made commitments regarding water conservation, building resilience towards climate change, energy efficiency, and emissions reduction, and we are proud to report significant progress towards these goals.

Your Company believes that conservation of energy is essential and as a responsible corporate citizen, your Company must encourage all employees, vendors and other stakeholders to act on ensuring reduced usage of energy on a perpetual basis.

Your Company has deployed various energy saving devices and systems, which help in conserving energy and has resulted in significant savings in energy costs. Your Company has made capital investments amounting to INR 74.32 Million during the Financial Year 2024-25 to deploy energy saving devices.

Your Company has made the necessary disclosures in this Report in terms of Section 134(3) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014.

Your Company has a dedicated team across India under the ESG and EHS function. The group implements projects to continually enhance energy efficiency in our existing buildings, such as new technology retrofits, bringing in more efficient equipment, etc. On an annual basis, the project proposals are reviewed by the management, and thereafter, a dedicated budget is allotted for these projects. The learnings from these are utilised for efficient building architecture in new projects, thereby resulting in the lowest Energy Performance Index (EPIs).

Key Initiatives Undertaken for Energy Conservation and Technology Absorption

Your Company is committed to its efforts to conserve energy and absorb technology in its daily operations. The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in [Annexure E](#) which forms part of this report.

F. Other Disclosures

Corporate Governance

A separate [Report on Corporate Governance](#) with a detailed compliance report as stipulated under the Listing Regulations and any other applicable law for the time being in force, forms an integral part of this Report.

A Compliance Certificate from the Practising Company Secretary regarding the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations forms an integral part of this Annual Report.

Management Discussion and Analysis

The [Report on Management Discussion and Analysis](#) as stipulated under the Listing Regulations and other applicable laws in force based on audited Consolidated Financial Statements for the Financial Year 2024-25 forms an integral part of this Annual Report.

Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report (BRSR) and the Reasonable Assurance Report, as stipulated under the Listing Regulations and other applicable laws in force, describing the initiatives taken by the Management from an environmental, social, and governance perspective, forms an integral part of this Annual Report and is available at <https://www.persistent.com/wp-content/uploads/2025/06/business-responsibility-and-sustainability-report-2025.pdf>

Risk Management Policy

[Report on Risk Management](#) based on the risk management policy developed and implemented at your Company for the Financial Year 2024-25 forms an integral part of this Annual Report.

Vigil Mechanism (Whistleblower Policy)

The details of the vigil mechanism (whistleblower policy) are given in the [Report on Corporate Governance](#) forming part of this Annual Report. Your Company has shared the policy on the website at [Whistle Blower Policy | Persistent Systems](#)

Whistleblower Helpline

Your Company encourages employees and others to raise concerns to the whistleblower helpline if they have any reason to believe that any employee, or any other stakeholder may have engaged in inappropriate behaviour, misconduct that includes violations or potential violations of law, regulation, rule, or breaches of your Company's policy, standards, procedure, or the Code of Conduct for Directors and Employees.

Your Company has established a 24/7 toll-free number in India and the Rest of the World to make it easy to report their concerns. The callers can record their complaints, which are received directly by the Whistleblower Administrator, who is the Chairperson of the Audit Committee. This is an automated system that safeguards the caller's identity, and anonymity is maintained.

Your Company prohibits retaliatory actions against anyone who raises concerns or questions in good faith or who participates in a subsequent investigation of such concerns.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has an Anti-Harassment Policy that is consistent with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the 'Act' for this section). All employees (permanent, contractual, temporary and trainees) as well as the external parties who work with the Company for the official purposes are covered under this policy.

Your Company has gone beyond the letter of the law and made this policy applicable to all employees, and not just female employees, as stated in the law. Your Company follows this practice as part of equal employment opportunity, including gender equality.

Your Company has constituted the Internal Complaints Committees (IC) across all Company locations in India and abroad to consider and resolve all sexual harassment complaints reported to this Committee. The constitution of the IC is as per the Act, and the Committee includes an external member with relevant experience at Indian locations. The Ethics Committee at the global locations acts in the capacity of the Internal Complaints Committee where the local laws do not enforce the constitution of such a Committee.

During the year under report, your Company received 4 (Four) complaints of sexual harassment under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, as of March 31, 2025, there is 1 (One) pending complaint of sexual harassment in your Company.

Disclosure under the Maternity Benefit Act, 1961

Your Company is compliant with the statutory provisions of the Maternity Benefit Act, 1961.

Secretarial Standards

The Institute of Company Secretaries of India (ICSI) issues Secretarial Standards. Your Company complies with Secretarial Standards and guidelines issued by the ICSI to the extent applicable to the Company.

Other Certifications

The details about the other ISO and Partnership certifications for technical processes and systems are provided the Corporate Governance Report and form an integral part of this report.

Information Security

Your Company maintains a mature Information Security Management System with Policies, Processes and Controls to minimise Cyber Security Risks. The governance and management of security compliance and risk is reviewed periodically. Persistent development centres are certified under ISO 27001, ISO 27017, ISO 27018, ISO 27701, ISO 22301, and SOC 2 Type II.

Your Company is focused on cyber resilience and provides all the necessary budgets needed to build robust cyber resilience. Your Company's Global IT and Information Security team has taken a holistic and comprehensive approach to address the need to secure the employees' laptops, the corporate network, and confidential data against inadvertent and malicious attacks, including the customer-specific security requirements. Your Company's cloud-first strategy is enabled by cloud security measures spanning access management, cloud data security, ensuring privacy in the cloud, safeguarding cloud workloads, effective monitoring and incident management of the cloud aligned to business-relevant outcomes.

Specific steps include allocation of secure laptops to every employee, installation of disk encryption, next-generation antivirus solution, enhanced data leakage prevention solutions, implementation of Multi Factor Authentication, Secure and governed internet access, and Zero Trust Model to ensure cyber resiliency. The emailing solution is equipped with advanced anti-phishing functionality, ensuring a secure communication channel through email.

Your Company has implemented a robust disaster recovery process with a well-articulated cyber resilience playbook. The periodic Disaster Recovery drills ensure the availability of the critical services and the ability to recover business operations as per the defined process. Your Company has a steadfast focus on spreading information security awareness through mandatory information security awareness trainings as part of the joining process. This is followed by a periodic refresher session and using enterprise-wide communication and collaboration platforms to keep users updated on evolving cybersecurity risks. The training effectiveness is validated through periodic phishing simulations.

Your Company believes that security is an ongoing activity. As the Company evolves and expands its business, all stakeholders can rest assured that the Company will continue to improve its security posture to ensure continuous compliance.

Subsidiary Companies, Associate Companies and Joint Ventures

During the year under Report, your Company restructured group entities as follows:

1. The Business Transfer Agreement has been executed for the transfer of the business of the UK Branch of the Company to Persistent Systems UK Limited effective from April 1, 2024.
2. Persistent India Foundation was incorporated under Section 8 of the Companies Act, 2013 effective from May 1, 2024, as a Wholly Owned Subsidiary ('WOS') of the Company.
3. Software Company International, LLC, USA (Step Down Subsidiary) has been dissolved effective from June 27, 2024.
4. The Hon'ble National Company Law Tribunal, Mumbai ('NCLT') has sanctioned the merger of M/s. Capiot Software Private Limited (the Wholly Owned Subsidiary Transferor Company) into Persistent Systems Limited (the Holding Company Transferee Company) through absorption, as per its Order dated April 9, 2025. The Company received the Order on April 11, 2025. Further, the Company filed the Certified True Copy of the said order dated April 21, 2025, with the Registrar of Companies, Pune (RoC) on May 13, 2025, for updating their records. The financial impact of this merger will be reflected in the Company's financial statements for the period following its submission to the RoC.

5. The Board of Directors of the Company at its meeting concluded on April 24, 2025 (IST), approved the proposal of merger of M/s. Arrka Infosec Private Limited (WOS) into Persistent Systems Limited (the 'Holding Company'), subject to the receipt of necessary approvals in accordance with the provisions of the Companies Act, 2013.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in [Form No. AOC-1](#) is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website at <https://www.persistent.com/investors/>

The Policy for determining material subsidiaries of your Company is available on your Company's website at <https://www.persistent.com/investors/policy-on-material-subsiary/> According to the said Policy, Persistent Systems Inc., USA is the material subsidiary of your Company.

Mergers and Acquisitions (M&A)

Persistent Systems Limited has a focused M&A program that is aimed at:

1. Acquiring differentiated technology capabilities in cloud, data and security.
2. Strengthening our domain expertise in Banking, Financial Services and Insurance (BFSI) and Healthcare and Lifesciences (HLS) industry verticals and / or;
3. Expanding the Company's customer base in Europe and delivery presence in Eastern Europe.

During the year ended March 31, 2025, your Company entered into definitive agreements to acquire:

- a. Starfish Associates, LLC ('Starfish'), a US-headquartered company that provides an automation platform to facilitate seamless connection across a myriad of business applications and communication systems. The acquisition builds on the Company's existing engineering capabilities in the Unified Communications and Contact Centre, expanding its strong AI-driven business transformation capabilities and expertise in driving operational excellence. The acquisition of Starfish was completed on August 1, 2024.
- b. Arrka Infosec Private Limited ('Arrka'), a Pune-based company renowned for its data privacy expertise, a Data Privacy Management platform and growing expertise in AI governance. This acquisition significantly advances the Company's AI-led, platform-driven services approach and strengthens its ability to provide comprehensive offerings in digital governance, including data privacy, AI governance, and cybersecurity, among others. With Arrka's expertise, your Company will help clients accelerate their transformation journeys while ensuring ethical, responsible, and compliant AI. The acquisition of Arrka was completed on October 28, 2024.
- c. SoHo Dragon group of companies ('SoHo'), a group with full-service Software Application Development Company specializing in front office operations, corporate applications, hyper scaler technologies, data warehousing, and business intelligence with entities in US, Lithuania & India. The acquisition of the select assets will help in consolidating the relationship with a strategic and large customer of your Company in the BFSI domain. The acquisition of select assets from SoHo Dragon Inc. was completed on November 16, 2024, the acquisition of select assets from Soho Dragon LT, UAB was completed on March 13, 2025 and the acquisition of select assets from Soho Dragon Solutions India Private Limited was completed on April 22, 2025.

Infrastructure

Your Company has adopted the hybrid working model. During the FY 2024-25, the total built-up capacity owned by your Company in India and abroad was 135,980 m² which is adequate for 11,000+ employees. In addition, your Company hires 1,79,715 m² of space across various locations in India and 11,899 m² space outside India.

The details of owned facilities of your Company are as follows:

Location	Year of Acquisition/Completion	Total Built-up Area (m ²)	Total Seating Capacity (Nos)
Pune			
1. Bhageerath	2002	11,331	568
2. Aryabhata–Pingala	2007	33,300	2,615
3. Veda Complex, Hinjawadi	2012	45,825	3,246
4. Ramanujan, Hinjawadi	2023	14,021	1,150
5. Kapilvastu	1994	202	25
6. Panini	1998	926	100
Goa			
Charak and Bhaskar	1997 and 2017, respectively	7,042	724
Nagpur			
1. IT Tower	2003	3,707	265
2. Gargi and Maitreyi	2011	19,825	1,187
Grenoble, France	2000	929	50
Total		137,108	9,930

1. Along with your Company owned premises, your Company also operates from leased and managed facilities in Australia, Canada, Costa Rica, France, Germany, India, Malaysia, Mexico, Poland, Sri Lanka, Switzerland, UK and USA in an area of 58,923 m² adequate for 12,000+ employees.
2. Your Company also owns two land parcels in Mihan SEZ, Nagpur and Hinjawadi.

Annual Return

In accordance with the Act, the annual return in the prescribed format (MGT-7) for the FY 2024-25 is available at <https://www.persistent.com/wp-content/uploads/2025/06/annual-return-2025.pdf>.

Other Matters

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under report:

1. Dr. Anand Deshpande, Chairman and Managing Director and Mr. Sunil Sapre, Executive Director (up to December 31, 2024) of your Company did not receive any remuneration or commission from any of the subsidiaries.
2. Mr. Sandeep Kalra, Executive Director and Chief Executive Officer received remuneration from Persistent Systems Inc., USA in addition to remuneration received from your Company. The total remuneration is disclosed in the Report on Corporate Governance forming part of this report.
3. No significant or material orders were passed by the Regulators, Courts, or Tribunals impacting your Company's going concern status and operations in the future.
4. There are no applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 as at the end of FY 2024-25, nor has the Company done any one-time settlement with any Bank or Financial Institution in India or abroad.

Awards and Recognitions during the Financial Year 2024-25

Your Company received several prestigious awards and recognitions in various categories, such as (1) Technology, (2) Corporate, and (3) People. Brief details of these awards are available on your Company's website at [Awards and Recognitions | Persistent Systems Highlights](#) of these are also available in the 'Corporate Information' section of this Annual Report.

Directors' Responsibility Statement

Your Directors state that:

1. In preparation for the annual accounts, the applicable Accounting Standards have been followed, and there is no material departure;
2. Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as of March 31, 2025, and of the profit of your Company for that year;
3. Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities, if any;
4. The annual accounts have been prepared on a going concern basis;
5. Your Directors had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively;
6. Your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Future Outlook

Looking ahead at the new year, ongoing macroeconomic challenges are creating uncertainties that are impacting virtually all enterprises in various vertical industries, especially those that rely on global supply chains and services. Nonetheless, your Company enters FY26 and the 35th year with confidence and optimism that the market-leading brand, unprecedented growth trajectory, and unyielding commitment to client success will allow your Company to weather these challenges and maintain its uniquely differentiated positioning as the AI ecosystem orchestrator of choice.

Your Company's Re(AI)maging the World mission will be key to its ongoing success and future growth as your Company continues to deliver AI, product engineering, and platform-based services to new and existing clients in verticals and specialised sub-verticals. With AI investments anchoring our strategy, your Company remains focused on growth, financial discipline, and customer-centricity to power its journey towards its stated aspiration of reaching \$2 Billion in annualised revenue in the next few years. As market and macroeconomic dynamics evolve, your Company will maintain a high level of agility with a culture of operational efficiency and budgetary controls that engender strategic investments for new initiatives.

Global financial pressures are leading many companies to fundamentally rethink their business models, go-to-market strategies, and capital expenditures. Companies also continue to display a strong willingness to invest in technology, especially AI technologies and platforms, to unlock new growth opportunities, enable transformation, and drive value. The market continues to be inundated with new AI providers and offerings, resulting in a more competitive market. This AI proliferation is causing enterprises to stretch decision-making cycles, focus on risk mitigation, and demand value-based outcomes for their AI investments. In addition, they are also reluctant to engage with providers with little or unproven experience with AI as they look to guarantee short- and long-term investment returns.

Your Company is well-positioned to capitalise in this environment, given its 35-year heritage, its proven data, cloud, and AI expertise, and its unmatched reputation as a trusted provider that delivers tangible IT and business results. Your Company's proprietary platform, SASVA, is revolutionising how clients think about AI-powered software development and how to enable AI agents for streamlined workflows. iAURA, the data management platform, allows enterprises to leverage AI to optimise data models and accelerate decision-making. GenAI Hub allows companies to accelerate the creation of AI experiences at scale. Your Company's offerings are continuously enhanced by its partnerships with all the major hyperscalers and innovative start-ups, with whom your Company jointly develops new AI-enabled solutions. Your Company is confident that its approach strongly positions itself as an innovative AI partner for clients looking for a provider with a proven track record of driving growth and value.

As your Company advances along with its growth trajectory, it remains firmly committed to equipping its global workforce of more than 24,500+ professionals with the skills and opportunities required to remain at the forefront of technological innovation, enhancing the value your Company delivers to its clients. Your Company also continues to foster a diverse and inclusive organisational culture that prioritises personal development, continuous learning, and a deep sense of social and environmental responsibility. These commitments are integral to sustaining your Company's long-term competitiveness and driving stakeholder value.

As your Company concludes this chapter of its journey and prepare to navigate the opportunities and challenges that lie ahead, your Company reaffirms its steadfast commitment to its core values and to the pursuit of operational and strategic excellence. Guided by a unified vision and an enduring focus on AI innovation, your Company is confident in its ability to generate sustainable growth and deliver enduring value to its clients, partners, and stakeholders worldwide.

Acknowledgments and Appreciation

Your Board records the support and wise counsel received from the Government of India, particularly the Ministry of Electronics and Information Technology, the Ministry of Corporate Affairs, the Ministry of Finance, the Ministry of Commerce and Industry, the Reserve Bank of India, and the Securities and Exchange Board of India throughout the financial year.

Your Board extends its sincere thanks to the officers and staff of the Software Technology Parks of India - Pune, Nagpur, Goa, Mumbai, Ahmedabad, Indore, Bengaluru, Noida, Gurugram, Hyderabad, Jaipur, Chennai, Kolkata, Kochi, Visakhapatnam, Special Economic Zone – Telangana, SEEPZ Special Economic Zone – Mumbai, Cochin Special Economic Zone, Central Tax and Customs Department, Department of Revenue, Income Tax Department, Department of Electronics, Director General of Foreign Trade, Ministry of Industries, Government of Maharashtra, Director of Industries, Inspector General of Registration, Maharashtra Pollution Control Board, Goa Pollution Control Board, Central Pollution Control Board, Department of Shops and Establishments, Department of Telecommunication, Ministry of Commerce and Industries, Ministry Of Electronics and Information Technology, Department of Commerce (SEZ Section), Regional Director of Western Region, Registrar of Companies, Maharashtra, Pune, Goods and Service Tax Department, Infotech Corporation of Goa Limited, Goa Industrial Development Corporation, Madhya Pradesh State Electronics Development Corporation Ltd., National Stock Exchange of India Limited, BSE Limited, Central Depository Services (India) Limited, National Securities Depository Limited, Local Municipal Corporations and Gram Panchayats where Company operates, Maharashtra State Electricity Distribution Company Limited, Telangana (erstwhile Andhra Pradesh) State Electricity Board, Telangana State Industrial Infrastructure Corporation, Maharashtra Industrial Development Corporation, Karnataka Industrial Development Corporation, BSNL and Internet Service Providers, District Administration and State Police departments, Export Promotion Councils, Maharashtra Airport Development Corporation Limited, and Development Commissioner, MIHAN (SEZ).

Your Board also extends its sincere thanks to M/s. Walker Chandiook & Co LLP, Chartered Accountants, Statutory Auditors; M/s. Joshi Apte & Co., Chartered Accountants, Tax Auditors; M/s. SVD & Associates, Company Secretaries, Secretarial Auditors, Trustees of Persistent Foundation and Directors of Persistent India Foundation, a wing of Ernst & Young LLP, providers of Compliance Manager Tool and WyattPrism, ESG Consultants for their services to your Company.

Your Board also extends its thanks to Axis Bank, Banco Nacional - Costa Rica, Banco Nacionalde Mexico S. A., Bank of Baroda, Bank of India, Bank of Tokyo-Mitsubishi, Barclays Bank, BNP Paribas, Canara Bank, Citibank NA, Deutsche Bank, First National Bank, HDFC Bank, Hongkong, and Shanghai Banking Corporation, Silicon Valley Bank, Union Bank of India, Wells Fargo Bank, Zürcher Kantonal Bank, DBS Bank, State Bank of India, ICICI Bank Limited, Saraswat Co-operative Bank, Kotak Mahindra Bank, OCBC Bank, PNC Bank and their officials for extending excellent support in all banking-related activities.

Your Board records its deep appreciation for the committed services of your Company's employees and partners at all levels.

Your Board thanks Members for placing immense faith in them.

Your Board takes this opportunity to express its sincere appreciation for the contribution made by the employees at all levels of your Company. Their hard work, solidarity, cooperation, and support made consistent growth possible.

For and on behalf of the Board of Directors

Anand Deshpande, Ph.D.

Chairman and Managing Director
DIN: 00005721

Pune, June 6, 2025

Annexure A to the Report of the Directors

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

&

Pursuant to Regulation 24A of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To

The Members

Persistent Systems Limited

'Bhageerath', 402 Senapati Bapat Road
Pune 411016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Persistent Systems Limited** bearing CIN: **L72300PN1990PLC056696** (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025 (audit period)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- i. The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 (**not applicable to the Company during the audit period**);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**not applicable to the Company during the audit period**);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2021 (**not applicable to the Company during the audit period**); and
 - h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (**not applicable to the Company during the audit period**).
- vi The management has identified and confirmed the compliances of the following laws as specifically applicable to the Company:
- a. The Special Economic Zone Act, 2005 and the rules made thereunder;
 - b. The Information Technology Act, 2000 and the rules made thereunder;
 - c. Policy related to Software Technology Parks of India and its regulations;
 - d. The Foreign Trade Policy (EXIM Policy) and procedures thereunder
 - e. Foreign Trade (Development and Regulation) Act, 1992;
 - f. The Patents Act, 1970;
 - g. The Indian Copyright Act, 1957;
 - h. The Trade-Mark Act, 1999 and the rules made thereunder

We have also examined compliance with the applicable clauses and regulations of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with Stock Exchange pursuant to Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) including any amendments thereto.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above and there were no qualifications or adverse remarks **except** the following observation:

A disclosure under Regulation 30 of SEBI LODR pertaining to the resignation of Senior Management Personnel was intimated with a delay to BSE and NSE (the Stock Exchanges) for which clarifications was sought by BSE vide their letter dated April 29, 2024 which was duly replied by the Company. Subsequently, both the Stock exchanges have issued a warning email asking the Company to take necessary steps to avoid such delays in future.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be and there are no dissenting views mentioned by the members of the Board of Directors.

We further report that,

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that,

During the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. The stock split as approved by the Members of the Company vide postal ballot dated March 11, 2024, for which the record date was April 01, 2024, the activity was completed by executing necessary corporate actions.
2. Pursuant to the circular resolution passed by the Board of Directors dated April 01, 2024, the Board of Persistent Systems Limited has executed an agreement for the transfer of the business of the UK Branch of the Company to Persistent Systems UK Limited on April 13, 2024.

3. Persistent India Foundation, a Section 8 Company under the Companies Act, 2013, has been incorporated as a Wholly owned Subsidiary of the Company on May 1, 2024.
4. Pursuant to the circular resolution passed by the Board of Directors dated July 04, 2024, Persistent Systems Limited and Persistent Systems, Inc., USA (Wholly Owned Subsidiary of the Company) have entered into an Asset Purchase Agreement with SoHo Dragon Inc. for the acquisition of its identified assets on September 10, 2024.
5. The Stakeholders Relationship and ESG Committee has inter-alia approved the allotment of 600,000 (Six Hundred Thousand only) Equity Shares of INR 5 each on July 10, 2024, and 1,200,000 (One Million, Two Hundred Thousand Only) Equity Shares of INR 5 each on August 6, 2024, to the PSPL ESOP Management Trust (ESOP Trust).
6. The Board of Directors vide Resolution dated July 17, 2024, have approved investment of £2 million in the Share Capital of Persistent Systems UK Limited, a Wholly Owned Subsidiary of the Company.
7. The following instances of restructuring have been intimated to the Stock Exchanges and has been noted by the Board in respective Board meetings as mentioned below:
 - a. Software Company International, LLC (a step-down subsidiary) has been dissolved with effect from June 27, 2024, pursuant to the Certificate of Dissolution received from the Secretary of the State of North Carolina on July 2, 2024 (US time). The same was noted in Board Meeting dated July 17 and 18, 2024
 - b. Persistent Systems Inc, USA (a wholly owned subsidiary) has entered into a Stock Purchase Agreement on July 2, 2024 (US Time) for the acquisition of Starfish Associates, LLC, USA. This was noted by the Board in its meeting dated July 17 and 18, 2024. Further, this acquisition was completed on August 01, 2024.
8. The Board of Directors approved the acquisition of Arrka Infosec Private Limited on September 24, 2024, and the Stock Purchase agreement for the same was entered on September 30, 2024.
9. The Board of Directors approved the issuance of 560,000 Equity Shares of INR 5 each to PSPL ESOP Management Trust ('ESOP Trust') in its meeting held on January 22, 2025.
10. The members of the Company at the Annual General Meeting held on July 16, 2024, have inter alia approved:
 - a. An amendment in the 'Persistent Employee Stock Option Scheme 2014 (PESOS 2014)' to increase the number of Stock Options allocated to PESOS 2014 by 1.6 million Stock Options i.e., from 3.8 million Stock Options to 5.4 million Stock Options along with the procedural matters.
 - b. Grant of the Stock Options to the employees of subsidiary Company(ies) of the Company under 'Persistent Employee Stock Option Scheme 2014'

For **SVD & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
CP No: 2664

Unique Code of the Firm: P2013MH031900
Peer Review number: 6357/2025
UDIN: F006156G000538490

Date: June 6, 2025
Place: Pune

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A

To,

The Members,

Persistent Systems Limited,

'Bhageerath' 402, Senapati Bapat Road,

Pune 411016.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. We have physically verified the documents and evidence and also relied on data provided through electronic mode to us.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

**For SVD & Associates
Company Secretaries**

Sridhar Mudaliar

Partner

FCS No: 6156

CP No: 2664

Unique Code of the Firm: P2013MH031900

Peer Review number: 6357/2025

UDIN: F006156G000538490

Date: June 6, 2025

Place: Pune

Annexure B to the Report of the Directors

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Persistent Systems Limited (the 'Company') has not entered into any contract / arrangement / transaction with its related parties which is not in ordinary course of business or at arm's length during Financial Year 2024-25.

- a. Name(s) of the related party and nature of relationship: Not Applicable
- b. Nature of contracts/arrangements/transactions: Not Applicable
- c. Duration of the contracts/arrangements/transactions: Not Applicable
- d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e. Justification for entering into such contracts or arrangements or transactions: Not Applicable
- f. Date(s) of approval by the Board: Not Applicable
- g. Amount paid as advances, if any: Not Applicable
- h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at an arm's length basis:

There were certain transactions entered into by the Company with its foreign subsidiaries and other parties who are related within the meaning of Indian Accounting Standard (Ind AS) 24 and Section 188 of the Act. Attention of Members is drawn to the disclosure of transactions with such related parties set out in [Note No. 33](#) of the Standalone Financial Statements, forming part of this Annual Report.

For and on behalf of the Board of Directors

Pune, June 6, 2025

Anand Deshpande, Ph.D.
Chairman and Managing Director
DIN:00005721

Annexure C to the Report of the Directors

A. Details of the Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for Financial Year 2024-25 (INR Million)	% increase in Remuneration in the Financial Year 2024-25	% increase in remuneration in the Financial Year 2024-25* (excluding perquisite value of stock options exercised during the year)	Ratio of remuneration of each Director to median remuneration of employees	Ratio of remuneration of each Director to median remuneration of Employees* (excluding perquisite value of stock incentive)	Comparison of the remuneration of the KMP against the performance of the Company
Executive Directors and KMPs							
a.	Dr. Anand Deshpande Chairman and Managing Director, India	41.66	10.35	10.35	24.80	NA	
b.	Sandeep Kalra Executive Director and Chief Executive Officer, USA	1,480.90^^	91.99	12.71			The increase in revenue was 18.8% and in Profit After Tax was 28.0%.
	Ratio of remuneration to median remuneration of employees located in India				881.49	94.69	
	USA				119.41	12.08	
c.	Sunil Sapre® Executive Director and Chief Financial Officer, India	27.87	0.00	0.00	12.01	12.01	
d.	Vinit Teredesai® Executive Director and Chief Financial Officer, India	24.24	0.00	0.00	14.13	14.13	
e.	Amit Atre Company Secretary, India	25.72	46.95	14.32	15.44	3.87	
Non-Executive Directors							
f.	Roshini Bakshi** Independent Director	2.15	3.55%	NA	3.55%	NA	
g.	Avani Davda Independent Director	6.55	10.83%	NA	10.83%	NA	
h.	Anjali Joshi® Independent Director	4.64	NA	NA	NA	NA	
i.	Praveen Kadle Independent Director	6.7	12.04%	NA	12.04%	NA	
j.	Arvind Goel Independent Director	6.15	11.21%	NA	11.21%	NA	

Annexure C to the Report of the Directors

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2023-24 (INR Million)	% increase in Remuneration in the Financial Year 2023-24	% increase in remuneration in the Financial Year 2023-24* (excluding perquisite value of stock options exercised during the year)	Ratio of remuneration of each Director to median remuneration of employees	Ratio of remuneration of each Director to median remuneration of Employees* (excluding perquisite value of stock incentive)	Comparison of the remuneration of the KMP against the performance of the Company
k.	Dr. Ambuj Goyal Independent Director	6.15	31.41%	NA	31.41%	NA	
l.	Dan'l Lewin Independent Director	5.85	29.71%	NA	29.71%	NA	
m.	Prof. Ajit Ranade Independent Director	6.45	51.41%	NA	51.41%	NA	

Notes:

The remuneration given in the above table is on actual 'paid' basis.

*The Directors / KMPs against whom NA is mentioned, did not exercise/were not eligible for ESOPs.

@Mr. Sunil Sapre relinquished his office as a Chief Financial Officer w.e.f. May 15, 2024, however, continued to be an Executive Director till December 31, 2024.

Mr. Vinit Teredesai was appointed as a Chief Financial Officer w.e.f. May 15, 2024

**Ms. Roshini Bakshi retired as an Independent Director of the Company w.e.f. the conclusion of the 34th AGM held on July 16, 2024 pursuant to completion of two terms on 5 (five) consecutive years

§Appointed as an Independent Director w.e.f. June 12, 2024.

^^The remuneration also includes remuneration paid from Persistent Systems Inc., USA

1. Remuneration to KMPs includes fixed pay, variable pay, retiral benefits and the perquisite value of stock options exercised during the period, determined in accordance with the provisions of the Income-tax Act, 1961. Accordingly, the value of stock options granted during the period is not included. Independent directors are not entitled to any stock options effective from April 1, 2014.
2. The median remuneration of employees of the Company during the Financial Year 2024-25 was INR 1,680,000
3. The median remuneration of employees of Persistent Systems Inc. during the Financial Year 2024-25 was USD 145,472 (Equivalent INR 12.43 Million approx.), which has been considered to compute the ratio for Executive directors/KMPs to whom remuneration was paid from a subsidiary incorporated in the USA.
4. In FY 2024-25, the median remuneration of employees increased by 12%.
5. The average annual increase was around 6.4% in India. However, during the course of the year, the total increase is approximately 7.5%, after considering promotions and other event-based compensation revisions. Employees outside India received a wage increase of about 3%.

The increase in remuneration is in line with the market trends in the respective countries. In order to ensure that remuneration reflects the Company's performance, the performance pay is also linked to organisational performance.

6. As on March 31, 2025, there were 21,133 permanent employees who were on the payroll of the Company (On a standalone basis).
7. It is affirmed that the remuneration paid, is as per the Remuneration Policy for Directors, Key Managerial Personnel and other senior management employees.

- B. The list of top 10 employees who were employed through the Financial Year and received a remuneration of INR 10.2 Million or above p.a. OR the employees who were employed for a part of the Financial Year and received remuneration of INR 0.85 Million per month under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this report is being sent to the Shareholders excluding the aforesaid information. Any shareholder interested in obtaining said information may write to the Company Secretary at the Registered Office of the Company and the said information is open for inspection at the Registered Office of the Company.

The details of remaining employees who are not deputed in India are open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of the Board of Directors

Anand Deshpande, Ph.D.

Chairman and Managing Director

DIN: 00005721

Pune, June 6, 2025

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Annexure D to the Report of the Directors

Annual report on Corporate Social Responsibility (CSR) Activities of the Company for FY 2024-25

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. A brief outline of the Company's CSR policy, including an overview of projects or programmes proposed to be undertaken and a reference to the web link to the CSR policy and projects or programmes

The Board of Directors of your Company has developed a Corporate Social Responsibility (CSR) Policy to serve as a framework for guiding the Company's CSR initiatives. This policy has been made publicly accessible and can be viewed on the Company's official website at [CSR Policy](#)

The CSR Policy outlines the Company's understanding that the societal need for support is vast, and a more impactful contribution can be achieved by focusing efforts on specific priority areas. Accordingly, your Company has identified key pillars of its CSR activities, which include sustainability, environmental consciousness, proactive measures against climate change, wildlife conservation, and initiatives aimed at reducing social inequalities.

Your Company is deeply committed to conducting its business in a manner that is both sustainable and socially responsible. This approach has been embedded in the Company's core values since inception. In alignment with these principles, your Company prioritizes the health and safety of its employees, protection of the environment, and the enhancement of the quality of life in the communities where it operates.

To formalize and structuralize its CSR efforts, your Company established a Public Charitable Trust known as the 'Persistent Foundation' during the Financial Year 2008-09. This was undertaken to create a consistent and organized process for administering donations and other CSR-related activities. Further strengthening its compliance framework, your Company subsequently incorporated 'Persistent India Foundation,' a Section - 8 Company under the Companies Act, 2013, to complement and expand upon the existing efforts of the Persistent Foundation.

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Projects and programmes undertaken

During the year under report, Persistent Foundation ('Public Charitable Trust' / 'Trust') and Persistent India Foundation (the 'Foundation' / Section 8 Company) implemented various CSR projects in the fields of Health, Education, Community Development, Wildlife and Heritage conservation:

Education	Health	Community Development	Wildlife and Heritage conservation	Employee engagement	Engagement with Clients
Opening doors to opportunity through inclusive programs offering scholarships, mentorship, skill development, and more	Restoring health and hope through life-changing pediatric and senior cataract care, empowering all to heal and thrive	Building resilient communities with water security, clean energy, livelihoods, and environmental conservation	Conserving cultural legacies and biodiversity to inspire, educate, and sustain future generations	Engaging in social impact, our employees grow as changemakers while strengthening the communities they support	Collaborating with Persistent Systems clients to foster impact through hands-on community initiatives, strengthening partnerships while making a difference
Number of Initiatives: 25	Number of Initiatives: 11	Number of Initiatives: 15	Number of Initiatives: 5	100% Fund utilization against donations received from the Employees of the Company	Instances: 31
Beneficiaries:	Beneficiaries:	Beneficiaries:	Beneficiaries:	Donors:	Activities:
Unique: 21,579	Unique: 6,748	Unique: 11,171	3,000	Unique: 1,224	1. Tree plantation,
Total: 29,136	Total: 6,749	Families: 246	Partnerships: 5	Total: 3,960	2. School kit assembly,
Partnerships: 31	Partnerships: 17	Total: 13,866		Donations:	3. Gullak painting
		Partnerships: 12		INR 8.10 million	
				Volunteers:	
				Unique: 5,137	
				Total: 9,577	
				Hours: 11,507	

Education - Re-envisioning the blueprint for collective progress

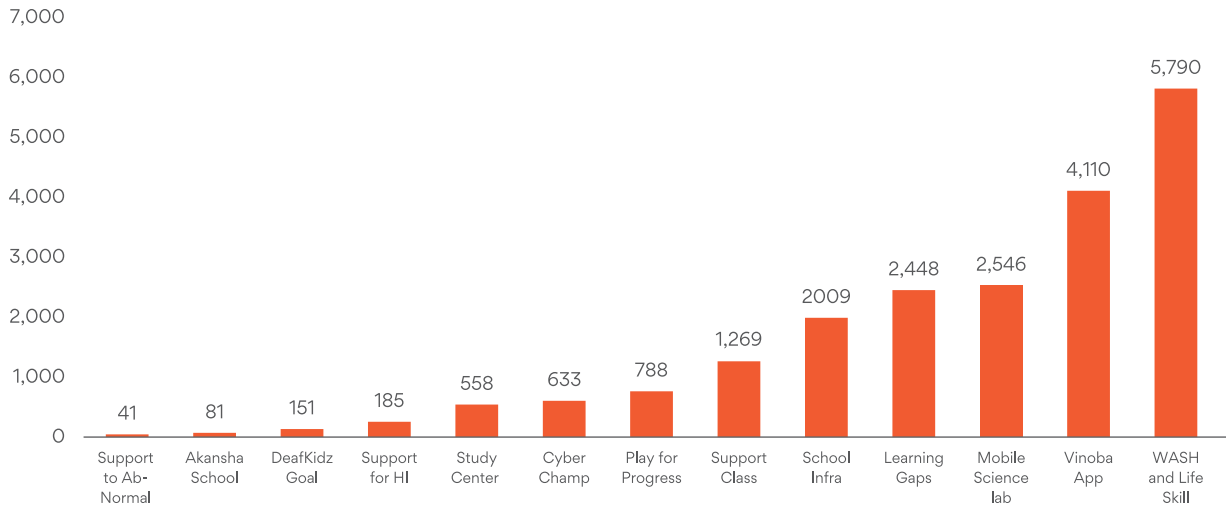
25 Initiatives | 6 locations in India | 37 Schools | 31 Partnerships | 29,136 Total Beneficiaries | 21,579 Unique Beneficiaries

In a world where quality education has the power to unlock limitless opportunities, too many young minds find these doors firmly shut. Strengthened over 15+ years of serving local communities, our mission leans into the crucial task of bridging this gap as allies in empowering futures. Many of the students we work with have big dreams and even bigger constraints. Their hurdles from completing schooling to navigating the job market are too big to overcome with financial aid alone. That is why our approach encompasses holistic solutions that foster independence; we respond not just with scholarships but with mentorship, practical skills training, and an unwavering belief in the potential within each individual. This year, our key initiatives included:

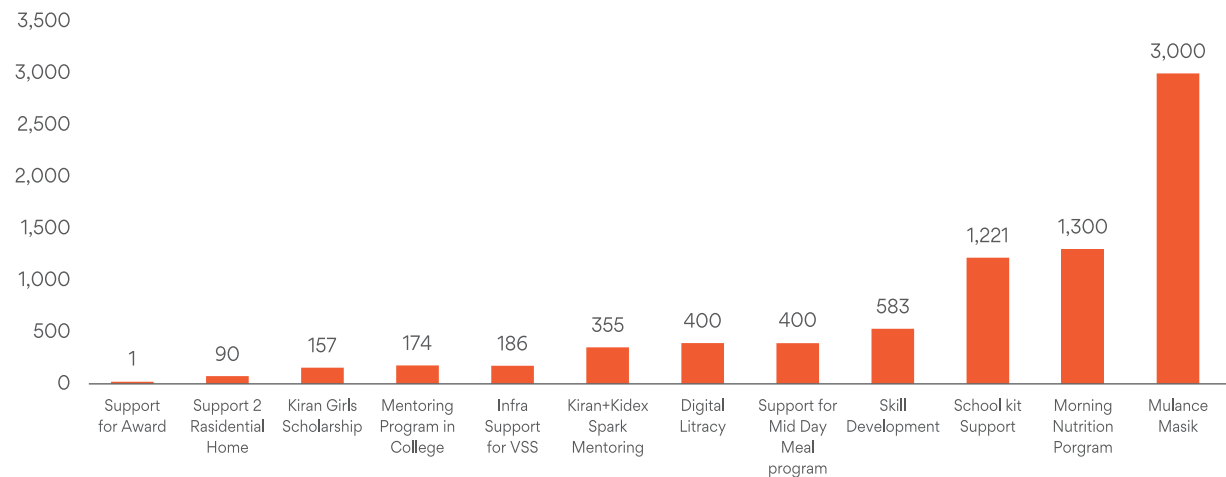
- Kiran Girls Scholarship and Mentoring Program to bring more high potential underprivileged women into technology;
- Skills Development Programs for workforce preparation;
- Integrated School Development to enhance learning environments;
- Lab on Wheels for hands-on learning, and
- DEAF Kidz initiative that supports growth through sports

These projects align with a multifaceted strategy that cultivates robust educational foundations, nurtures talent, instills confidence, and prioritizes inclusivity. Education is more than just access - it's about empowerment. By fostering curiosity, resilience, and critical thinking, we equip students with the tools to break cycles of limitation and create brighter, self-sustaining futures.

Integrated School Development Program – Aimed at Improving Infrastructure and Quality of education



Other education projects - Aiming at Improving Infrastructure and Quality of Education



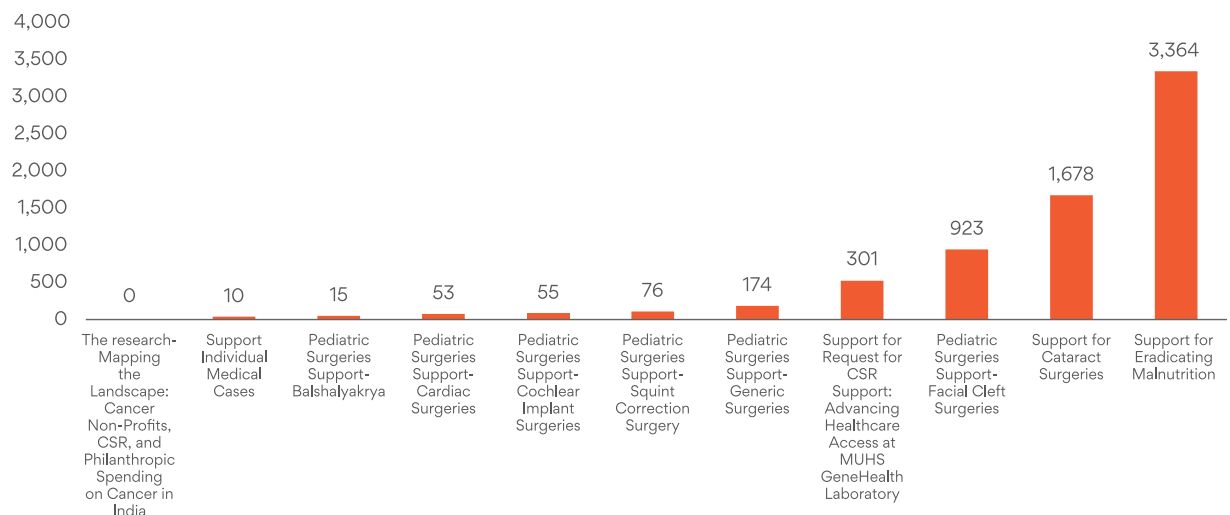
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Health - Helping our littlest fighters win their biggest battles

11 Initiatives | 6 locations in India | 17 NGO partners | 6,749 Total Beneficiaries | 6,748 Unique Beneficiaries

Envisioning a future where every child can express themselves, learn, and dream without limits, we’re growing our impact in pediatric healthcare, brightening 6,749 young lives this year. With committed partner organizations and local hospitals, we’re breaking barriers to build a healthier, more vibrant India—one child at a time. Many of the conditions we address, whether congenital heart defects, cleft palates, or hearing impairments—don’t just affect a child’s physical health; they profoundly impact their emotional well-being, educational opportunities, and social interactions. Without treatment, these conditions can lead to chronic fatigue, difficulty in communication, or even exclusion from everyday activities. Children with facial clefts, for example, often face social stigma, affecting their confidence and ability to form friendships. By ensuring access to not just surgery, but also ongoing medical, nutritional, and therapeutic support, we help them regain their health, self-esteem, and ability to thrive in school, family, and community life. Through critical time sensitive surgeries and innovative treatments, our initiatives give hope to children brimming with potential. Struggling hearts now beat stronger, silent ears tune into a world of sound, and once-hidden smiles shine with newfound confidence. But our impact goes far beyond the operating room. Taking a more holistic approach—one where medical care is just the beginning—we seek to help these young ones heal and connect better with the world. Through postoperative care, training for caregivers, and support for future challenges such as medical device maintenance, we ensure that each child not only recovers but thrives. As these children return to their communities, they carry with them the promise of a brighter future for themselves and their families.

Health — Providing Support for Curative Health Care to Improve Quality of Life



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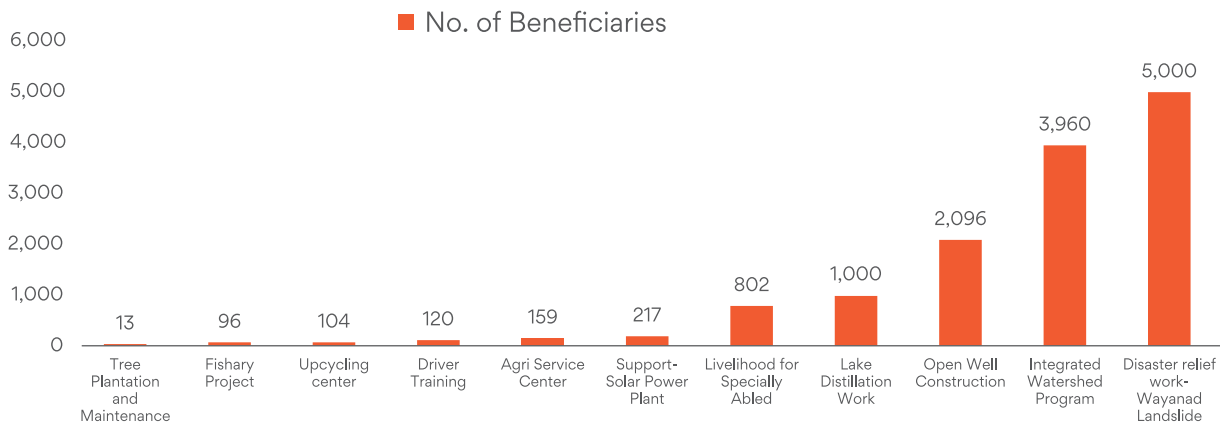
Community Development- Cultivating a sustainable future together

15 Initiatives | 9 locations in India | 12 NGO partners | 13,866 Total Beneficiaries | 11,170 Unique Beneficiaries | 246 Families

Over the past year, the Persistent Foundation's Community Development initiatives have driven meaningful change for over 13,866 individuals, empowering several communities across India through sustainable water management, clean energy adoption, agricultural resilience, and biodiversity conservation. By focusing on both immediate needs and long-term resilience, we empower communities to build sustainable livelihoods. Our interventions not only enhance daily living conditions but also foster economic stability, environmental conservation, and social well-being, ensuring lasting progress for generations to come. From watershed restoration and biogas installations to livelihood support and large-scale tree plantations, each project supports the UN's Sustainable Development Goals and is designed to build self-sufficient, future-ready communities.

Our dynamic strategy ensures optimal resource allocation, allowing us to adapt inputs, geographies, and budgets for sustained progress. Through strategic partnerships with local NGOs and government agencies, we've maximized our impact while ensuring cultural sensitivity and community acceptance. Engaging beneficiaries is at the heart of our approach, enabling them to take ownership of their development journeys. Fostering these strong local partnerships and leveraging community-driven solutions allows us to amplify the impact of our initiatives. Training programs, for example, equip individuals with the knowledge and skills to maintain and expand these efforts, ensuring long-term sustainability. This hands-on involvement transforms beneficiaries into active changemakers who champion self-reliance within their communities. Integrating technology, education, and community participation into each project, we ensure that our efforts not only provide immediate relief but also create long-term, systemic change. Together, we are not just addressing challenges but reimagining possibilities for stronger, more resilient communities

Community Development — Contributing to the Area of Environment and Livelihood Projects in the area of Environment, Green Energy and Water



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Wildlife and Heritage conservation - Rooting advancement in our cultural and natural inheritance

5 Initiatives | 3 locations in India | 5 NGO partners | 3,000 Total Beneficiaries

As we embrace a changing world, we believe it is crucial to protect the rich cultural and natural diversity that defines our planet. Our initiatives for the Preservation of Heritage and Wildlife are a steadfast commitment to ensuring cultural legacies and fragile ecosystems continue to thrive for generations. Heritage and wildlife are irreplaceable links to our past. By preserving them, we protect our identity, knowledge, and future. We believe it is important and enriching to safeguard stories, languages, traditions, and ecosystems that shape our shared history and future. When they disappear, humanity loses invaluable wisdom and biodiversity. Protecting these treasures fosters continuity, resilience, and a deeper connection to our environment. By supporting initiatives that protect endangered languages, rehabilitate wildlife, safeguard historical artifacts, and inspire community engagement, we strive to create a harmony between progress and preservation. This year, our projects have focused on preserving our linguistic heritage, nurturing fragile ecosystems, and reimagining access to historical knowledge. They address the urgent need for conservation while leveraging modern tools and methodologies. Whether through multilingual education, hands-on wildlife rehabilitation, or digital storytelling, our mission remains clear: To ensure that the richness of our world's heritage—both cultural and ecological— continues to educate, inspire, and flourish. Encouraging a deep-rooted appreciation for our shared legacy, we empower individuals and communities to become active stewards of preservation. This combined effort is paving the way for a future where heritage and wildlife are valued, protected, and celebrated as essential to our collective advancement.

(Amount in INR million)

Location	Project Name	Budget Allocated	Expenditure	Target Beneficiaries	Beneficiaries Reached
Pune	Human Elephant Conflict Mitigation Project	0.14	0.14	NA	NA
Nagpur	Support for the printing of Nihali Books	2.00	2.00	3,000 students	3,000 students
Goa	Support for White-Bellied Sea Eagle Conservation	1.69	1.69	NA	NA
Pune	Support for construction of Bird Aviary	3.97	3.97	NA	NA
Pune	Smart Audio Guide system for Raja Dinkar Kelkar Museum, Pune	1.27	1.27	NA	NA
	Total	9.07	9.07	3,000	3,000

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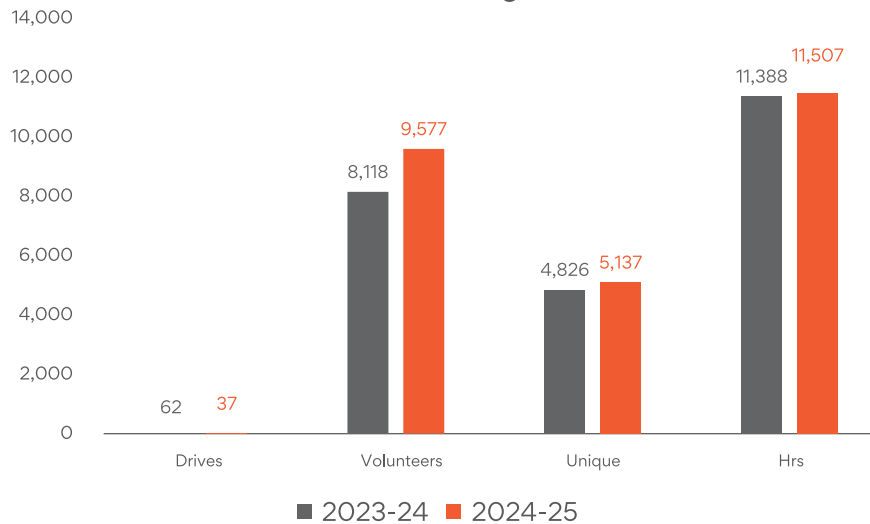
Employee Engagement

Year after year, Persistent employees reaffirm our belief in the power of collective action. This year was no different; across 11,507 hours of heartfelt service and INR 81.03 lakhs of generous donations, their enthusiastic participation transformed hope into tangible change. This year, we set out to reimagine ways to drive deeper, more lasting social change.

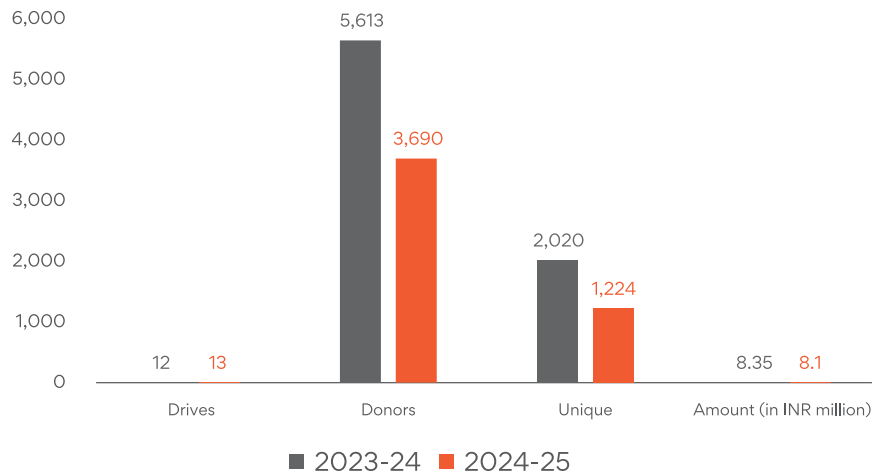
Persistent employees extended their support throughout, enabling us to maintain and finetune our initiatives in the focus areas i.e., Education, Health, Community Development, and Wildlife and Heritage conservation. Through financial contributions, 3,960 donors helped reshape lives across India. Every rupee donated has made a difference and was put towards critical programs. In addition, 9,577 volunteers worked hands-on to support income generation, assemble school kits, mentor scholars, plant trees, spread financial literacy, strengthen community well-being, and more.

Thanks to these employees' unwavering commitment, dreams are taking root and futures are blossoming every day.

Volunteering



Donations



More details on the CSR Policy and projects are available on the Company's website at:

[Corporate Social Responsibility | Persistent Systems](#)

2. Composition of the CSR Committee

The Board of Directors of your Company has constituted the CSR Committee to help the Company to frame, monitor, and execute the CSR activities of the Company under its CSR scope. The Committee defines the parameters and observes them for effective discharge of the social responsibility of your Company.

The Chairperson of the CSR Committee is an Independent Director.

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Avani Davda	Chairperson of the Committee and Independent Director	1	1
2.	Dr. Anand Deshpande	Chairman and Managing Director	1	1
3.	Arvind Goel	Independent Director	1	1

3. Web links where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the Company.

- CSR Policy: [csr-policy.pdf \(persistent.com\)](#)
- Composition of the CSR Committee: [Board of Directors Committees | Persistent Systems](#)
- CSR Annual Action Plan: [CSR Annual Action Plan for FY 2025-26](#)
- CSR Projects: [Archives Project | Persistent Foundation](#)

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

The average CSR obligation of your Company for the last three financial years has crossed INR 100 million. The Company also has projects outlay of INR 10 million and more. Since both CSR Obligation and Project Outlay have exceeded the threshold limits, the Impact Assessment Report is applicable to the Company for FY 2024-25. The Impact Assessment Report is to be undertaken after 1 year of completion of that project and hence, the Impact assessment for the eligible CSR projects completed in FY 2023-24 - 'Support for Facial Cleft' and 'Support for Cochlear Implant Surgeries' is currently being assessed. Upon completion of the Impact assessment for the mentioned projects, the executive summary will be made available on the website of the Company at [Corporate Social Responsibility | Persistent Systems](#) and the web link to the impact assessment report will be provided in the next Annual Report. Additionally, the Company regularly conducts internal impact assessments to monitor and evaluate its CSR programs.

5.
 - a. Average net profit of the Company as per Section 135(5) — **INR 10,737.64 Million**
 - b. Two percent of the average net profit of the Company as per Section 135(5) — **INR 214.75 Million**
 - c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years — **Not Applicable**
 - d. Amount required to be set off for the Financial Year, if any — **Not Applicable**
 - e. Total CSR obligation for the Financial Year 2024-25 (6a+6b-6c) **INR 214.75 Million**
6.
 - a. Amount spent against other than ongoing projects for the Financial Year: **INR 217.78 Million**
 - b. Amount spent against ongoing projects for the Financial Year: **Not Applicable**
 - c. Amount spent in Administrative Overheads: **NIL**
 - d. Amount spent on Impact Assessment, if applicable: **NIL**
 - e. Total amount spent for the Financial Year (6a+6b+6c+6d): **INR 217.78 Million**

f. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in INR Million)	Amount Unspent (in INR Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135			
	Amount	Date of Transfer	Name of fund	Amount	Date of transfer
217.78	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

g. Excess amount for set off, if any

Sr. No.	Particulars	Amount (In INR million)
i.	Two percent of the average net profit of the company as per section 135(5)	214.75
ii.	Set off claimed	0
iii.	Total amount spent for the Financial Year	217.78
iv.	Excess amount spent for the financial year [(iii)-(i)]	3.03
v.	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	0
vi.	The amount available for set off in succeeding Financial Years [(iv)-(v)]	3.03

7. a. Details of Unspent CSR amount for the preceding three financial years — **Not Applicable**
- b. Details of CSR amount spent in the Financial Year for ongoing projects of the preceding financial year(s) — **Not Applicable**
8. Whether any capital assets have been created out or acquired through Corporate Social Responsibility amount spent in the
 - a. Financial Year: **Yes**
 - b. The details of **Capital Assets** created out of the CSR contribution can be found at the following link: <https://www.persistent.com/wp-content/uploads/2025/06/csr-list-of-capital-assets-2024-25.pdf>
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

On behalf of the Board of Directors

Anand Deshpande, Ph.D.
Chairman and Managing Director
DIN: 00005721

Avani Davda
Independent Director, Chairperson of the CSR Committee
DIN: 07504739

Pune, June 6, 2025

Annexure E - Energy Conservation and Technology Absorption: Key Initiatives

A. Green Building Initiatives:

- Persistent is using **100% eco-certified furniture**. All the furniture including sofas, chairs, tables, etc. are **BIFMA certified** in their upcoming projects
- Our two buildings “**Bhageerath**” & “**Ramanujan**” at Pune are **IGBC Platinum-certified** buildings
- Our two buildings from Pune “**Bhageerath**” BEE 2 Star & “**Aryabhata – Pingala**” BEE 3 Star rated Building
- **Optimum usage of daylight: 62%** of the total regularly occupied areas achieve natural daylight of 300 lux or more
- Persistent procures of material mostly **locally within a radial distance of 500km** by this the transport distance & effective fuel consumption were reduced resulting in minimizing the overall Carbon emission
- **Low VOC Emitting Materials:** Use of low VOC Paints & adhesives, CRI Green Label plus certified carpets, and green plywood which is Green Pro certified
- Use of crushed sand instead of river sand
- Use of fly ash bricks instead of clay bricks
- Use of **double Glass Unit with low ‘E’ glass for windows and facades**
- **Double glass partition** for meeting rooms
- **To improve acoustic insulation**, we have installed acoustic ceiling materials, double glass partitions for meeting rooms, CRI green label plus certified partitions, cavity system with glass wool insulation for the partitions

Greens at Workplace: Indoor real plants to enhance employee wellness

In today’s world, where corporate offices are increasingly adopting sustainable practices, our organization takes pride in its commitment to environmental responsibility and employee well-being. As part of our ongoing green initiative, we have transformed our offices into a thriving oasis of nature by incorporating over **15,000** indoor plants. This visionary project not only aligns with our sustainability goals but also fosters a healthier and more productive workplace.

B. Energy Efficiency Initiatives:

We plan to achieve our climate action goals by investing in **Renewable Energy, Green buildings Initiatives** and improve **Energy Efficiency** in existing buildings through operational controls in lighting, heating, cooling, and ventilation, and improving operational efficiency through capacity optimization and technological upgradation as highlighted below.

HVAC Retrofit

- Replaced Existing ACs based on R-22, with **energy efficient** Inverter-based ACs with environmentally friendly R-32 gas, resulting in reduction in electricity consumption
- Replaced Ductable AC units with energy-efficient inverter-based ACs, resulting reduction in electricity consumption
- Controlled Ozone system: Integrated with air conditioning for energy saving & indoor air quality improvement resulting in energy saving in AHU power consumption
- Cold aisle containment in the Data Centre: Resulted in a saving in HVAC Power consumption of the Data center

Lighting efficiency

- Transitioned from CFLs to LED lamps - Replaced CFLs by LED lamps: Indoor, outdoor & all common areas such as parking, lobbies, toilets etc. in our facilities
- Proactively controlled smart lighting & AC with of sensors & timers / sequential timers /occupancy /motion sensors

Operational Efficiency

- Energy-saving measures are taken right from the design stage like double wall construction, low-e glass for facades and windows with double-glazed glass i.e., DGUs, maximum use of natural light and ventilation, underdeck insulation, etc.
- Use of ASVG, AHF, and Automatic Power Factor Correction (APFC) units at all locations to ensure near unity PF, and maintain the current harmonics of less than 5%
- Upgradation to high-efficiency modular online UPS systems to reduce losses & have flexibility for future growth
- **Adoption of 100% change over to laptops** from desktops not just to facilitate remote work but also reduce energy consumption, thus optimising occupancy at the office and thereby optimizing power consumption on ACs and office network equipment
- **Regulated and optimized schedules** for workings of Lifts, Vending machines, Ventilation systems, Water coolers, etc. (Shut off at night / off working hours except bare minimum required)
- Variable Frequency Drives (VFDs) in fresh air, Air Handling Unit (AHU) systems for better control and adjustment, optimizing energy consumption
- Controlling and monitoring daily operations through **building management system**
- **Optimized running hours of air-conditioned systems:** Temperature set points are altered based on working time, occupancy, and seasonal aspects. (e.g., In winter, night hrs., weekends etc.)
- **AC Discipline:** Prevent cool air leakages from each air-conditioned area, to the extent feasible
- **AC optimization:** In server rooms and data centers, we have optimized AC utilization by removing unwanted heat loads, space optimization, reorganizing inlet and outflow, and wall insulation

C. Renewable Energy Initiatives:

Persistent is committed to transitioning to 100% renewable energy, reducing its carbon footprint, and supporting global climate action. By integrating on-site renewable energy generation, off-site wind power, and Renewable Energy Certificates (RECs), we are making significant strides toward sustainable energy consumption.

Key Renewable Energy Initiatives

- 56.83% of Renewable energy consumed from Wind and Solar across Global Location.
 - 2 windmills 4.2 MW Wind Power 24.08%
 - 2MW Solar Power 11.92%
 - Green Tariff 20.82%
 - Renewable Energy Certificates 42.80% IRECs Purchased
- 62.79% Renewable Energy consumed within our facilities *India locations

Energy Mix

- Power Grid: Currently contributes 42.39% of energy consumption
- Green tariff: Power grid Renewable energy contributes to 10.82% of energy consumption
- Other Non-renewable Sources: Currently contributes to 0.79% of energy consumption.
- Solar Power: 2 MWp rooftop solar meets 11.92% of energy needs
- Wind Energy: 4.2 MW wind capacity, supplying 24.08% of energy consumption.

Energy Intensity per INR Mn: 0.50 kWh/INR Mn

Reduction in Emission intensity From FY 2023-24: 17.25%

Carbon Neutrality

Your Company has achieved carbon neutrality for Scope 1 and Scope 2 emissions for two consecutive years.

At Persistent, we proactively address climate action. We achieved carbon neutrality for Scope 1 and Scope 2 emissions for the second consecutive year (FY24 and FY25), marking a key sustainability milestone. We continue to maintain carbon neutrality across Scope 1 and Scope 2 emissions each year by adopting climate-conscious policies, improving energy efficiency, investing in renewable energy sources, and fostering sustainable supply chains. By aligning with global and national standards, we commit to building resilience and driving long-term environmental responsibility.

Net-Zero Commitment: Pathway to 1.5 Degree C

Limiting global warming to 1.5 degrees Celsius is critical to minimizing the devastating impacts of climate change. Our commitment to achieving net-zero emissions by 2050 is guided by the Science-Based Targets initiative (SBTi), ensuring our climate actions align with global best practices.

Water Management initiatives

- Prevention of overflow from overhead tanks using the auto-level control system
- As the touchless water taps are installed with no batteries, the hazardous maintenance work of checking and replacing the batteries periodically is eliminated and hazardous waste generation is avoided
- Special nozzles / aerators were installed to reduce water flow at water taps
- “No leaky tap” policy — leaky tap / pipe is repaired within 2 hours (immediately in cases)
- Monitoring water meter readings twice every day to detect overuse / excessive leakage
- STP output water is recycled for gardening at our Pune, Nagpur and Goa facilities, recycled water gets reused for gardening and flushing of toilets
- Infrastructure and system installed for collection of natural underground spring water leakages / seepages and recycling it for non-drinking and gardening use to reduce consumption of treated water
- Ground water recharging with rainwater harvesting system in Hinjewadi-Pune, Nagpur & Goa facility
- Frequent awareness campaigns are run to encourage employees to save water in the office & at home

Waste Management

Since Persistent is an IT / ITES company, there is no raw and finished physical goods supply / distribution or linked manufacturing / transportation involved. Hence, recycling of material at our premises is largely not applicable.

The Waste Management initiatives are as follows:

- Disposal Bins for various types of scrap generated i.e., to collect dry waste (Civil debris, furniture waste, paper, cardboard, plastic, and glass etc.) and wet waste (organic waste). The collected dry waste was segregated and further sent to municipal waste collection. Wet waste is also collected separately and sent to municipal waste collection
- E-waste & hazardous waste is handed over only to authorised agencies approved by the State Pollution Control Board. Employees are also encouraged to deposit their personal E-waste at all our company facilities for disposal, the same way
- Started an initiative of refurbishing old end-of-life (EOL) laptops and donating them to needy NGOs / educational institutes, thereby creating employment and achieving recycling rather than scrapping them as E-waste
- Minimised plastic bags to almost zero and encouraged cloth or paper bags instead; Persistent organises “No Plastic Days” to promote awareness of using plastic
- ‘ZERO PLATE WASTAGE’ week is observed twice a year and regular awareness is through mail and posters
- Almost paperless office with all work done on email / soft copies except where statutorily mandated or required by govt. rules / procedures

- ‘Two-sided printing’ is set as the default printing mode to reduce paper consumption
- All waste papers are shredded and recycled through a vendor partner
- All garden waste is treated in compost pit to get organic fertiliser
- Dry garbage is collected on daily basis by “Swachh” an NGO appointed by PMC
- No Tobacco / No smoking policy in our entire organisation
- Single use plastic water bottles banned plastic spoons / plates / crockery also banned EV charging stations
- Introduced EV charging station at 2-wheeler & 4-wheeler parking areas with a Centralised Monitoring System. This will help us to reduce the Carbon Footprint & encourage employees to use electric vehicles with no pollution & minimise environmental impact
- Started using electric vehicles for employees’ commute from April 2024, with no pollution & to minimise environmental impact

ESG Recognition and disclosures:

- Persistent Systems included in the **Dow Jones World Sustainability Index** with an impressive score of 85 in S&P Global Corporate Sustainability Assessment (CSA and included in Top10% of S&P Sustainability Yearbook
- Featured on the Nasdaq MarketSite Tower in Times Square for winning awards at the 3rd ICSI Business Responsibility and Sustainability Awards and 24th ICSI National Awards for Excellence in Corporate Governance, held in January 2025
- Winner in the large category (service sector) at the ICAI Sustainability Reporting Awards 2023-24
- Persistent Systems received a score of ‘B’ in the Carbon Disclosure Project (CDP)
- Persistent Systems received a BBB rating from Morgan Stanley Capital International (MSCI)
- The progress on non-financial ESG indicators is disclosed in the FY25 ESG report according to ISAE 3000 standards assured by an independent assurance body, DNV India Business Assurance Pvt Ltd. <https://www.persistent.com/wp-content/uploads/2025/06/esg-sustainability-report-2025.pdf> The same is also available at your Company’s ESG webpage at: <https://www.persistent.com/company-overview/environmental-social-and-governance/>

Awards, Accolades:

- Recognitions from iNFHRA Award
 - **Gold Award for Excellence in Carbon Footprint Reduction** for FY2024
 - **Silver Award for Excellence in Workplace Security** in FY2024
 - **Diamond Leader of the Year 2024** award in Sustainability
 - **Leader of the Year 2024** in Cafeteria Management
- Received the ‘**Sustainability Leadership Award for Accelerating Net Zero**’ by ISHRAE Pune Chapter
- Persistent’s “Ramanujan” Pune facility has received
 - “IGBC PLATINUM” certification under the “Green Interiors” category
 - LEED Gold certification

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Report on Corporate Governance

Company's beliefs on Corporate Governance

“The purpose of corporate governance is to facilitate effective, entrepreneurial and prudent management that can deliver the long-term success of the Company.”

Institute of Chartered Accountants in England and Wales

Redefining Stakeholders for a Sustainable Future

Traditionally, the stakeholders of a public limited company have been defined in legal terms — comprising shareholders, debenture-holders, deposit-holders, and other security holders. While this definition remains important, we believe that the scope extends to those who are integral to the success and sustainability of a modern enterprise.

At Persistent, we recognise that our responsibilities extend far beyond the boundaries of statutory obligations. In today's interconnected world, true stakeholder engagement must include not only our investors but also our employees and their families, customers, business partners, vendors, regulators, and the communities and ecosystem in which we operate.

Following thoughtful deliberation, your Board of Directors has formally adopted a broader and more inclusive definition of stakeholders. This decision reflects our long-term sustainability vision and underscores our commitment to creating shared value for all those who contribute to and are impacted by our business.

Our Commitment to Responsible Governance

At the core of our operations lies a strong foundation of Corporate Governance, built on the principles of trust, transparency, and accountability. Our governance framework is designed to uphold the interests of a diverse and evolving stakeholder base, ensuring balanced decision-making that prioritizes both ethical responsibility and strategic progress.

By embedding integrity and sustainability into our corporate culture, we not only safeguard our business but also contribute to the well-being of the broader ecosystem. Our commitment to fairness, inclusivity, and responsible leadership drives us to continually strengthen our governance practices and stakeholder relationships.

This section outlines how we engage with our Stakeholders, integrate Environment, Social, and Governance (ESG) considerations into our strategy, and work to deliver long-term, sustainable value in everything we do.

1. Employees and their Families

Everything that the Company does, is done by our employees. It is indeed their expertise, hard work, efficiency, and dedication that permit the Company to perform to the best of its abilities. Senior employees help us formulate our strategic thinking and our business approach and supervise all our operations. Our employees are supported by their families, and we are responsible for their wellbeing.

2. Clients

The Company provides services to its clients because of which we earn our revenue. Their satisfaction and delight are important focus areas of the Company's operations. Our clients are keen that we succeed and continue to deliver on our promises and hence they are also vested in our success.

3. Partners

Our partners help us deliver services to our clients. Partnerships are mutual and we believe that our success depends on the support we get from our partners. We must ensure the success of our partners as well.

4. Suppliers

In the execution of our business, there are several products and services that the Company acquires from suppliers. The efficiency and effectiveness of our operations critically depend on the quality, efficiency, and effectiveness with which our suppliers provide products and services to us. We believe it is our responsibility to ensure the long-term success of our suppliers.

5. Shareowners/Investors

Shareowners are the owners of the Company and are the traditional stakeholders in the Company. They have invested in the Company, and we believe it is our responsibility to deliver fair returns to our shareowners.

6. Environment

It is a constant endeavor of the Company to conserve and preserve the environment. Over the years, the Company has focused on sustainable business practices encompassing economic, environmental, and social imperatives. The Company also works through Persistent Foundation and Persistent India Foundation, to support projects in the areas of environmental sustainability and ecological balance.

To maintain and nurture harmonious relations with all these stakeholders, the Company has established elaborate mechanisms. The Company is committed to global sustainability goals and has pledged to track and improve on metrics defined as a part of the ESG efforts of the Company.

Relations with various stakeholders are managed by individuals who are assigned the responsibility of managing the interests of various stakeholders. The Board and the leadership teams periodically review the activities to ensure that they are being conducted to the highest standards. The Nomination and Remuneration Committee (the 'NRC') of the Board caters to our relations with our employees. The Stakeholders Relationship and ESG Committee (the 'SRC') looks after the interests of our investors, shareholders, and any other security holders as mandated by the law. In order to have the Board level attention to the Company's ESG initiatives, these have been brought under the purview of the SRC.

In order to comprehensively cater to building and nurturing harmonious relations with all our stakeholders, the Company additionally requires the SRC to collect inputs from management and other committees responsible for the relationships with different stakeholders, and to prepare and submit an annual brief to the Board. The said report forms part of this Report.

The Company believes in raising the bar and upholding the highest standards of Corporate Governance as it enhances the long-term value of the Company for its stakeholders. Good governance is an essential ingredient of good business.

The following report on the implementation of the Corporate Governance Practices is a sincere effort of the Company to follow the Corporate Governance principles in letter and spirit.

1. Board of Directors

a. Size and Composition of the Board

The Board of Directors of the Company has a combination of Executive / Whole-Time and Independent Directors with rich professional backgrounds. As of March 31, 2025, the Company's Board consisted of 9 (Nine) Directors — 2 (Two) Executive Directors and 7 (Seven) Independent Directors. Independent Directors fulfil the criteria laid down by the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Board is chaired by a full-time Executive Director who is also a Promoter of the Company.

Table 1: The composition of the Board and the details of outside directorships held by each of the Directors as of March 31, 2025

Director Identification Number (DIN)	Category	Indian Companies		Foreign Companies	Directorships in other Listed Entities	Name of Listed Entities	Number of Committee Positions held **	
		Public*	Private				Chairperson	Member
Dr. Anand Deshpande (DIN 00005721)	Founder, Chairman and Managing Director	0	0	5	Nil	-	Nil	1
Arvind Goel (DIN: 02300813)	Independent Director	4	8	5	2 (Two)	1. Automotive Stampings and Assemblies Limited, Chairman and Non Independent Director 2. Kirloskar Oil Engines Limited, Independent Director	1	4

Director Identification Number (DIN)	Category	Indian Companies		Foreign Companies	Directorships in other Listed Entities	Name of Listed Entities	Number of Committee Positions held **	
		Public*	Private				Chairperson	Member
Avani Davda (DIN: 07504739)	Independent Director	3	2	Nil	3 (Three)	1. Mahindra Logistics Limited, Independent Director 2. NIIT Limited, Independent Director 3. Emami Limited, Independent Director	Nil	6
Dr. Ambuj Goyal (DIN: 09631525)	Independent Director	Nil	Nil	Nil	Nil	-	Nil	Nil
Anjali Joshi# (DIN: 10661577)	Director	Nil	Nil	2	Nil	-	Nil	Nil
Praveen Kadle (DIN: 00016814)	Independent Director	4	6	3	3 (Three)	1. Veedol Corporation Limited (Formerly known as Tide Water Oil Co. (India) Limited), Independent Director 2. Atul Limited, Independent Director 3. Divgi Torqtransfer Systems Limited, Independent Director	4	5
Sandeep Kalra (DIN: 02506494)	Executive Director and Chief Executive Officer	Nil	Nil	2	Nil	-	Nil	Nil
Dan'l Lewin (DIN: 09631526)	Independent Director	Nil	Nil	1	Nil	-	Nil	Nil
Prof. Ajit Ranade (DIN: 00918651)	Independent Director	3	2	Nil	Nil	-	Nil	1

* Excluding directorship in Persistent Systems Limited

** Disclosure includes Chairpersonship / Membership of Committees as required for computation of the maximum number of Committees of which a Director can be Chairperson or Member in terms of Regulation 26 of Listing Regulations (i.e., Chairpersonship / Membership of Audit Committee and Stakeholders Relationship Committee in all Indian public companies, including Persistent Systems Limited and excluding all other private limited companies, foreign companies, and Companies registered under Section 8 of the Companies Act, 2013)

The number of Memberships of the Directors in the Committee includes the number of posts of Chairperson of the said Committee held in the listed entities, including Persistent Systems Limited.

Anjali Joshi was appointed as an Independent Director w.e.f. June 12, 2024

During the year, Roshini Bakshi (DIN: 01832163), retired as an Independent Director of the Company at the conclusion of the 34th AGM held on July 16, 2024, upon completion of her second term of 5 (Five) consecutive years.

Also, during the year, Sunil Sapre (DIN: 06475949), Executive Director of the Company, ceased to be a Director w.e.f. the closure of business hours of December 31, 2024, on account of his superannuation.

In terms of Regulation 26 of the Listing Regulations, none of the Directors of the Company were members of more than 10 Committees or acted as the Chairperson of more than 5 Committees across all companies in India, in which they are holding Directorships.

The Board has adopted standards which assist the Board in evaluating the independence of each of its Directors in terms of Section 149(6) of the Companies Act, 2013 (the 'Act') and Regulation 16(1)(b) of the Listing Regulations. Further, the Independent Directors declared that they are 'Independent' and their directorships in the above companies and their committees do not conflict with the interest of Persistent Systems Limited. Based on the verification of these declarations, the Board of Directors confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act, and Regulation 16(1)(b) of Listing Regulations, and that they are independent of the management.

There is no inter relationship between the Directors except the following:

- Dr. Anand Deshpande (Chairman and Managing Director of the Company), Prof. Ajit Ranade (Independent Director of the Company) and Mr. Arvind Goel (Independent Director of the Company) are the Non-Executive Directors of M/s. Mahratta Chamber of Commerce Industries and Agriculture (MCCIA)

In addition to the disclosure of Chairpersonship / Membership of Committees of Directors disclosed in Table 1 above, the Chairpersonship/Membership of Directors of the Company in other Committees (including Chairpersonship/Membership in the Company's Committees and excluding Chairpersonship / Membership in Private Limited Companies and Audit Committees and Stakeholders Relationship Committees) of March 31, 2025, is given below:

Table 2: Chairpersonship/Membership of Directors of the Company in Other Committees excluding Membership / Chairpersonship in Audit Committee and Stakeholders Relationship Committee.

Name of the Director	Category	Membership in Committees*	Chairpersonship in Committees
Dr. Anand Deshpande	Chairman and Managing Director	1	Nil
Avani Davda	Independent Director	6	3
Arvind Goel	Independent Director	12	2
Dr. Ambuj Goyal	Independent Director	3	2
Anjali Joshi [®]	Independent Director	2	Nil
Praveen Kadle	Independent Director	13	4
Sandeep Kalra	Executive Director and Chief Executive Officer	2	Nil
Dan'l Lewin	Independent Director	1	Nil
Prof. Ajit Ranade	Independent Director	4	2

[®]Anjali Joshi was appointed as Independent Director of the Company w.e.f. June 12, 2024.

* Committee Membership includes non-statutory committee memberships

Note: Membership includes Chairpersonship in Committees of the Company and other companies.

b. Brief Description of Terms of Reference of the Board of Directors

- To manage and direct the business and affairs of the Company
- To manage, subject to the Articles of Association of the Company, its affairs, including planning its composition, selecting its Chairman, appointing Committees, establishing the terms of reference and duties of Committees, and, determining Directors' compensation
- To act honestly and in good faith in the best interests and objects of the Company, its employees, its shareholders, the community, and for the protection of the environment
- To ensure that the Chief Executive Officer (CEO) and the Management operate in the best interests of the Company
- To ensure that the succession planning is undertaken for the Chief Executives of the Company
- To exercise due care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances and shall also exercise independent judgment
- To participate directly or through its Committees, in defining, developing and approving the mission of the business, its objectives and goals, and the strategy for their achievement
- To ensure congruence between shareholders' expectations, the Company's goals, objectives, and management performance

- ix. To monitor the Company's progress towards its goals and to revise and alter its direction in light of changing circumstances
- x. To approve and monitor compliance with all significant policies and procedures by which the Company is operated
- xi. To ensure that the Company operates at all times within applicable laws and regulations and ethical and moral standards
- xii. To ensure that the performance of the Company is adequately reported to shareholders, other stakeholders, and regulators on a timely and regular basis
- xiii. To ensure that the audited annual financial statements are reported fairly and in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and other processes and procedures as per the notified Secretarial Standards issued by the Institute of Company Secretaries of India
- xiv. To ensure that any developments that have a significant and material impact on the Company are reported from time to time to the concerned authorities
- xv. Not to be involved in a situation which may have a direct or indirect interest that conflicts, or possibly may conflict with the interest of the Company
- xvi. To protect the interests of minority shareholders
- xvii. Not to achieve or attempt to achieve any undue gain or advantage either to the Director himself or to his relatives, partners, or associates and if any director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company
- xviii. Not to assign the Director's office and any assignment so made shall be void; and
- xix. To act in accordance with the laws and regulations of the country and the Memorandum and Articles of Association of the Company

c. Chart Setting out the Competencies of the Board

The Board of Directors takes into consideration the following parameters while nominating the candidates to serve on the Board:

1. Expertise in the Software Industry
2. Experience with Large-scale global operations
3. Strategy and Planning
4. Financial, Treasury Management and Taxation Expertise
5. Governance, Compliance and Audit purview
6. Risk Management
7. AI Expertise

The emphasis is on deep expertise in some areas rather than general expertise across all areas. It is important that Board as a whole has diversity of expertise across all areas.

The table below highlights the specific areas of focus and expertise where individual Board Members contribute to Persistent's business. The absence of a mark against a Member's name does not necessarily mean the Member does not possess any corresponding knowledge.

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Table 3: Details of the Specific Areas of Focus and Expertise of Individual Board Members

Name of the Director	Expertise in the Software Industry	Large-scale global operations	Strategy and Planning	Financial, Treasury management and Taxation expertise	Governance, Compliance and Audit purview	Risk Management	AI Expertise
Dr. Anand Deshpande	✓	✓	✓	✓	✓	✓	✓
Avani Davda	-	✓	✓	✓	✓	✓	-
Arvind Goel	-	✓	✓	-	✓	✓	-
Anjali Joshi	✓	✓	✓	-	-	✓	✓
Dr. Ambuj Goyal	✓	✓	✓	-	-	✓	✓
Praveen Kadle	-	✓	✓	✓	✓	✓	-
Sandeep Kalra	✓	✓	✓	-	✓	✓	✓
Dan'l Lewin	✓	✓	✓	-	-	✓	✓
Prof. Ajit Ranade	-	✓	✓	✓	-	✓	-
Vinit Teredesai*	-	✓	✓	✓	✓	✓	-

*Vinit Teredesai was appointed as an Additional Director (Executive Member) of the Company w.e.f. April 24, 2025

d. Board Diversity

The Company acknowledges and respects the significance of diverse representation on the Board for better decision-making and its growth and success. Diverse Board composition will enable the Company to assess issues through a broader lens, through differences in ideas and points of view. Board diversity is considered along these dimensions: global experience, cultural and geographical background, age, ethnicity, gender, sexual orientation, knowledge, and skills.

The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on our website at <http://www.persistent.com/wp-content/uploads/2023/05/Board-Diversity-Policy.pdf>

e. Board Meetings and Deliberations

The Company Secretary, in consultation with the Chairman of the Board of Directors and the Chairpersons of the respective Board Committees, prepares the agenda and supporting documents for discussion at each Board/Committee meeting, respectively. Members of the Board or Committees may suggest items to be included in the agenda. In addition, they have the right to bring matters for discussion at the meeting with the permission of the Chairpersons.

Information and data that are important for the Board to understand the business of the Company and current affairs are tabled for discussion at the meeting. The agenda is circulated in writing to the members of the Board at least seven calendar days before the meeting in accordance with the provisions of the Companies Act, 2013 (the 'Act') and the Secretarial Standard – 1 ('SS-1') issued by the Institute of Company Secretaries of India.

The Chairman of the Board circulates a short Executive Summary that includes the following sections to the Board Members:

1. Highlights
2. Financial Summary
3. State of the Business
4. Items for Decisions in the Meeting
5. Items for Discussion
6. Items for the Board's information

The Executive Summary helps the Board Members to stay focused on the most important items for the meeting.

From FY 2024-25, the Chief Executive Officer (CEO) also circulates the highlights of the business performance of the Company for every quarter to the Board and the Committees in advance. This enables the Board and the Committees to provide focused guidance to the Management during the meetings.

The Board and the Audit Committee meet in executive sessions at least four times during a financial year, typically, in the third week of the first month of the quarter, inter alia, to review the financial statement of the immediate past quarter and other items on the agenda. Additional meetings are held, as deemed necessary, to conduct the business. Those members of the Board, who are not able to participate in the Board meetings in-person, generally, participate through videoconferencing (VC) / Other Audio Visual Means (OAVM) in accordance with provisions of Section 173 (2) of the Act

read with rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 and the Secretarial Standard – 1 ('SS-1') issued by the Institute of Company Secretaries of India (Including any statutory modification(s) or re-enactment thereof for the time being in force).

The Executives of the Company, such as Business Unit Heads, Chief Financial Officer, Chief People Officer, Chief Operating Officer, Chief Planning Officer, Head - Administration, Chief Strategy and Growth Officer, Chief Revenue Officer, Chief Marketing Officer, General Counsel, Chief Information Officer are invited to participate in Board and Committee meetings. The other Senior Management Personnel and Delivery Heads are generally invited to the meetings on a need basis.

In terms of the Companies Act, 2013, and Regulation 17 of the Listing Regulations, the gap between two Board meetings must not exceed 120 (One Hundred and Twenty) days; the Company strictly follows this. The maximum gap between two Board meetings during the Financial Year 2024-25 was 91 (Ninety-One days), i.e., from October 22, 2024, to January 21, 2025, which was within the permissible time limit.

During the year under report, the Board of Directors considered and accepted as appropriate the recommendations of the various Committees unanimously.

During the Financial Year 2024-25, seven meetings of the Board of Directors were held on:

1. April 20 & 21, 2024
2. May 15, 2024
3. June 7, 2024
4. July 17 & 18, 2024
5. September 24, 2024
6. October 21 & 22, 2024, and
7. January 21 & 22, 2025

Table 4 below gives the attendance record of the Directors at the Board meetings and at the Annual General Meeting held on July 16, 2024. In this report, the signs below, wherever they appear, denote the following:

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

Table 4: Attendance of Directors at the Board Meetings and Annual General Meeting (AGM)

Name of the Director	Board Meetings held on							AGM
	April 20 & 21, 2024	May 15, 2024	June 7, 2024	July 17 & 18, 2024	September 24, 2024	October 21 & 22, 2024	January 21 & 22, 2025	July 16, 2024
Dr. Anand Deshpande	C	C	C	C	C	C	C	C
Roshini Bakshi [#]	Y	Y	Y	NA	NA	NA	NA	Y
Avani Davda	Y	Y	Y	Y	Y	Y	Y	Y
Arvind Goel	Y	Y	Y	Y	Y	Y	Y	Y
Dr. Ambuj Goyal	Y	Y	Y	Y	Y	Y	Y	Y
Anjali Joshi [*]	NA	NA	NA	Y	Y	Y	Y	Y
Praveen Kadle	Y	Y	Y	Y	Y	Y	Y	Y
Sandeep Kalra	Y	Y	Y	Y	Y	Y	Y	Y
Dan'l Lewin	Y	Y	Y	Y	Y	Y	Y	Y
Prof. Ajit Ranade	Y	Y	Y	Y	Y	Y	Y	Y
Sunil Sapre [@]	Y	Y	Y	Y	Y	Y	NA	Y

[#]Roshini Bakshi (DIN: 01832163), retired as an Independent Director of the Company at the conclusion of the 34th AGM of the Company w.e.f. July 16, 2024, upon completion of her second term of 5 (Five) consecutive years

^{*}Anjali Joshi was appointed as an Independent Director w.e.f. June 12, 2024

[@]Sunil Sapre retired as a Director of the Company w.e.f. December 31, 2024, on account of his superannuation.

Further, certain decisions were taken by passing the resolutions by way of circulation, and were subsequently noted and taken on record by the Board at its next meetings.

f. Performance Evaluation of the Board, its Committees and Directors

The Company conducted the annual performance evaluation of the Board, the Chairperson, its various Committees and the Directors individually, including Independent Directors. In accordance with the provisions of the Act and Listing Regulations, the performance evaluation was done by an external management consultant who specialises in Board evaluations. The performance of the Board was evaluated by seeking inputs from all the directors and senior management. The evaluation criteria include aspects such as the Board composition and structure, effectiveness of Board processes, information and functioning, qualitative comments, and future of the Board and the Company.

The process also evaluated the Board Committees' performance against the requirements of their charters and other aspects of their responsibilities. The external management consultant also conducted one-on-one interviews with each Board Member. The Board then discussed the results of the respective evaluations in an executive session, highlighting actions to be taken in response to the findings of the evaluation process.

The evaluation for the FY 2024-25 was conducted in March and April 2025. The findings were presented at the meetings of the Nomination and Remuneration Committee and the Board of Directors held in April 2025.

2. Committees of the Board of Directors

As of March 31, 2025, the Company has following 7 (Seven) Committees of the Board of Directors:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship and ESG Committee
- d. Risk Management Committee
- e. Corporate Social Responsibility Committee
- f. Executive Committee (Non-statutory)
- g. Investment Committee (Non-statutory)

Memberships of Executive and Non-Executive Directors in all the Board Committees of the Company as on March 31, 2025

Name	Designation	Membership in Persistent Board Committees						
		AC	NRC	SRC	RMC*	CSR	EC	IC
Dr. Anand Deshpande	Chairman and Managing Director			👤		👤		
Anjali Joshi	Independent Director						👤	👤
Avani Davda	Independent Director	👤		👤		👤	👤	
Arvind Goel	Independent Director			👤	👤	👤		
Ambuj Goyal	Independent Director		👤				👤	👤
Praveen Kadle	Independent Director	👤			👤		👤	👤
Sandeep Kalra	Executive Director and Chief Executive Officer				👤		👤	
Dan'l Lewin	Independent Director		👤		👤			
Ajit Ranade	Independent Director	👤	👤					
Debashis Singh*	Chief Information Officer				👤			

👤 Chairperson of the Committee 👤 Member of the Committee

*Debashis Singh, Chief Information Officer, is not a Director but a Member of the Risk Management Committee

Most of the Board Committees are represented by a combination of Executive and Independent Directors. The Chairpersons of all the Committees are Independent Directors.

During the Financial Year 2024 -25, 2 (Two) separate meetings, exclusively of the Independent Directors, were held on April 21, 2024, and October 21, 2024, in which the Independent Directors transacted the following businesses, along with a few other important strategic and policy-related matters:

1. Reviewed performance of the Executive Directors, the Board as a whole and Management of the Company.
2. Discussed the quality, quantity and timeliness of the flow of information between the Directors and the Management of the Company.
3. Discussed the strategic matters of the Company and the current state of the global IT industry.
4. Discussed the business continuity plan in the organisation.

As per the Terms of Reference of the respective Committees, the Committees deliberate on the matters assigned to them by the Board at the time of formation or as mandated by the statutes. Information and data that are important for the Committees to discuss the matters are distributed in writing to the members of the Committees well in advance of the meeting. Recommendations of the Committees are submitted to the Board to decide on the matters requiring the Board's decisions. In any case, the minutes of all Committee meetings are circulated to the Board members for information / noting.

Modes through which the Board & Committee Meetings are held

In terms of Section 173(2) of the Act read with the Companies (Meetings of Board and its Powers) Amendment Rules, 2021, the meetings of the Board and its Committees were held either in person or in hybrid mode. The participation of the Directors through videoconferencing (VC) or by Other Audio-Visual Means counted for the purposes of quorum in accordance with the guidelines issued by the Institute of Company Secretaries of India (ICSI) through the Secretarial Standard - 1 as updated from time to time.

A. Audit Committee

Brief Description

The Audit Committee was voluntarily constituted by the Board at its meeting held on April 23, 2004, even before the Company was converted into a public limited company.

The Audit Committee ensures prudent financial and accounting practices, fiscal discipline, and transparency in financial reporting. One of its important terms of reference is reviewing the quarterly financial statements and recommending them to the Board for adoption.

All the Committee members are financially literate, and the Chairman is a financial management expert. As a prudent Corporate Governance Practice, the Audit Committee consists exclusively of Independent Directors.

Table 5: Composition of the Audit Committee of the Board of Directors as of March 31, 2025

Name of the Director	Category
Praveen Kadle	Chairperson of the Committee and Independent Director
Avani Davda	Independent Director
Prof. Ajit Ranade*	Independent Director

*Prof. Ajit Ranade was appointed as a member of the Committee w.e.f. July 17, 2024

Roshini Bakshi ceased to be a member of the Committee, w.e.f. July 16, 2024

In addition to the Audit Committee members, Statutory Auditors, Chief Financial Officer, Chief Planning Officer, Head – Internal Audit, Chief People Officer, Chief Operating Officer, Chief Information Officer and other executives are invited to the Audit Committee Meetings, on a need basis.

The Company Secretary of the Company is the Secretary of the Committee.

Necessary information such as Management Discussion and Analysis of financial performance and operations, statement of significant related party transactions submitted by the Management, Management letters internal controls issued by the Statutory Auditors, internal audit reports relating to internal control weaknesses and the terms relating to internal auditors in terms of Regulation 18 of Listing Regulations are reviewed by the Audit Committee.

In accordance with section 188 of the Act, the Committee considers Related Party Transactions, material modifications thereto and all the material Related Party Transactions of the Company, if any, for its approval. The Committee meets Statutory Auditors without executive management every quarter.

The Committee has the following powers and responsibilities, including but not limited to —

- i. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. To review, with the management, annual financial statements, and auditor's report before submission to the Board for approval, with particular reference to —
 - a. Matters required to be included in the Directors' Responsibility Statement are to be included in the Board's report in Clause (5) of Section 134 of the Act. Clause (c) of sub-section (3) of Section 134 of the Act
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with the listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
- iii. To review, with the management, the quarterly financial statements before submission to the Board for approval
- iv. To recommend to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and fixation of audit fees
- v. To grant approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors
- vi. To discuss with the Statutory Auditors before the audit commences about the nature and scope of the audit, as well as a post-audit discussion to ascertain any area of concern
- vii. To review management letters/letters of internal control weaknesses issued by the Statutory Auditors
- viii. To recommend the appointment, removal, and terms of remuneration of the Chief Internal Auditor
- ix. To discuss with the Internal Auditors on any significant findings and follow up thereon
- x. To review internal audit reports relating to internal control weaknesses
- xi. To review, with the management, the performance of statutory and internal auditors and adequacy of internal control systems
- xii. To review the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit
- xiii. To review the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and report the matter to the Board
- xiv. To review the management discussion and analysis of financial condition and results of operations
- xv. To review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- xvi. Approval or any subsequent modification of transactions of the Company with the related party
- xvii. To review substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors
- xviii. To develop a policy on the engagement of Statutory Auditors for non-audit services
- xix. To ensure compliance with the Statutory Auditors' recommendations
- xx. To meet Internal and Statutory Auditors without the presence of the Company's executive management annually
- xxi. To confirm the engagement of an Independent valuer for the Valuation of shares, whenever called for, and verify whether the Valuer for valuation has an advisory mandate and had a past association with the Company management
- xxii. To review certificates regarding the compliance with legal and regulatory requirements

- xxiii. To review the functioning of the Whistleblower mechanism
- xxiv. To review, with the management, the statement of uses / application of funds raised through an initial public offering of the Company, the statement of funds utilised for purposes other than those stated in the prospectus and making appropriate recommendations to the Board to take up steps in this matter
- xxv. Approval of appointment of a CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc, of the candidate
- xxvi. Scrutiny of inter-corporate loans and investments
- xxvii. To carry out any other function as is mentioned in the terms of reference of the Audit Committee and entrusted by the Board
- xxviii. To review the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding INR 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- xxix. To review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
- xxx. To review the consideration of rationale, cost-benefits, and impact of schemes involving merger, demerger, amalgamation, and allied activities in this regard.

The Audit Committee is further empowered to do the following:

- i. To investigate any activity within terms of reference
- ii. To seek information from any employee
- iii. To obtain outside legal professional advice, and
- iv. To secure attendance of outsiders with relevant expertise, if it considers it necessary

Meetings and Attendance

4 (Four) meetings of the Audit Committee were held during the Financial Year 2024-25.

Table 6: Details of the attendance at the Audit Committee Meetings held during the Financial Year 2024-25

Name of the Director	Audit Committee Meeting			
	April 20, 2024	July 17, 2024	October 21, 2024	January 21, 2025
Praveen Kadle	C	C	C	C
Roshini Bakshi [#]	Y	NA	NA	NA
Avani Davda	Y	Y	Y	Y
Prof. Ajit Ranade [*]	NA	Y	Y	Y

[#]Roshini Bakshi ceased to be a member of the Committee, w.e.f. July 16, 2024

^{*}Prof. Ajit Ranade was appointed as a member of the Committee w.e.f. July 17, 2024

Further, certain decisions were taken by passing the resolutions by way of circulation, and were subsequently noted/ratified and taken on record by the Board and the Audit Committee at their next meetings.

The Audit Committee initiated the process of interviewing candidates for the position of Statutory Auditors in Q4FY25, keeping in view the completion of the term of M/s. Walker Chandiook & Co LLP at the conclusion of the ensuing 35th AGM. The Audit Committee Chairman conducted reference checks to help find the best candidate Statutory Auditors. Accordingly, the Board of Directors approved the appointment of M/s. B S R & Co. LLP, Chartered Accountants, Pune (FRN: 101248W/W-100022) as the Statutory Auditor for conducting the Statutory Audit of the Company for the term of 5 (Five) consecutive years, from the conclusion of the 35th AGM till the conclusion of 40th AGM of the Company to be held in the calendar year 2030 based on the recommendation of the Audit Committee.

B. Nomination and Remuneration Committee

Brief Description

The Nomination and Remuneration Committee of the Board (the 'NRC') was constituted on July 24, 2019. It replaced the erstwhile two committees, namely, the Compensation and Remuneration Committee, and Nomination and Governance Committee, which have been in existence since before the Company was converted into a public limited company.

The Chairman and all members of the Committee are Independent Directors.

The Company Secretary of the Company is the Secretary of the Committee.

Table 7: Composition of the Nomination and Remuneration Committee of the Board of Directors as of March 31, 2025

Name of the Director	Category
Dr. Ambuj Goyal*	Chairman of the Committee and Independent Director
Dan'l Lewin	Independent Director
Prof. Ajit Ranade	Independent Director

Roshini Bakshi ceased to be a member of the Committee w.e.f. July 16, 2024

*Dr. Ambuj Goyal was appointed as the Chairman of the Committee w.e.f. July 17, 2024

The Committee is constituted with powers and responsibilities including but not limited to:

- i. To develop a pool of potential director candidates for consideration in the event of a vacancy on the Board of Directors.
- ii. To determine the future requirements for the Board as well as its Committees and make recommendations to the Board for its approval.
- iii. To identify, screen, and review individuals qualified to serve as executive directors, non-executive directors and independent directors. Further, for every appointment of an independent director, NRC shall evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

Formulate a criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, Key Managerial Personnel, and other employees;

Formulate a criteria for evaluation of performance of Independent Directors and the Board of Directors

 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and,
 - c. consider the time commitments of the candidates.
- iv. To provide its recommendation to the Board for the appointment of CEO, CXO Level Employees, and Senior Management.
- v. To evaluate the current composition and governance of the Board of Directors and its Committees, and make appropriate recommendations to the Board whenever necessary.
- vi. To evaluate and recommend the termination of membership of an individual director for cause or other appropriate reasons.
- vii. To evaluate and make recommendations to the Board of Directors concerning the appointment of Directors to the Board Committees, and the Chairman for each of the Board Committees.
- viii. To recommend to the Board, candidates for
 - a. Nomination for the re-election of Directors by the Shareholders; and,
 - b. Any Board vacancies which are to be filled by the Board.
- ix. To play a consultative role for any appointment at the top management level, namely, COO, CMO, CFO, President of Persistent Systems Inc., or appointment requiring Board approval, such as Company Secretary.

- x. To carry out annual / periodic performance review of the Board of Directors individually and collectively as well as for its various committees on behalf of / as desired by the Board of Directors.
- xi. To review the general compensation policy of the Company (including that of ESOPs) and convey its recommendation to the Board, if any.
- xii. To advise the Board in framing remuneration policy for Key Managerial Personnel, CXO Level Employees and Senior Management of the Company from time to time.
- xiii. To make recommendations to the Board about the Company's policy on specific remuneration packages for Executive Directors, including pension rights and any compensation payment.
- xiv. To determine and decide the following ESOP-related activities:
 - a. To decide the quantum of equity shares/options to be granted under Employee Stock Options Schemes (ESOS), per employee and the total number in aggregate.
 - b. To determine at such intervals, as the Committee considers appropriate, the persons to whom shares or options may be granted.
 - c. To determine the exercise period within which the employee should exercise the option and condition in which option will lapse on failure to exercise the option within the exercise period.
 - d. To decide the conditions under which shares, or options vested in employees may lapse in case of termination of employment for any reason.
 - e. To lay down the procedure for making a fair and reasonable adjustment to the number of shares or options and to the exercise price in case of rights issues, bonus issues and other corporate actions.
 - f. To lay down the right of the employee to exercise all the options vested in him at one time or at various points of time within the exercise.
 - g. To specify the grant, vest and exercise of shares / options in case of employees who are on long leave.
 - h. To construe and interpret the plan and to establish, amend and revoke rules and regulations for its administration.
 - i. NRC may correct any defect, omission or inconsistency in the plan or any option and/or vary/amend the terms to adjust to the situation that may arise.
 - j. To approve the transfer of shares in the employees' name at the time of exercise of options by such employee under ESOS and other schemes.
 - k. To lay down the procedure for the cashless exercise of options, and
 - l. To attend to any other responsibility as may be entrusted by the Board.

The Nomination and Remuneration Committee is further empowered:

- i. To conduct or authorise studies of matters within the Committee's scope of responsibility with full access to all books, records, facilities and personnel of the Company.
- ii. To hire legal, accounting, financial or other advisors in their best judgment.
- iii. To have sole authority to retain or terminate any search firm to be used to identify Director candidates.
- iv. To have sole authority to approve the search firm's fees and other retention terms.
- v. The Committee may act independently in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board.
- vi. The Committee may consider advice and recommendations from the management, shareholders or others, as it deems appropriate, and,
- vii. The Company conducts a performance evaluation of the Independent Directors and Board as a whole by an External Management Consultant, and the findings of the evaluation are presented at the meeting. The Committee then considers recommendations/Results on the Directors' performance before re-appointing a Director, and measures to increase the Board's effectiveness are considered.

Meetings and Attendance

The Nomination and Remuneration Committee generally meets in the first or second quarter and the last quarter of the financial year to recommend the remuneration to be paid to the Managing Director and Executive Director/s of the Company, to advise the Board in framing remuneration policy for the employees in Persistent Group including Key Managerial Personnel and Senior Management Personnel of the Company from time to time and to recommend to the Board, the Directors retiring by rotation to be reappointed at the Annual General Meeting. Apart from this, NRC meets as and when there is any business to be transacted which has been assigned to it.

2 (Two) meetings of NRC were held during the Financial Year 2024-25.

Table 8: Details of the Attendance at NRC Meetings during the Financial Year 2024-25

Name of the Director	Nomination and Remuneration Committee Meeting	
	April 21, 2024	June 7, 2024
Roshini Bakshi [#]	C	C
Dr. Ambuj Goyal [*]	Y	Y
Dan'l Lewin	Y	Y
Prof. Ajit Ranade	Y	Y

[#]Roshini Bakshi ceased to be a member of the Committee w.e.f. July 16, 2024

^{*}Dr. Ambuj Goyal was appointed as the Chairman of the Committee w.e.f. July 17, 2024

Certain decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted/ratified and taken on record by the Board and NRC at their next meetings.

Remuneration Policy

The Remuneration Policy for the Executive Directors, Key Managerial Personnel, Senior Managerial Personnel and other employees of the Company and its subsidiaries is available on our website, at

<https://www.persistent.com/wp-content/uploads/2022/06/Persistent-Systems-Remuneration-Policy.pdf>

The broad remuneration structure of the Executive Directors, Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) include any of the following components:

- a. Basic Pay
- b. Perquisites and Allowances
- c. Commission (Applicable in case of Executive Directors)
- d. Long term incentives (such as ESOPs and/or Deep-Discounted Options)
- e. Retiral benefits
- f. Annual Performance Bonus
- g. Any other component as may be mandatory in terms of the local statutory payroll norms for any employee.

The Variable Components of the Key Managerial Personnel and Senior Managerial Personnel of the Company are as follows:

- a. Company Performance Bonus (CPB)
 - i. Based on Company Revenue and
 - ii. Based on Company Profits
- b. Individual Performance Bonus (IPB)
 - i. Based on Individual Objectives as set in Performance Management and Health Management system (PHMS).
- c. Soft Parameters
 - i. As decided by reporting manager

Remuneration to the Directors

The Company pays the Executive Directors remuneration by way of salary, benefits, perquisites and allowances (fixed component), and performance incentives (variable component). Annual increments are decided by the NRC of the Board of Directors and are within the range of the remuneration approved by the Members.

In case of in-person attendance, all outstation Directors are provided travel and accommodation for attending the Board and Committee Meetings.

There is no pecuniary and non-pecuniary relationship between the Independent Directors vis-a-vis the Company except as stated above.

All the Non-Executive Directors are entitled to payment of commission at a sum not exceeding 1% per annum of net profits calculated as per Section 198 of the Companies Act, 2013. The Company is in compliance with the statutory requirements w.r.t. payment to the Non-Executive Directors.

The total managerial remuneration not to exceed 11% of the net profits of the Company (INR 1,730.39 Million for FY 2024-25) and the total remuneration to the managerial persons not to exceed 10% of the net profits of the Company (INR 1,573.09 Million for FY 2024-25) in accordance with Section 197 of the Act. The Company is in compliance with both these statutory requirements.

Table 9 and Table 10 give details of remuneration paid to Executive, and Independent Directors of the Company, in the Financial Years 2023-24 and 2024-25.

Directors Access to Senior Management and Director Orientation

The Directors of your Company have direct and unrestricted access to the senior management and other employees of the Company as they are part of the decision-making structure that oversees the Company's operations and strategic direction.

Newly appointed Directors are provided an orientation / familiarization program to familiarize them with the business verticals and functions. The Board goes through informative sessions on a variety of topics throughout the year in its quarterly Board Meetings.

Succession Planning

The Board reviews the NRC's updates on the performance of Key Managerial Personnel and Senior Management Personnel. The Board also works with the NRC to evaluate potential successors to the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and other senior management.

Regarding the senior management's regular succession planning exercise, the Board evaluates internal and external candidates on a need-basis. To find external candidates, the Board seeks input from the members of the Board, senior management, and reputed recruitment firms.

To develop internal candidates, the Company engages in a number of practices, formal and informal, designed to familiarise the Board with the available talent pool. The formal process involves a periodic talent review of the senior management, at which the executive leadership assesses the most promising leaders. The executive leadership learns about each person's experience, skills, areas of expertise, accomplishments, and goals. In addition, the senior management is also invited to the business sessions in the board meetings and various strategy sessions organised at the company. The purpose of the formal review and other interactions is to familiarise the executive leadership with the talent pool inside the Company from which the NRC / Board could choose successors to the senior management and evaluate succession for other senior managers as necessary from time to time.

The complete list of Senior Management Personnel of the Company, including the changes therein as of the date of this report is available at <https://www.persistent.com/wp-content/uploads/2025/06/list-of-senior-managerialpersonnel.pdf>

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Table 9: Remuneration to the Executive Directors[^]

(In INR Million)

Name of the Director	Category	Year ended March 31	Salary and allowance	Performance Linked Incentive / Commission	Company's contribution to provident and superannuation fund	Perquisite and other payments [#]	Total with Perquisites and other payments	Total without Perquisites and other payments
Dr. Anand Deshpande	Chairman and Managing Director	2024	19.82	13.43	4.43	-	37.68	37.68
		2025	21.15	16.33	4.18	-	41.66	41.66
Sandeep Kalra	Executive Director and Chief Executive Officer	2024	83.36	21.42	23.41	637.70	765.89	128.19
		2025	88.98	44.10	23.09	1,324.73	1,480.90	156.17
Sunil Sapre [@]	Former Executive Director and Chief Financial Officer	2024	10.99	7.45	2.02	143.52	163.98	20.46
		2025	8.56	14.00	5.30	-	27.87	27.87
Total		2024	114.17	44.72	29.86	781.22	969.98	188.76
		2025	118.69	74.43	32.58	1,324.73	1,550.42	225.70
Vinit Teredesai [*]	Chief Financial Officer	2025	15.37	6.60	2.27	-	24.24	24.24
Total		2025	15.37	6.60	2.27	-	24.24	24.24

The remuneration details provided in the above table are on 'paid' basis.

[@]Sunil Sapre relinquished his position as the Chief Financial Officer w.e.f. May 15, 2024, and retired as an Executive Director of the Company w.e.f. December 31, 2024, upon superannuation.

^{*}Vinit Teredesai was appointed as the Chief Financial Officer of the Company w.e.f. May 15, 2024, and appointed as an Additional Director (Executive Member) of the Company w.e.f. April 24, 2025. The remuneration mentioned above only includes the remuneration for the period from May 15, 2024, to March 31, 2025, as the Chief Financial Officer.

[^]Overall Ceiling as per the Act and Remuneration Policy of the Company: INR 1,573.09 Million (being 10% of net profit of the Company calculated as per Section 198 of the Companies Act, 2013)

[#]The value of perquisite represents the amount of perquisite towards exercise of stock options which does not form part of CTC (Cost to Company)

The complete details of the options granted to the Executive Directors of your Company are available on the website of the Company at <https://www.persistent.com/wp-content/uploads/2025/06/esop-details-2025.pdf>.

Service Contracts, Notice Period, Severance Fees and Clawback Clause

The Company does not have a policy regarding service contracts, notice periods, severance fees, clawback clauses, or other payments to the Independent Directors when they leave the Company.

In the case of Executive Directors as well, only the service contracts and notice period as per the Company's employment policy is applicable from the above list.

Section 197 of the Act provides that a Director who is not in the whole-time employment of the Company (i.e., Non - Executive Director) may be paid remuneration by way of commission at an aggregate sum not exceeding 1% per annum of net profits. In the Financial Year 2024-25, the aggregate commission to all the Non-Executive Directors paid was INR 35.55 Million and does not exceed the statutory limit of INR 157.30 Million.

Table 10: Remuneration to Non-Executive Directors as per the overall Ceiling as per the Act and Remuneration Policy of the Company, i.e., INR 157.30 Million (being 1% of net profit of the Company calculated as per Section 198 of the Companies Act, 2013).

(In INR Million)

Name of the Director	Category	Year ended March 31	Commission*	Sitting fees*	Total
Roshini Bakshi**	Independent Director	2025	1.36	0.56	1.94
		2024	3.15	1.01	4.16
Avani Davda	Independent Director	2025	4.5	1.4	5.9
		2024	3.15	1.1	4.25
Arvind Goel	Independent Director	2025	4.5	1.04	5.54
		2024	2.57	0.54	3.11
Dr. Ambuj Goyal	Independent Director	2025	3.86	0.89	4.89
		2024	2.2	0.42	2.62
Praveen Kadle	Independent Director	2025	4.5	1.53	6.03
		2024	3.15	1.37	4.52
Dan'l Lewin	Independent Director	2025	3.86	0.66	4.56
		2024	2.18	0.3	2.49
Anjali Joshi#	Independent Director	2025	3.1	0.48	3.58
		2024	3.15	0.81	3.98
Prof. Ajit Ranade	Independent Director	2025	4.5	1.31	5.81
		2024	3.69	0.56	4.26

* Commission and Sitting fees exclude Service tax / Goods and service tax.

** Roshini Bakshi (DIN: 01832163), retired as an Independent Director of the Company at the conclusion of the 34th AGM w.e.f. July 16, 2024, upon completion of her second term of 5 (Five) consecutive years

Anjali Joshi was appointed as an Independent Director w.e.f. June 12, 2024

None of the Independent Directors have been granted Stock Options as of March 31, 2025.

Further, no Independent Directors except Arvind Goel held shares of the Company. Arvind Goel held 750 shares of the Company as on March 31, 2025, and as on the date of this report, Mr. Goel acquired these shares from the Open Market and in compliance with the Code of Conduct for Prevention of Insider Trading established by your Company, and pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

C. Risk Management Committee

Brief Description

The Risk Management Committee of the Board was constituted on April 24, 2017, even before the requirement of forming this Committee was applicable to the Company.

The Chairperson of the Committee is an Independent Director.

Table 11: Composition of the Risk Management Committee of the Board of Directors as of March 31, 2025

Name of the Director	Category
Praveen Kadle	Chairman of the Committee and Independent Director
Arvind Goel	Independent Director
Sandeep Kalra	Executive Director and Chief Executive Officer
Prof. Ajit Ranade	Independent Director
Debashis Singh®	Member and Executive Management Member – Chief Information Officer

Sunil Sapre ceased to be the Executive Director of the Company and a Member of the Committee w.e.f. December 31, 2024, on account of his superannuation.

*Debashis Singh, Chief Information Officer, is not a Director but a Member of the Risk Management Committee

The Company Secretary of the Company is the Secretary of the Committee.

The Company has a full-time Chief Risk Officer in the Company. The Chief Risk Officer reports to the CFO. Avinash Bhide was the Chief Risk Officer until August 31, 2024, and Sachin Pathak has been appointed as the Chief Risk Officer since September 1, 2024.

The Company acquired Arkka Infosec Private Limited ('Arrka') during the year under report. Shivangi Nadkarni, Director of Arrka is an internationally well-known cybersecurity and data privacy expert and has been supporting the risk management function of the Company.

Meetings and Attendance

Four (4 meetings of the Risk Management Committee were held during the Financial Year 2024-25.

Table 12: Details of the attendance at the Risk Management Committee meetings held during the Financial Year 2024-25

Name of the Director	Risk Management Committee Meeting			
	April 20, 2024	July 17, 2024	October 21, 2024	January 21, 2025
Praveen Kadle	C	C	C	C
Arvind Goel	Y	Y	Y	Y
Sandeep Kalra	Y	Y	Y	Y
Prof. Ajit Ranade	Y	Y	Y	Y
Sunil Sapre*	Y	Y	Y	NA
Debashis Singh	Y	Y	Y	Y

*Sunil Sapre ceased to be the Executive Director of the Company and a Member of the Committee w.e.f. December 31, 2024, on account of his superannuation

Certain decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted/ ratified and taken on record by the Board and the Risk Management Committee at their next meetings.

The Committee has the following powers and responsibilities including but not limited to:

- i. To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks, or any other risk as may be determined by the Committee
 - Measures for risk mitigation including systems and processes for internal control of identified risks
 - Business continuity plan
- ii. To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company
- iii. To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems
- iv. To periodically review the risk management policy, at least once every two years, including by considering the changing industry dynamics and evolving complexity
- v. To keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken
- vi. The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee
- vii. To seek information from any employee, obtain outside legal or other professional advice, and secure the attendance of outsiders with relevant expertise, if it is considered necessary
- viii. To review financial and risk management policies
- ix. To review the report on compliance with laws and risk management, including Cybersecurity, reports issued by Statutory / Internal Auditors; and
- x. To carry out any other function as is mentioned in the terms of the Risk Management Committee and entrusted by the Board

D. Stakeholders Relationship and ESG Committee

Brief Description

The Stakeholders Relationship Committee was constituted voluntarily on October 4, 2007, before the Company was listed. It was later renamed as the Stakeholders Relationship and ESG Committee in January 2022.

The Committee specifically looks into the redressal of shareholders' and investors' grievances, such as transfer / transmission of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc., and aims to provide more focus and detailed efforts toward ESG implementation. The Stakeholders Relationship and ESG Committee has identified the following Stakeholders:

1. Employees and their Families
2. Clients
3. Partners
4. Suppliers
5. Shareowners / Investors
6. Environment

The Chairperson of the Committee is an Independent Director.

Table 13: Composition of the Stakeholders Relationship and ESG Committee of the Board of Directors as of March 31, 2025

Name of the Director	Category
Arvind Goel	Chairperson of the Committee and Independent Director
Dr. Anand Deshpande	Chairman and Managing Director
Avani Davda	Independent Director

Sunil Sapre ceased to be the Executive Director of the Company and a Member of the Committee w.e.f. December 31, 2024, on account of his superannuation.

The Company Secretary of the Company is the Secretary of the Committee for the purpose of stakeholders' related matters.

The Committee was constituted with the powers and responsibilities, including but not limited to:

- i. To supervise and ensure efficient share transfers, share transmission, transposition, etc.
- ii. To approve allotment, transfer, transmission, transposition, consolidation, split, name deletion, and issue of duplicate share certificate of equity shares of the Company
- iii. To redress shareholder and depositor complaints like non-receipt of Balance Sheet, non-receipt of declared dividends, etc.
- iv. To review service standards and investor service initiatives undertaken by the Company
- v. To address all matters about Registrar and Share Transfer Agent including appointment of new a Registrar and Share Transfer Agent in place of the existing one
- vi. To address all matters about Depositories for dematerialization of shares of the Company and other matters connected therewith
- vii. To resolve the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, and issue of new/duplicate certificates, general meetings, etc.
- viii. To review of measures taken for the effective exercise of voting rights by shareholders
- ix. To review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- x. To review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports/statutory notices by the shareholders of the company
- xi. To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

- xii. To oversee the Environment, Social and Governance (ESG) initiatives at Persistent including but not limited to:
- Setting the tone and reinforcing the culture within the Company regarding sustainability, promoting open discussion and integrating ESG strategy and its alignment with Company's strategy and goals
 - Endorsing the ESG vision and goals set out on an ongoing basis
 - Reviewing and monitoring ESG framework, the progress against the stated vision and goals, disclosures & reporting
 - Providing guidance and monitoring key environmental, social, and governance issues such as climate-related risks (current & emerging) & opportunities, resource efficiency and circularity, responsible sourcing & value chain sustainability, labor practices & human rights, good governance practices & social responsibility
 - Looking into material issues and areas of interest that are of importance to stakeholders
 - Ensuring transparency and reporting on approach to ESG matters to employees, customers, suppliers, investors, communities, and other stakeholders

Meetings and Attendance

The Committee meets at least twice every financial year. Two (2) meetings of the Committee were held during the Financial Year 2024-25.

Table 14: Details of the Attendance at the Stakeholders Relationship and ESG Committee Meetings held during the Financial Year 2024-25

Name of the Director	Stakeholders Relationship and ESG Committee Meeting	
	April 21, 2024	October 21, 2024
Arvind Goel	C	C
Dr. Anand Deshpande	Y	Y
Avani Davda	Y	Y
Sunil Sapre*	Y	Y

*Sunil Sapre ceased to be the Executive Director of the Company and a Member of the Committee w.e.f. December 31, 2024, on account of his superannuation.

Certain decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted/ratified and taken on record by the Board and the Stakeholders Relationship and ESG Committee at their next meetings.

Key Stakeholders of the Company Key initiatives taken / practices followed during FY 2024-25

The Company continually strives for the betterment of its stakeholders, which include the society, clients, partners, our employees and their families, the shareowners, the Board of Directors, vendors, and even the environment.

Every year, the Company presents its key initiatives and practices for bettering its stakeholders. The purpose is to maintain good relationships and safeguard their rights and best interests. The Head of the Company's ESG team presents ESG updates at this meeting.

The Company, at every meeting of the Stakeholders Relationship and ESG Committee, takes an update on initiatives taken towards each of the Company's stakeholders.

This space is intentionally kept blank.

The following are the initiatives that were taken during FY 2024-25

Sr. No. Key Stakeholders of the Company	Key initiatives taken / practices followed during FY24-25
1. Board of Directors and the Senior Management	<ol style="list-style-type: none"> Your Company conducted various sessions on AI and geopolitical risks held for the Board of Directors and Senior Management of the Company during the year. Your Company considers Project Resource, Revenue, Invoice, Contract & Estimation System (PRRICE) aims to transition from legacy systems to Oracle Fusion ERP. It focuses on automating and streamlining the Order to Cash processes, enhancing compliance, and improving internal financial controls. It will also help us improve tax compliance across geographies.
2. Government Regulatory Authority / Government bodies	<ol style="list-style-type: none"> Your Company undertook an EPFO Project as a support to the Govt. Organisation (for utility of the software internally) which was a part of the Technology Modernization initiative, focusing on enhancing the user experience and improving the efficiency of the Employees Provident Fund Organization (EPFO). Your Company continued to participate in the Surveys conducted by RBI and provided detailed information about the performance of the Company and forecast for the next quarters.
3. Our Clients and Partners	<ol style="list-style-type: none"> Implemented robust cybersecurity measures and compliance protocols to safeguard organizational data, ensuring trust and reliability with clients and partners. Your Company partnered with clients such as Microsoft to develop innovative use cases leveraging Generative AI, including ContractAssist and PiAssist. Your Company concluded FY25 Annual Net Promoter Score (NPS) survey across the organization with a response rate of 81% and NPS of 59. Your Company drove adoption of GenAI code assist tools across multiple accounts.
4. Our Employees	<ol style="list-style-type: none"> Your Company conducts security awareness program which teach employees to recognize phishing emails, use strong passwords, and identify social engineering tactics. These skills help protect their personal information from cyber frauds. Employees also learn safe browsing habits, the use of security tools like antivirus software and VPNs, and how to respond to security incidents. These practices enhance their cybersecurity both at work and in their personal lives. Your Company created 22 e-learning programs on domains like BFSI, HLS etc., technical and delivery excellence topics. Your Company launched Aspire Women Leadership Program during the year. Your Company brings in higher education opportunities through tie ups with BITS Pilani offering MTech programs completely sponsored for a limited number of employees in India meeting the pre-requisite criteria. Similar opportunity provided MS programs to the employees outside India in Europe and US through Georgia Tech from the US. Your Company created continuous learning opportunities for the employees on GenAI across 3 proficiency levels across various tools and technologies offered by our partners. Your Company organized Persistent Google Gemini Summit in Pune, with 1300+ total and 470 in-person participants Your Company conducted Diversity, Equity, Inclusion, and Belonging (DEIB) Awareness Program 'Diverse Voices, Inclusive Choices' covering 150+ employees globally to create awareness of the importance of diversity & inclusion in the workplace Your Company conducted Annual MyLife events such as Pulse and Persistent Run

Sr. No. Key Stakeholders of the Company	Key initiatives taken / practices followed during FY24-25
4. Our Employees	<p>9. Your Company introduced 'Sheros' - a Women centric development program during the year</p> <p>10. Your Company rolled out MentHER - a Women Mentorship Program for female students from Engineering Institutes in collaboration with AWS, 120 women engg undergrads completed the learning journey</p> <p>11. Your Company launched an AI proctored Interview platform that helps enterprises hire globally by offering solutions for remote interviewing, proctoring, and assessments, aiming to streamline the hiring process and improve candidate experience and prevent interview fraud.</p> <p>12. Your Company initiated to increase the awareness and educate the designated employees about the prevention of insider trading through weekly emails in pictorial formats.</p>
5. Our Vendors and Consultants	<p>1. Your Company provided a biogas plant of 700Kg/day capacity plant to the Cafeteria vendor.</p> <p>2. Your Company has provided extensive training to the staff to develop prompt and multitasking abilities. The Company is provided training on personal hygiene, Health & Safety training to the Vendor staff.</p> <p>3. Your Company conducted POSH awareness training for all support staff PAN India.</p> <p>4. Your Company conducted an exclusive Supplier ESG Webinar: Enhancing Sustainability Efforts Together. This helps the critical role of ESG practices in Supply Chain Management, engagement strategies, and insightful case studies.</p>
6. Shareowners of the Company	<p>1. Your Company undertook an initiative where the Shareholders are sent a communication after the announcement of quarterly financial results are made to the Stock Exchanges. This communication is sent on the same day when the results are submitted to the Stock Exchanges. This activity has received positive feedback from the Shareholders.</p> <p>2. Further, considering the success of previous years' voluntary activity of processing unpaid dividends, your Company continued this initiative to voluntarily pay the unpaid dividends based on the latest available bank details of the Shareholders.</p>
7. Society at large	<p>1. Your Company managed all E-Waste / Hazardous waste disposal through the SPCB approved vendors only.</p> <p>2. Your Company started using green/eco-friendly chemicals in place of hazardous chemicals.</p> <p>3. Your Company installed Solar power plants at Bahujan Hitay Ladies' Hostel, Yerwada, Pune of 12.85kwp capacity and at Nashikrao Tirpude Preparatory School (NTPS), Nagpur of 12.28kwp capacity</p>

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Investors' Grievances

During the Financial Year ended March 31, 2025, the Company expeditiously attended to investors' grievances. The Company successfully attended to 91 requests and 2 complaints received from investors.

Table 15: The details of the requests / complaints received and resolved during the year are as under:

Sr. No.	Nature of Request / Complaint	Opening Balance as on April 1, 2024	Received	Attended	Pending as on March 31, 2025
1.	Revalidation of warrants / issue of fresh drafts	0	91	91	0
2.	SCORES	0	1	1	0
3.	BSE / NSE	0	1	1	0
4.	Smart ODR	0	0	0	0
	Total	0	93	93	0

The Members may contact the Company Secretary of the Company for their queries, if any, at the contact details provided in the Shareholders' Information in this report, and also available on the Company Website at <https://www.persistent.com/investors/>

Web-based Query Redressal System

The Company has set up a facility on its website to help members of the Company raise their share-related queries. The webpage can be accessed at <https://www.persistent.com/investors/#investor-complaints>

The Company addresses all investors queries and grievances expeditiously.

E. Corporate Social Responsibility (CSR) Committee

Brief Description

In terms of Section 135 of the Act, the Board of Directors at its meeting concluded on April 19, 2014, constituted the Corporate Social Responsibility Committee.

The Chairperson of the Committee is an Independent Director.

The Company is committed to CSR, and the Board takes on record updates on the CSR activities of the Company, Persistent Foundation (Public Charitable Trust) and Persistent India Foundation (Section 8 Company).

Sonali Deshpande, Chairperson of Public Charitable Trust and Section 8 Company, participates in the Board Meetings every six months to share updates and seek guidance from the Board and CSR Committee on proposed activities of the Public Charitable Trust and Section 8 Company.

Vinit Teredesai, Additional Director (Executive Member) and Chief Financial Officer of the Company, certified that the CSR funds as per the total CSR obligation of the Company have been disbursed and utilised during FY 2024-25 in the manner approved by the Board of Directors, and the same has been placed before the Board at its April 2025 meeting. The total CSR contribution of INR 217.78 Million, which is greater than the 2% of the profits calculated as per the Act, was spent on various CSR initiatives through the Foundation during the Financial Year 2024-25.

Table 16: Composition of the CSR Committee of the Board of Directors as on March 31, 2025:

Name of the Director	Category
Avani Davda	Chairperson of the Committee and Independent Director
Dr. Anand Deshpande	Chairman and Managing Director
Arvind Goel	Independent Director

The Committee is constituted with powers and responsibilities, including but not limited to:

- To formulate and recommend to the Board a CSR Policy which will define the focus areas and indicate the activities to be undertaken by the Company under the CSR domain
- To recommend to the Board necessary amendments, if any, in the CSR Policy from time to time
- To monitor the budget under the CSR activities of the Company
- To accomplish the various CSR projects of the Company independently or through 'Persistent Foundation' and/or any other eligible NGO / Social Institute, as the case may be

Further, the CSR Committee is empowered to do the following:

- i. To seek information from any employee as considered necessary
- ii. To obtain outside legal professional advice as considered necessary
- iii. To secure the attendance of outsiders with relevant expertise
- iv. To investigate any activity within terms of reference

Meetings and Attendance

One (1) meeting of the Committee was held during the FY 2024-25 on April 22, 2024, to review the CSR activities of the Company to be conducted during the Financial Year 2024-25. As per the provisions of the Act, the Company was required to spend at least 2% of the average net profits of the Company during the three immediately preceding financial years towards CSR activities which amounted to INR 214.75 Million. The Company spent INR 217.78 Million by way of CSR Contributions to Persistent Foundation and Persistent India Foundation. Resultantly, the Company has complied with the provisions of the Act.

Based on the profits of immediately preceding three financial years ending on March 31, 2025, and subject to change for adjustments of overseas branches profit / loss, the Committee recommended to the Board of Directors, the amount of INR237.71 Million must be spent towards CSR activities as per Section 135 of the Act for the Financial Year 2025-26.

The Chairperson of Persistent Foundation and Persistent India Foundation presents updates on the Foundation activities to the Committee during these meetings.

Table 17: Details of the Attendance at the CSR Committee Meeting during the Financial Year 2024-25

Name of the Director	CSR Committee Meeting
	April 22, 2024
Avani Davda	C
Dr. Anand Deshpande	Y
Arvind Goel	Y

Certain decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted/ ratified and taken on record by the Board and the Corporate Social Responsibility Committee at their next meetings.

F. Executive Committee

Brief Description

The Executive Committee of the Board was constituted on January 29, 2005. The Executive Committee was constituted to review the implementation of decisions taken by the Board of Directors between two Board meetings.

The Chairperson of the Committee is an Independent Director.

Table 18: Composition of the Executive Committee of the Board of Directors as on March 31, 2025

Name of the Director	Category
Dr. Ambuj Goyal*	Chairman of the Committee and Independent Director
Avani Davda	Independent Director
Anjali Joshi#	Independent Director
Praveen Kadle	Independent Director
Sandeep Kalra	Executive Director and Chief Executive Officer

* Dr. Goyal was appointed as the Chairman of the Committee w.e.f. July 17, 2024.

Anjali Joshi was appointed as the member of the Committee w.e.f. July 18, 2024

Roshini Bakshi ceased to be a member of the Committee w.e.f. July 16, 2024

Sunil Sapre ceased to be the Executive Director of the Company and a Member of the Committee w.e.f. December 31, 2024, on account of his superannuation.

The Committee is constituted with powers and responsibilities including but not limited to:

- i. To review and follow up on the action taken on the Board decisions from the previous Board meeting
- ii. To review the operations of the Company in general
- iii. To review the systems followed by the Company
- iv. To examine proposals for investment in real estate
- v. To review, propose and monitor the annual budget, including additional budget, if any, subject to the ratification of the Board
- vi. To review capital expenditure against the budget
- vii. Report on Corporate Governance
- viii. To authorise opening and closing of bank accounts
- ix. To authorise additions / deletions to the signatories pertaining to banking transactions
- x. To approve investment of surplus funds for an amount not exceeding INR 25 Crores as per the policy approved by the Board
- xi. To approve transactions relating to foreign exchange exposure, including but not limited to forward cover and derivative products
- xii. To approve donations as per the policy approved by the Board
- xiii. To delegate authority to the Company officials to represent the Company at various courts, government authorities and so on and
- xiv. To attend to any other responsibility as may be entrusted by the Board to investigate any activity within the terms of reference

Further, the Executive Committee is empowered to do the following:

- a. To seek information from any employee as considered necessary
- b. To obtain outside legal professional advice as considered necessary
- c. To secure the attendance of outsiders with relevant expertise for Committee Meetings
- d. To investigate any activity within the terms of reference

Meetings and Attendance

The Executive Committee generally meets between two board meetings. Four (4) meetings of the Executive Committee were held during the Financial Year 2024-25.

Table 19: Details of attendance at the Executive Committee Meetings during the Financial Year 2024-25

Name of the Director	Executive Committee Meeting			
	May 28, 2024	August 23, 2024	December 4, 2024	March 5, 2025
Roshini Bakshi [®]	C	NA	NA	NA
Avani Davda	Y	Y	Y	Y
Dr. Ambuj Goyal [*]	Y	C	C	C
Anjali Joshi [#]	NA	Y	Y	Y
Praveen Kadle	Y	Y	Y	Y
Sandeep Kalra	Y	Y	Y	Y
Sunil Sapre [^]	Y	Y	Y	NA

[®] Ceased to be a Chairperson and member of the Committee w.e.f. July 16, 2024

^{*} Appointed as the Chairman of the Committee w.e.f. July 17, 2024

[#] Appointed as the member of the Committee w.e.f. July 18, 2024

[^] Sunil Sapre ceased to be the Executive Director of the Company and a Member of the Committee w.e.f. December 31, 2024, on account of his superannuation

Certain decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted/ ratified and taken on record by the Board and Executive Committee at their next meetings.

G. Investment Committee

Brief Description

The Investment Committee is constituted with a primary responsibility to manage the investment portfolio of Persistent Ventures as well as to discuss the investment/inorganic growth opportunities that come to the Company, and once convinced with the proposal/opportunity, recommend it to the Board of Directors for its approval for its execution. The Chairperson of the Committee is an Independent Director.

Table 20: Composition of the Investment Committee of the Board of Directors as on March 31, 2025:

Name of the Director	Category
Praveen Kadle	Chairman of the Committee and Independent Director
Avani Davda	Independent Director
Dr. Ambuj Goyal	Independent Director
Ms. Anjali Joshi	Independent Director

There were no meetings of the Investment Committee during FY 2024-25.

Certain decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted/ratified and taken on record by the Board and Executive Committee at their next meetings.

3. Subsidiary Companies

During the year under Report, your Company restructured group entities as follows:

1. The Business Transfer Agreement has been executed for the transfer of the business of the UK Branch of the Company to Persistent Systems UK Limited, effective from April 1, 2024.
2. Persistent India Foundation was incorporated under Section 8 of the Companies Act, 2013, effective from May 1, 2024, as a wholly owned subsidiary of the Company.
3. Software Corporation International, LLC (Step Down Subsidiary based in the US) has been dissolved effective June 27, 2024.
4. Persistent Systems Inc, USA (wholly owned subsidiary) entered into a Stock Purchase Agreement on July 2, 2024 (EDT) / July 3, 2024 (IST) for the acquisition of Starfish Associates, LLC, USA. Upon completion of the customary closing conditions, Starfish became a wholly owned subsidiary of Persistent Systems Inc. effective from August 1, 2024.
5. Persistent Systems Limited and Persistent Systems Inc, USA (wholly owned subsidiary) collectively entered into an Asset Purchase Agreement with SoHo Dragon Inc. on September 10, 2024, for the acquisition of its identified assets. Further, the customary closing conditions for the same have been met on November 16, 2024.
6. Arrka Infosec Private Limited, India (a private company incorporated under the Companies Act, 1956) has become a wholly owned subsidiary of Persistent Systems Limited effective from October 28, 2024, upon completion of the necessary customary closing conditions.
7. Persistent Systems Poland s.p. z o.o. entered into an Asset Purchase Agreement with SoHo Dragon LT, UAB, Lithuania on February 13, 2025, for the acquisition of its identified assets. Further, the customary closing conditions for the same have been met on March 13, 2025.
8. Persistent Systems Limited has entered into an Asset Purchase Agreement with Soho Dragon Solutions India Private Limited on January 6, 2025, for the acquisition of its identified assets. Further, the customary closing conditions for the same have been met on April 22, 2025.
9. The Hon'ble National Company Law Tribunal, Mumbai ('NCLT') has sanctioned the merger of Capiot Software Private Limited (the Wholly Owned Subsidiary / Transferor Company) into Persistent Systems Limited (the Holding Company / Transferee) through absorption, as per its Order dated April 9, 2025. The Company received the Order on April 11, 2025. Further, the Company filed the Certified Copy dated April 21, 2025, with the Registrar of Companies, Pune on May 13, 2025 for updating their records. The financial impact of this merger will be reflected in the Company's financial statements for the period following its submission to the ROC.

Further, the Audit Committee and the Board of Directors review the consolidated financial statements of the Company and its subsidiary companies on a quarterly basis.

The Audit Committee and the Board of Directors review related party transactions entered into by the Company, including those with the subsidiary companies.

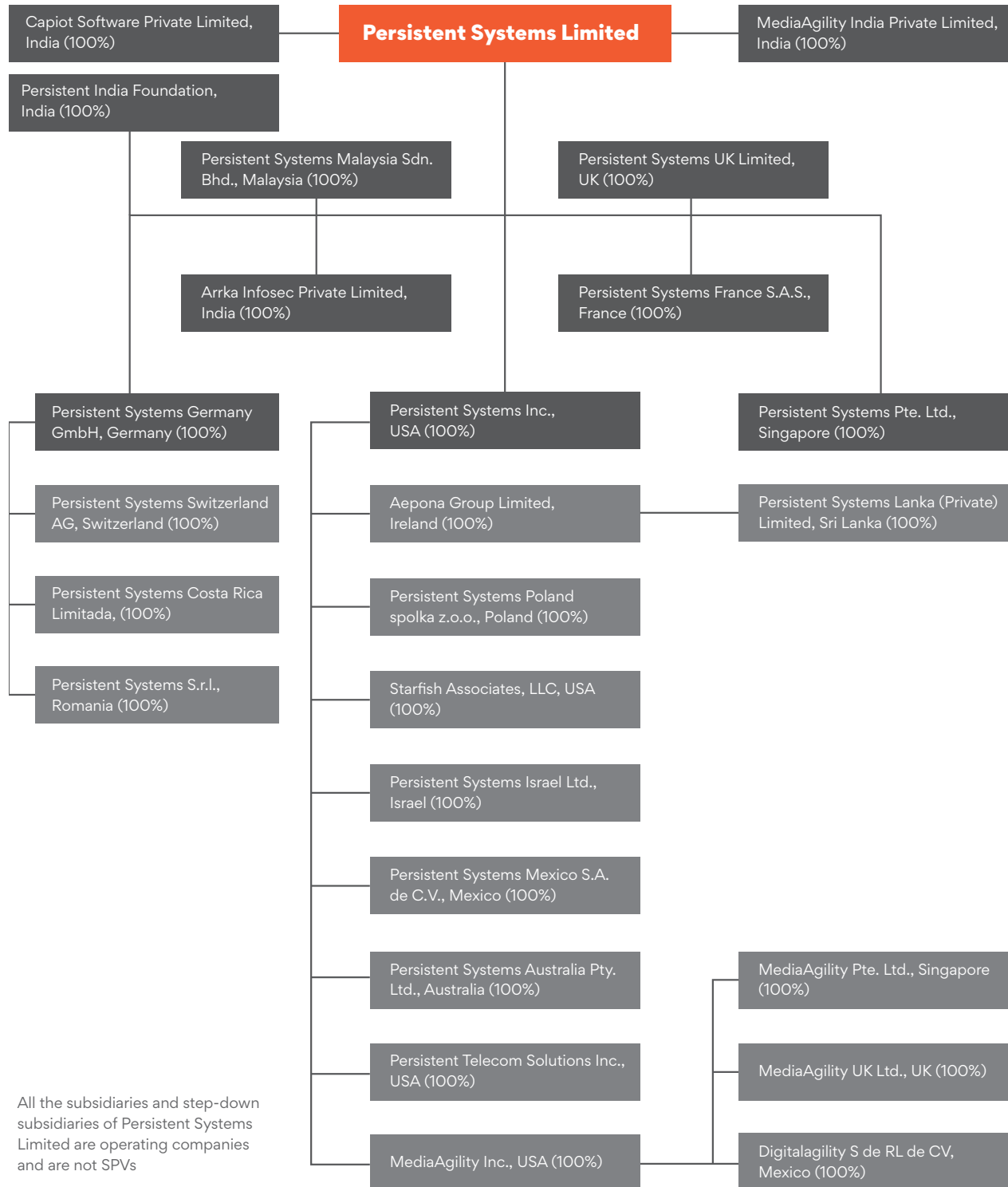
Details of percentage holding of the Company in the subsidiary companies as on March 31, 2025

Name of the Subsidiary Company	Country of Registration	Holding percentage
Persistent Systems Inc.	USA	100%
Persistent Systems Pte. Ltd.	Singapore	100%
Persistent Systems France S.A.S.	France	100%
Persistent Systems Malaysia Sdn. Bhd.	Malaysia	100%
Persistent Systems Germany GmbH	Germany	100%
Capiot Software Private Limited®	India	100%
MediaAgility India Private Limited	India	100%
Persistent Telecom Solutions Inc.	USA	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
Aepona Group Limited	Ireland	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
Persistent Systems UK Limited (Formerly known as Aepona Limited, UK)	UK	100%
Persistent Systems Lanka (Private) Limited	Sri Lanka	100% subsidiary of Aepona Group Limited - Step down subsidiary of the Company
Persistent Systems Israel Ltd.	Israel	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
Persistent Systems Mexico S.A. de C.V.	Mexico	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
Persistent Systems Australia Pty. Ltd.	Australia	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
Software Corporation International, LLC	USA	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company which was dissolved on June 27, 2024
Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	Switzerland	100% subsidiary of Persistent Systems Germany GmbH - Step down subsidiary of the Company
Persistent Systems S.r.l.	Romania	100% subsidiary of Persistent Systems Germany GmbH - Step down subsidiary of the Company
Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	Costa Rica	100% subsidiary of Persistent Systems Germany GmbH - Step down subsidiary of the Company
MediaAgility Inc.	USA	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
MediaAgility Pte. Ltd.	Singapore	100% subsidiary of MediaAgility Inc. - Step down subsidiary of the Company
MediaAgility UK Ltd.	UK	100% subsidiary of MediaAgility Inc. - Step down subsidiary of the Company
Digitalagility S de RL de CV	Mexico	100% subsidiary of MediaAgility Inc. - Step down subsidiary of the Company
Persistent Systems Poland spolka z.o.o.	Poland	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
Arrka Infosec Private Limited, India*	India	100%
Starfish Associates, LLC, USA	USA	100% subsidiary of Persistent Systems Inc. - Step down subsidiary of the Company
Persistent India Foundation	India	100%

The Hon'ble National Company Law Tribunal, Mumbai ('NCLT') has sanctioned the merger of Capiot Software Private Limited (the Wholly Owned Subsidiary Transferor Company) into Persistent Systems Limited (the Holding Company Transferee Company) through absorption, as per its order dated April 9, 2025. The Company received the order on April 11, 2025. Further, the Company filed the Certified Copy dated April 21, 2025, with the Registrar of Companies, Pune on May 13, 2025 for updating their records.

*The Board of Directors at its meeting held on April 24, 2025 (IST) approved the proposal of Merger of Arrka Infosec Private Limited (Wholly Owned Subsidiary) into Persistent Systems Limited ('Holding Company' or the 'Company') subject to the receipt of necessary statutory approvals in accordance with the provisions of the Companies Act, 2013 through the National Company Law Tribunal route.

Pictorial representation of the group structure as of March 31, 2025:



4. General Meeting and Postal Ballot Details

a. The details of the last three years' Annual General Meetings are as follows:

Financial Year	Date	Time (IST)	Venue
2023-24 34 th AGM	July 16, 2024	1600 Hrs.	Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, for in person attendance and through Video Conferencing / Other Audio-Visual Means in terms of the SEBI and MCA circulars
2022-23 33 rd AGM	July 18, 2023	1600 Hrs.	Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, for in person attendance and through Video Conferencing / Other Audio-Visual Means in terms of the SEBI and MCA circulars
2021-22 32 nd AGM	July 19, 2022	1600 Hrs.	Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, for in person attendance and through Video Conferencing / Other Audio-Visual Means in terms of the SEBI and MCA circulars

b. The details of the Extra-Ordinary General Meetings held are as follows:

No Extra-Ordinary General Meetings were held during the last three financial years i.e. FY 2022-23, FY 2023-24 and FY 2024-25

c. Resolutions Passed by Postal Ballot:

During the Financial Year 2023-24, there were 5 extraordinary businesses passed through the Postal Ballot on March 11, 2024, out of which 1 was an Ordinary Resolution and 4 were Special Resolutions. Details are as follows:

Sr. No.	Resolutions	Voting Outcome	Scrutinizer Details
1.	To approve Sub-division / Split of 1 (One) Equity Share of INR 10/- (INR Ten only) each into 2 (Two) Equity Shares of INR 5/- (INR Five only) each and the consequent amendment to the Memorandum and Articles of Association of the Company	Votes in favour: 99.86%	Mr. Sridhar Mudaliar, (FCS No. 6156; CP No. 2664) on behalf of M/s. SVD & Associates, Practising Company Secretaries, Pune
2.	To approve an amendment in the scheme document for 'Persistent Employee Stock Options Scheme 2014 (PESOS 2014)' to amend the Face Value and accordingly the aggregate number of stock options already approved by the shareholders consequent to the Sub-Division / Split of the Equity Shares for grant of stock options to the employees of the Company	Votes in favour: 93.31%	
3.	To approve an amendment in the scheme document for 'Persistent Employee Stock Option Scheme 2014 (PESOS 2014)' to amend the Face Value and accordingly the aggregate number of Stock Options already approved by the Shareholders consequent to the Sub-Division / Split of Equity Shares for grant of Stock Options to the employees of the Subsidiary (ies) of the Company	Votes in favour: 93.31%	
4.	To approve an amendment in the clause of 'Persistent Employee Stock Option Scheme 2014 (PESOS 2014)' to add a time period to the existing maximum cap on the Stock Options that could be granted to an individual employee of the Company under PESOS 2014	Votes in favour: 84.95%	
5.	To approve an amendment in the clause of 'Persistent Employee Stock Option Scheme 2014 (PESOS 2014)' to add a time period to the existing maximum cap on the Stock Options that could be granted to an individual employee of the Subsidiary(ies) of the Company under PESOS 2014	Votes in favour: 84.95%	

Procedure for Postal Ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

d. The following Special Resolutions were passed by the Members during the last three Annual General Meetings:

Date of AGM	Sr. No.	Resolutions
July 16, 2024 34 th AGM	i.	To re-appoint Mr. Praveen Kadle, India (DIN: 00016814) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the second term of 5 (Five) consecutive years i.e., from April 23, 2025, to April 22, 2030
	ii.	To appoint Ms. Anjali Joshi, USA (DIN: 10661577) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the term of 5 (Five) consecutive years i.e., from June 12, 2024, to June 11, 2029
	iii.	To approve an amendment in the 'Persistent Employee Stock Option Scheme 2014 (PESOS 2014)' to increase the number of Stock Options allocated to PESOS 2014 by 1.6 million Stock Options i.e., from 3.8 million Stock Options to 5.4 million Stock Options along with the procedural matters
	iv.	To grant the Stock Options to the employees of subsidiary company(ies) of the Company under 'Persistent Employee Stock Option Scheme 2014'
July 18, 2023 33 rd AGM	i.	To appoint Prof. Ajit Ranade, India (DIN: 00918651) as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a term of 5 (five) consecutive years i.e., from June 6, 2023 to June 5, 2028
	ii.	To approve amendments in the 'Persistent Employee Stock Option Scheme 2014'
	iii.	To grant Employee Stock Options to the Employees of the Subsidiary Company(ies) of the Company under 'Persistent Stock Options Schemes 2014'
	iv.	To approve amendments in the 'Persistent Systems Limited – Employee Stock Option Plan 2017'
	v.	To grant employee stock options to the employees of Subsidiary company(ies) of the Company under 'Persistent Systems Limited – Employee Stock Options Plan 2017'
July 19, 2022 32 nd AGM	i.	To appoint Ms. Avani Davda, India (DIN: 07504739) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the first term of 5 (Five) consecutive years i.e. from December 28, 2021, to December 27, 2026
	ii.	To appoint Mr. Arvind Goel, India (DIN: 02300813) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the first term of 5 (Five) consecutive years i.e. from June 7, 2022, to June 6, 2027
	iii.	To appoint Dr. Ambuj Goyal, USA (DIN: 09631525) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the first term of 5 (Five) consecutive years i.e. from June 7, 2022, to June 6, 2027
	iv.	To appoint Mr. Dan'l Lewin, USA (DIN: 09631526) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the first term of 5 (Five) consecutive years i.e. from June 10, 2022, to June 9, 2027

Disclosures

A. Code of Conduct

Pursuant to the requirements of Regulation 17(5)(a) of Listing Regulations, the Company obtains the affirmation of compliance of the Code of Conduct from its Directors and Senior Management on a yearly basis since Financial Year 2005-06. Furthermore, the Code of Conduct applies to all the Company employees and its subsidiaries.

The Code of Conduct is an annual declaration that helps remind all employees and stakeholders the importance of maintaining the highest standards of ethical business conduct for the Company. In terms of the Code of Conduct, Directors and Employees must act within the guidelines of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders and stakeholders.

Further, Directors and Employees must ensure that they do not derive any undue personal benefit because of their position in the Company and because they have access to certain confidential information coming to their knowledge.

It has been affirmed with the Board of Directors that the Code of Conduct has been complied with by all the Board members and all the Employees and a declaration to this effect forms part of this report. The Code of Conduct is uploaded on the website of the Company at [Code of Conduct for Directors and Employees | Persistent Systems](#).

In addition to the annual Code of Conduct, the Board has also established a robust Code of Conduct on Prevention of Insider Trading in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has a zero tolerance policy towards insider trading, corruption, bribery, and money laundering.

B. Familiarisation Program for the Board of Directors

Pursuant to the requirements of Regulation 25(7) of Listing Regulations, the Company conducts the Familiarisation Program for Independent Directors as well as other Directors on the Board about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives. The Company also shares the organisational structure and important organisational changes on a regular basis. A few initiatives under familiarisation program are elaborated at [Familiarization Program at Persistent for Directors](#).

C. Board deliberations on strategy planning

As part of our annual strategy planning process, the Company organises sessions for the Board Members and Senior Executives to deliberate on various topics related to technological overview, global scenario for the IT industry, sales strategy, market research, risk overview, succession planning and strategic programs required to achieve the Company's long-term objectives.

The Company organises an annual planning meeting, the 'Huddle', which is attended by all the senior sales and delivery leaders of the organisation. Some of the Board Members participate in the Huddle to get a first-hand view of the strategy planning and implementation process.

This serves a dual purpose of providing a platform for Board Members to bring their expertise to the projects, while also providing an opportunity for them to understand detailed aspects of execution and challenges relating to the business of the Company.

D. Whistleblower Policy

The Board of Directors of the Company has adopted a Whistleblower Policy for employees and for the non-employee stakeholders in India and all global locations. The employees are encouraged to report to the Whistleblower Administrator if they observe any fraudulent financial or other information or conduct that results in instances of unethical behaviour, or actual or suspected violation of the Company's Code of Conduct and the Ethics Policy. The Board of Directors has appointed the Chairperson of the Audit Committee as the Whistleblower Administrator.

This policy and these practices provide adequate safeguards against victimisation of employees who report to the Whistleblower Administrator. The policy also provides direct access to the Chairperson of the Audit Committee. The Whistleblower Policy is uploaded on the website of the Company at [Whistleblower Policy | Persistent Systems](#)

In the FY 2023-24, your Company has established a 24x7 toll-free number for their employees to report their concerns.

The callers can record their complaints which are received directly by the Whistleblower Administrator who is the Chairperson of the Audit Committee. This automated system safeguards the caller's identity and maintains anonymity.

Your Company prohibits retaliatory actions against anyone who raises concerns or questions in good faith, or who participates in a subsequent investigation of such concerns.

E. Complaints Pertaining to Sexual Harassment

The details of complaints filed, resolved and pending during every quarter about sexual harassment are reported to the Board in every quarterly meeting, and the summary is included in the Report of the Directors. During the year under report, your Company has received Four (4) sexual harassment complaints. Out of the 4 (Four) complaints received, 3 (Three) complaints are resolved and One (1) is in the resolution process as per the statutory timelines.

F. Policy on Material Subsidiary

In terms of Regulation 16 (1) (c) of Listing Regulations, the Policy on Material Subsidiary is framed to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries. The policy to determine the Material Subsidiaries of the Company is uploaded at [Material Subsidiary Policy | Persistent Systems](#).

According to the said Policy, Persistent Systems Inc., USA is the only Material Subsidiary of the Company, which was incorporated on October 18, 2001, in the State of California, USA. The entity is not required to appoint an Auditor to audit its financials as per the local laws. However, for consolidation purposes, the financials of the said entity were audited by M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013).

G. Disclosures on material significant related party transactions that may have potential conflict with the interests of the Company

During the Financial Year 2024-25, there were no materially significant transactions, pecuniary transactions or relationships between the Company and the Promoters, Directors and their relatives and the management that have a potential conflict of interest with the Company.

Details of all transactions entered into by the Company with the related parties have been disclosed under 'Related Party Transactions' in the Notes to Accounts of the Company which form part of this Annual Report. A policy determining the Related Party Transactions is uploaded on the website of the Company at [Related Party Transactions Policy | Persistent](#).

H. Risk Management and Internal Control Policies adopted by the Company

The [Report on Risk Management](#) and Internal Control Policies adopted by the Company form a separate part of this Annual Report.

I. Commodity Price Risk / Foreign Exchange Risk and Hedging activities

The Company's exposure to market risks and currencies is detailed in Note No. 31, forming part of the Notes to the Financial Statements under the heading 'Financial risk factors and Risk management objectives'.

J. Adherence to Accounting Standards

The Company follows the Accounting Standards and guidelines prescribed by the Institute of Chartered Accountants of India (ICAI) and notified by the MCA.

K. Adherence to the Listing Regulations

The Company discloses information regarding its financial position, performance and other vital matters with transparency, fairness, and accountability on a timely basis. This report is prepared with adherence to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the report comprehends all the requirements under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as applicable.

L. Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount

Loans and advances covered under Section 186 of the Act form part of the notes to the financial statements provided in this Annual Report. (Refer to notes 5, 6, 10, 14, 17 and 33 of the Standalone Financial Statements).

M. Details of Credit Rating

During the year under Report, the Company has achieved an [ICRA] AA+ (Stable) credit rating, reinforcing its strong financial position, business resilience, and operational excellence.

N. Compliance Tool for tracking the applicable scheduled compliances

The Company ensures that adequate tools and appropriate processes are in place for adherence to all statutory compliances. Compliances applicable in India and abroad to the Company are monitored and tracked through a software tool. In the year 2016, the Company implemented the Compliance Tool to report and track the domestic compliances; while the same tool was then enhanced and is being used to report and track the global compliances for fourteen (14) locations. The said Tool is used to record and report the compliances as and when they are due. A detailed report derived from the said tool is placed before the Board and Audit Committee during every quarterly meeting.

Amendments to the existing laws and introduction of new laws are reviewed and updated in the system on a regular basis and the same is monitored by the Company.

This space is intentionally kept blank.

O. Data Protection Initiatives

As a global software development company specialising in both products and services across various industry verticals, the Company adheres to rigorous contractual and regulatory obligations applicable to itself and its customers. This encompasses compliance not only within the jurisdictions where Persistent operates but also where its clients are situated. The Company handles intellectual property (in the form of designs, architecture, and code) of its customers as well as the data of its customers and, on several occasions, the data of the customers' customers. Such datasets often contain sensitive privacy information and data, underscoring the critical importance of secure data processing. Your Company is deeply committed to upholding the highest standards of privacy and data protection. This commitment is demonstrated through the establishment and maintenance of a comprehensive Privacy Information Management System (PIMS).

Our commitment to safeguarding personal data remains steadfast, aligning with client expectations and regulatory mandates. We are proud to be among the pioneering organisations globally certified with accreditation for the ISO 27701 - Privacy Information Management Standard. This dedication is further underscored by our other certifications:

Certification Name	Scope	Locations	Initial Certification	Validity of the current certificate
ISO 9001:2015 Quality Management System	Software design, development, testing, maintenance, support services and business enabling functions for product engineering, platforms integration & solution, SMAC (social, mobility, analytics and cloud) services and Accelerite business unit for software products	Pune (Aryabhata-Pingala, Bhageerath, Hinjawadi, Blueridge), Goa, Hyderabad, Nagpur, Gurugram, France, Malaysia	March 11, 2010	March 11, 2025 – March 10, 2028
ISO 13485:2016 Quality Management System for Medical Devices	Software Product Design, Development, Testing, Enhancement and Support for Medical Device Software	Pune	October 31, 2017	April 19, 2025 – April 18, 2028
ISO/IEC 27001:2013 Information Security Management System	Management of information security pertaining to software design, development, testing, operations, maintenance, support services, ensuring privacy & security for PII data in public cloud service utilization and business enabling functions using the guidance in ISO/ IEC 27017:2015 and ISO/IEC 27018:2014 and using applicable controls of ISO/IEC 27701:2019 as PII Data Controller and PII Data Processor as per the statement of applicability version 10.2 dated 28-Oct-2024 for	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjawadi, Ramanujan Hinjawadi), Goa (Charak Bhaskar), Nagpur (Gargi-Maitreyi), Hyderabad(Wave rock and Sattva), Bengaluru (Pritech Park, Shanti Niketan, The Cube) Mumbai (Time Square), Noida, Gurugram (DLF, Cyber City), Indore (Brilliant Centre), Ahmedabad, Jaipur, Kochi, Chennai, Dublin (Ohio, USA), France, Jalisco (Mexico), Malaysia, New Jersey, Santa Clara, Sri Lanka, Costa Rica	February 6, 2008	March 11, 2025 – March 10, 2028
ISO 27017:2015 Cloud Security				
ISO 27018:2019 Securing PII in the cloud				
ISO 27701:2019 Privacy Information Management System	<ul style="list-style-type: none"> Product engineering, platforms integration & solution, digital, cloud, security, internet of things (IoT), data analytics offerings Banking financial services & insurance, life sciences & health care, industrial markets, telecom & Hi-Tech Persistent product business 			

Certification Name	Scope	Locations	Initial Certification	Validity of the current certificate
ISO 14001:2015 Environment Management System	Software Design and Development	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjawadi, Ramanujan Hinjawadi), Goa (Charak Bhaskar), Nagpur (Gargi-Maitreyi), Hyderabad (Wave rock and Sattva), Bengaluru (Pritech Park, Shanti Niketan, The Cube) Mumbai (Time Square), Noida, Gurugram (DLF, Cyber City), Indore (Brilliant Centre), Ahmedabad, Jaipur, Kochi, Chennai	May 21, 2012	March 11, 2025 – March 10, 2028
ISO 45001:2018 Occupational Health and Safety Management System	Software Design and Development	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjawadi, Ramanujan Hinjawadi), Goa (Charak Bhaskar), Nagpur (Gargi-Maitreyi), Hyderabad (Wave rock and Sattva), Bengaluru (Pritech Park, Shanti Niketan, The Cube) Mumbai (Time Square), Noida, Gurugram (DLF, Cyber City), Indore (Brilliant Centre), Ahmedabad, Jaipur, Kochi, Chennai, France, Jalisco (Mexico), Malaysia, New Jersey, Sri Lanka	March 8, 2019	March 9, 2025 – March 8, 2028
CMMI For Dev 3.0 Maturity Level 5	Organizational Unit: Software Industry and Services Lines LoBs covering Software Development, Maintenance Projects, Management of Business	NA	May 25, 2018	July 31, 2024 – July 31, 2027
ISO 22301 Management System Certificate	Management of business continuity of critical services infrastructure and information systems required for software design, development, operations, maintenance, support services for <ul style="list-style-type: none"> Product Engineering, Platform integration and solution, digital, cloud, security, internet of things (IOT), data analytics offerings Banking financial services & insurance, software products, life sciences & health care and industrial markets 	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjawadi, Ramanujan Hinjawadi), Goa (Charak Bhaskar), Nagpur (Gargi-Maitreyi), Hyderabad (Wave Rock and Sattva), Bangalore (Pritech Park, Shanti Niketan, The Cube) Mumbai (Time Square), Noida, Gurugram (DLF, Cyber City), Indore (Brilliant Centre), Ahmedabad, Jaipur, Kochi, Chennai, France, Jalisco (Mexico), Malaysia, New Jersey, Sri Lanka	February 15, 2021	February 16, 2024 – February 15, 2027

Certification Name	Scope	Locations	Initial Certification	Validity of the current certificate
SOC 2 Type 2 Report	An Independent Service Auditor's report has been issued after completion of SSAE 21, SOC 2 Type 2 Audit for the period January 1, 2024 to December 31, 2024	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjawadi, Ramanujan Hinjawadi), Goa (Charak Bhaskar), Nagpur (Gargi-Maitreyi), Hyderabad (Wave rock and Sattav), Bengaluru (Pritech Park, Shanti Niketan, The Cube), Mumbai (Time Square), Noida, Gurugram (DLF, Cyber City), Indore (Brilliant Centre), Ahmedabad, Jaipur, Kochi, Chennai, France, Jalisco (Mexico), Malaysia, New Jersey, Sri Lanka, Santa Clara	NA	NA

Through these certifications and ongoing compliance efforts, Persistent demonstrates its unwavering commitment to transparency, integrity, and excellence in privacy and security practices. This commitment instils confidence in our stakeholders and reinforces our position as a trusted industry leader.

P. Details of Non-compliance

There were no non-compliances by the Company, no penalties and strictures were imposed on the Company by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets, during the year April 1, 2024, to March 31, 2025.

The Company has complied with and disclosed all the mandatory requirements under the Listing Regulations.

There are no qualifications in the Secretarial Audit Report for FY 2024-25, however, the Secretarial Audit Report contains an observation. The details of the observation cited as well as the management response to it form part of the [Directors' Report](#).

Q. Remuneration to the Directors of the Company

Information relating to the remuneration to the Directors during the Financial Year 2024-25 has been provided under the details of NRC in this report.

R. Disclosure of certain type of agreements binding listed entities

There are no agreements impacting management or controlling the Company or imposing any restrictions or creating any liability upon the Company by Schedule V read with clause 5A of Schedule III of the Listing Regulations.

5. Management Discussion and Analysis

As required by Regulation 34(2)(e) of Listing Regulations, the Management Discussion and Analysis Report is provided elsewhere in the Annual Report.

6. Corporate Social Responsibility Report

[A Report on the Corporate Social Responsibility \(CSR\)](#) initiatives of the Company has been provided elsewhere in the Annual Report.

7. Shareholders' Information

A. Means of Communication

The Company constantly communicates to the institutional investors about the operations and financial results of the Company. Besides publishing the abridged financial results in one national and one regional daily newspaper, respectively, as per Regulation 46 of the Listing Regulations, the complete audited / limited reviewed financial statements are published on the Company's website (www.persistent.com) at **Financial Results & Reports** - Quarterly Results under 'Investors' section. The transcripts of calls with analysts are also available on the Company's website.

The Company uses a wide array of communication tools, including face-to-face, online, and offline channels, to ensure that information reaches all stakeholders in their preferred medium.

The table below gives the snapshot of the communication channels used by the Company to communicate with its stakeholders:

Particulars	Board Meetings	Shareholders Meetings	Formal Notices	Website Information	Press/Web Release	E-mails	Annual Reports	Newspaper
Board of Directors	✓	✓	✓	✓	✓	✓	✓	✓
Shareholders	✓	✓	✓	✓	✓	✓	✓	✓
Employees	-	-	-	✓	✓	✓	✓	✓
Financial Analysts	-	-	-	✓	✓	✓	✓	✓
Society at large	-	-	-	✓	✓	-	-	✓
Frequency	Quarterly	Annually	Ongoing	Ongoing	Ongoing	Ongoing	Annually	Ongoing

Details of newspapers where Quarterly Results of the Company were published:

Publication of the Financial Results for the Quarter ended		June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025
English	Date of Publication	July 19, 2024	October 23, 2024	January 23, 2025	April 25, 2025
	Newspapers	The Financial Express (All India editions)	The Financial Express (All India editions)	The Financial Express (All India editions)	The Financial Express (All India editions)
Marathi	Date of Publication	July 19, 2024	October 23, 2024	January 23, 2025	April 25, 2025
	Newspapers	Loksatta (Pune edition)	Loksatta (Pune edition)	Loksatta (Pune edition)	Loksatta (Pune edition)

B. Corporate Identity Number (CIN)

The Corporate Identity Number (CIN), allotted by the Ministry of Corporate Affairs, Government of India is 'L72300PN1990PLC056696'. The Company is registered in the State of Maharashtra, India.

C. General Details of the Company

i. Registered Office

'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, Maharashtra, India.

ii. Financial Year of the Company is from 1st April of every year to 31st of March next year.

iii. Forthcoming Annual General Meeting of the Company

Date and Time: Monday, July 21, 2025, at 1600 hrs. (IST)

Mode through which the Annual General Meeting will be held: Hybrid mode, i.e., a combination of in-person attendance and Video Conferencing / Other Audio-Visual Means as per the convenience of Members.

Book Closure dates: From Tuesday, July 15, 2025, to Monday, July 21, 2025 (Both days inclusive)

Proposed Dividend: INR 15 per Equity Share of INR 5 each, subject to the approval of the Members at the AGM

iv. Company Secretary and Compliance Officer of the Company

Mr. Amit Atre, Company Secretary

ICSI Membership No. A20507

'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India.

Phone: +91 (20) 6703 5555 Fax: +91 (20) 6703 6003

E-mail: investors@persistent.com or companysecretary@persistent.com

Website: www.persistent.com

The Members may communicate investor complaints to the Company Secretary on the above-mentioned co-ordinates.

v. Dividend Payment Date

The Company had declared an Interim Dividend of INR 20 (INR Twenty Only) per Equity Share at its Board meeting held on January 22, 2025 for the Financial Year 2024-25, to those Members whose names appeared in the Register of Members on January 31, 2025, and the payment was made on February 10, 2025.

Your Board has recommended a Final Dividend of INR 15 (INR Fifteen Only) per Equity Share of INR 5 each for the Financial Year 2024-25.

This Dividend of INR 15 (INR Fifteen Only) per Equity Share is subject to the approval of Members at the ensuing Annual General Meeting to be held on July 21, 2025, to those members whose names appearing in the Register of Members on July 14, 2025 (Cut-Off Date). It is proposed to make the payment within 30 days from the date of the AGM.

Payment of dividend through Electronic mode:

The Securities and Exchange Board of India (SEBI) has vide Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013, directed that Listed Companies shall mandatorily make all payments to Investors, including Dividend to shareholders, by using any Reserve Bank of India (RBI) approved electronic mode of payments viz. ECS, LECS (Local ECS), RECS (Regional ECS), NECS (National ECS), NEFT, etc.

1. The Company will use the bank details available with Depository Participant for electronic credit of Dividend.
2. In order to receive the dividend without loss of time, all the eligible shareholders holding shares in demat mode are requested to update, with their respective Depository Participants, their correct Bank Account Number, including 9-digit MICR Code and 11-digit IFSC Code, type of bank account, E-mail ID and mobile no(s).

Shareholders holding shares in physical form may communicate details relating to their Bank Account, 9-digit MICR Code and 11-digit IFSC Code, E-mail ID and mobile no(s) to the Registrar and Share Transfer Agents viz. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), having address at Block No. 202, Second Floor, Akshay Complex, Off Dhole Patil Road, Pune 411 001, by quoting the folio number and attaching a photocopy of the Cheque leaf of their Active Bank account, and a self-attested copy of their PAN card.

In terms of the SEBI Notification dated April 20, 2018, in case dividend payment by electronic mode is returned or rejected by the corresponding bank due to certain reasons, the shareholders are required to connect their bank account with the Demat Account. The Company will then process online transfer of unclaimed Dividend to the respective Bank Account of the shareholders.

vi. Unclaimed Dividend

According to the provisions of the Act, the amount in any unpaid dividend account remaining unclaimed for a period of 7 (Seven) years from the date of its disbursement, has to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Government of India.

The following are the details of the unclaimed dividend. If not claimed within the period of 7 (Seven) years, then the same will be transferred to the Investors Education and Protection Fund (IEPF) in accordance with the schedule given below:

Financial Year	Date of declaration of dividend and type of dividend	Total Dividend	Unclaimed Dividend as on March 31, 2025 (In INR)	Due date for transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)	Percentage of unclaimed dividend over Total Dividend
2024-25	2024-25 Interim	3,117,000,000.00	11,540,846.81	29-Mar-32	0.37
2023-24	2023-24 Final	1,540,500,000.00	5,999,273.72	21-Sep-31	0.39
2023-24	2023-24 Interim	2,461,600,000.00	274,704.53	27-Mar-31	0.01
2022-23	2022-23 Final	1,692,350,000.00	215,950.00	22-Sep-30	0.01
2022-23	2022-23 Interim	2,139,900,000.00	459,342.98	25-Mar-30	0.02
2021-22	2021-22 Final	840,675,000.00	352,607.75	23-Sep-29	0.04
2021-22	2021-22 Interim	1,528,500,000.00	376,500.65	27-Mar-29	0.02
2020-21	2020-21 Final	458,550,000.00	51,785.68	25-Sep-28	0.01
2020-21	2020-21 Interim	1,069,950,000.00	180,167.05	3-Apr-28	0.02
2019-20	2019-20 2 nd Interim	229,275,000.00	118,104.00	17-May-27	0.05
2019-20	2019-20 1 st Interim	687,825,000.00	172,485.00	6-Apr-27	0.03
2018-19	2018-19 Final	229,275,000.00	61,758.00	28-Sep-26	0.03
2018-19	2018-19 Interim	640,000,000.00	205,552.00	4-Apr-26	0.03
2017-18	2017-18 Final	240,000,000.00	70,641.00	1-Oct-25	0.03
Total		16,875,400,000.00	20,079,719.17		0.12

Out of the total unpaid dividend of INR 252,374 for the Financial Year 2017-18, the dividend of INR 36,374 was claimed by 45 shareholders. This resulted in the transfer of the remaining INR 216,000 to IEPF. Additionally, from the other dividend accounts, the dividend of INR 788,265 was claimed by the shareholders.

The Company also processed unpaid dividends from the last 7 years on a voluntary basis in March 2025. This resulted in INR 0.8 Million being paid to shareholders.

The Company will continue to make efforts so that the least number of unclaimed shares / dividends can be transferred to IEPF. The table below shows the details of unclaimed dividends at the beginning of the year and at the end of the year:

Sr. No.	Particulars	As on March 31, 2024	As on March 31, 2025
i	Total Dividend Declared	13,017,900,000	16,875,400,000.00
ii	Unclaimed Dividend	2,857,112	20,079,719.17

Share Suspense Account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, your Company had opened an 'Unclaimed Securities Suspense Account' on behalf of the allottees who were entitled to the Equity Shares under the Initial Public Offering (IPO). Some of the Equity Shares issued during IPO could not be transferred to the respective allottees due to technical reasons. Seven (7) shareholders, who were allotted 20 shares each during IPO, could not claim their shares due to the non-submission of required documents.

The Company sent periodic reminders requesting the shareholders to provide the required documents for credit of shares and the unclaimed dividend thereon to their demat and bank account, respectively. The Company issued Bonus shares in a ratio of 1:1 in the year 2015. Pursuant to the same, the total holding of each shareholder increased to 40. The original 140 shares issued to the 7 shareholders during the IPO were transferred to IEPF upon completion of 7 years. Remaining 140 shares resulting from the Bonus Issue, were transferred to the IEPF in September 2022.

The balance in the above-mentioned Suspense Account as on March 31, 2025, is NIL.

vii. Name of Stock Exchanges where the Company is listed

The Equity Shares of the Company have been listed on the following stock exchanges on April 6, 2010

Stock Exchange Name and Address	Script Symbol/Code
BSE Limited (BSE) P. J. Towers, Dalal Street, Mumbai 400 001	533179
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	PERSISTENT

Listing fees for the Financial Year 2024-25 have been paid to both BSE and NSE. The ISIN of the Company for its shares is INE262H01021

viii. Contact details of the Company's intermediaries are as follows:

Registrar and Share Transfer Agent

MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited)

(Unit – Persistent Systems Limited)

CIN: U67190MH1999PTC118368

Block No. 202, Second Floor, Akshay Complex,
Off Dhole Patil Road, Pune 411 001.

Contact Person: Mr. Ashok Gupta

Phone: +91 (20) 2616 0084, 2616 1629

E-mail: pune@in.mpms.mufg.com • Website: <https://in.mpms.mufg.com/>

Depositories of the Company

i. National Securities Depository Limited

CIN: U74120MH2012PLC230380

SEBI Registration Number - IN-SD-NSDL-01-96

301, 3rd Floor, Naman Chambers, Plot C-32, G-Block, Bandra Kurla Complex,
Bandra East, Mumbai, Maharashtra 400 051.

Phone: +91 (22) 2499 4200 • Fax: +91 (22) 2497 6351

E-mail: info@nsdl.co.in • Website: www.nsdl.co.in

ii. Central Depository Services (India) Limited

CIN: L67120MH1997PLC112443

SEBI registration number: IN-SD-CDSL-02-98

Marathon Futurex, A-Wing, 25th floor, N. M. Joshi Marg, Lower Parel, Mumbai 400 013.

Phone: +91 (22) 2302 3333 • Fax: +91 (22) 2300 2035/2036

E-mail: investors@cdslindia.com • Website: www.cdslindia.com**ix. Details of bonus shares issued/sub-division of shares since inception are as follows:**

Financial Year	1996-97	2002-03	2007-08	2014-15
Bonus Issue	15:1	9:1	5:2	1:1

In the Financial Year 2023-24, the Board and the Shareholders approved Sub-Division / Split of One (1) Equity Share of INR 10/- (INR Ten Only) each into Two (2) Shares of INR 5/- (INR Five Only) each and the consequent amendment to the Memorandum of Association of the Company. Resultantly, the necessary corporate action was executed on April 1, 2024.

x. Legal Proceedings

There are no cases related to disputes over title to shares in which the Company was made a party to any dispute.

xi. Dematerialization of Shares and Liquidity

The Company's Equity Shares have been dematerialized with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The International Security Identification Number (ISIN) is an identification number for traded shares. This number is to be quoted in each transaction relating to the dematerialized shares of the Company. The ISIN of the Company is INE262H01021.

As on March 31, 2025, 155,115,710 Equity Shares comprising 99.53% of the Company's total shares are held in dematerialized form.

xii. Share Transfer System

Securities and Exchange Board of India, effective April 1, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat. However, investors are not barred from holding shares in physical form. We request shareholders whose shares are in physical mode to dematerialize their shares.

For shares transferred in electronic form, after confirmation of sale / purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to register the share transfer with the Company.

xiii. Distribution of Shareholding as on March 31, 2025

Shareholding No. of shares	Shareholders	Percentage of total	Total shares	Percentage of total
1 - 5,000	244,513	99.4537	12,571,790	8.0666
5,001 - 10,000	400	0.1627	2,866,895	1.8395
10,001 - 20,000	324	0.1318	4,603,270	2.9537
20,001 - 30,000	146	0.0594	3,587,258	2.3017
30,001 - 40,000	89	0.0362	3,108,998	1.9949
40,001 - 50,000	64	0.026	2,866,011	1.8390
50,001 - 100,000	146	0.0594	10,264,902	6.5864
100,001 and above	174	0.0708	115,980,876	74.4183
Total	245,856	100.00	155,850,000	100.00

xiv. Shareholding pattern as of March 31, 2025

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Equity Shares	Nominal Value of Equity Shares (in INR)	Percentage Holding
1.	Promoters	2	45,748,680	228,743,400	29.35
2.	Promoters Group	9	2,041,250	10,206,250	1.31
3.	Institutions				

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Equity Shares	Nominal Value of Equity Shares (in INR)	Percentage Holding
	a. Mutual Funds	36	33,883,034	169,415,170	21.74
	b. Financial Institutions / Banks	2	250	1,250	0.00
	c. Foreign Portfolio Investors (Corporate)	807	37,971,998	189,859,990	24.36
	d. Foreign Institutional Investors	-	-	-	-
	e. Foreign Venture Capital Investors	-	-	-	-
	f. NBFC	5	1,833	9,165	0.00
	g. Alternate Investment Funds	24	500,597	2,502,985	0.32
	h. Insurance Companies	26	7,180,471	35,902,355	4.61
	i. Central Government	2	2,824	14,120	0.00
	j. State Government / Governor	1	4,952	24,760	0.00
	k. Provident Funds/ Pension Funds	1	276,544	1,382,720	0.17
4.	Non – institutions				
	a. Bodies Corporate	1,115	715,309	35,76,545	0.46
	b. Individuals	225,852	21,447,279	107,236,395	13.76
	c. Directors/Relatives (excl. Independent Directors)	1	145,000	725,000	0.09
	d. Key Managerial Personnel	1	6,360	31,800	0.00
	e. IEPF	-	-	-	-
	f. NRI	7,751	2,623,600	13,118,000	1.68
	g. Foreign National	26	57,082	285,410	0.04
	h. Foreign Company	1	733,724	3,668,620	0.47
	i Any other				
	ii Trust	31	268,627	1,343,135	0.17
	iii Clearing Members	11	18,577	92,885	0.01
	iv Hindu Undivided Families	2,962	289,338	1,446,690	0.19
	v Limited Liability Partnership	128	643,108	3,215,540	0.41
5.	Employee Benefit Trust [under SEBI (Share Based Employee Benefit and Sweat Equity)] Regulations, 2021		1,289,563	6,447,815	0.82
	Total	238,795	155,850,000	779,250,000	100.00

The No. of Members are clubbed on the basis of PAN registered with the demat account.

xv. Shareholders (other than Promoters) holding more than 1% of the share capital as of March 31, 2025

Sr. No.	Name of Shareholder	No. of Shares	Percentage holding
1.	Motilal Oswal Midcap Fund	7,220,946	4.6333
2.	HDFC Mutual Fund - HDFC Mid-Cap Opportunities Fund	4,146,715	2.6607
3.	Kotak Emerging Equity Scheme	3,118,614	2.0010
4.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Midcap Fund	2,922,148	1.8750
5.	Nippon Life India Trustee Ltd-A/C Nippon India Growth Fund	2,912,646	1.8689
6.	UTI-Flexi Cap Fund	2,362,288	1.5157
7.	Shridhar Bhalchandra Shukla	2,202,592	1.4133
8.	HSBC Midcap Fund	2,088,055	1.3398
	Total	26,974,004	17.3077

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Equity Shares	Nominal Value of Equity Shares (in INR)	Percentage Holding
1.	Employee Benefit Trust [under SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021]	1	1,289,563	6,447,815	0.82
	Total	238,795	155,850,000	779,250,000	100.00

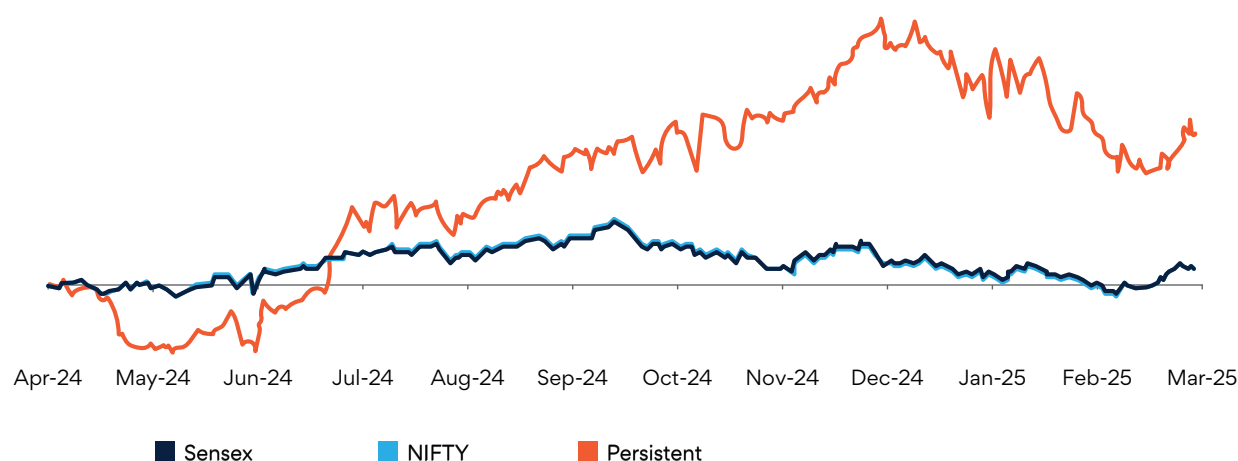
The No. of Members are clubbed on the basis of PAN registered with the demat account.

xvi. Market Price Data

The equity shares of the Company were listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) on April 6, 2010. Accordingly, the highest traded price and the lowest traded price and total volume for the period from April 1, 2024, to March 31, 2025, on a monthly basis are as below:

Month ended	BSE			NSE			Total Volume ('000)
	High (INR)	Low (INR)	Volume ('000)	High (INR)	Low (INR)	Volume ('000)	
Apr-24	4,144	3,350	487	4,085	3,316	15,077	15,564
May-24	3,799	3,258	309	3,797	3,254	9,847	10,156
Jun-24	4,279	3,233	494	4,285	3,232	13,077	13,572
Jul-24	4,962	4,227	548	4,965	4,227	15,902	16,450
Aug-24	5,264	4,350	308	5,265	4,409	9,266	9,574
Sep-24	5,588	4,776	244	5,586	5,115	8,347	8,591
Oct-24	5,766	5,079	374	5,799	5,079	11,578	11,952
Nov-24	6,045	5,300	210	6,042	5,298	7,739	7,949
Dec-24	6,789	5,850	540	6,789	5,854	9,889	10,429
Jan-25	6,521	5,448	451	6,528	5,445	15,094	15,544
Feb-25	6,316	5,147	261	6,304	5,149	8,762	9,023
Mar-25	5,700	5,035	353	5,700	4,990	11,090	11,443

Graphical presentation of movement of the Company's stock price as compared to Nifty and Sensex from April 1, 2024, to March 31, 2025, is as follows:



(Source: www.bseindia.com and www.nseindia.com)

xvii. American Depository Receipts / Global Depository Receipts/Warrants

As on March 31, 2025, the Company has no American Depository Receipts / Global Depository Receipts / Warrants or any such convertible instruments outstanding, and there is no likely impact on the Company's Equity Shares in the Financial Year 2025-26.

xviii. Plant Locations

The Company is in the software business and does not have any manufacturing plants. However, it has software development centres / offices in India and abroad. The addresses of global development centres / offices of the Company are given elsewhere in the Annual Report.

xix. Calendar for declaring the financial statements for the quarters in the Financial Year 2025-26.

Quarter Ending	Tentative dates of the Board Meetings
June 30, 2025	July 22 and 23, 2025
September 30, 2025	October 13 and 14, 2025
December 31, 2025	January 20 and 21, 2026
March 31, 2025	April 22, 23 and 24, 2026

12. CEO and CFO Certification

As required by Regulation 17(8) of Listing Regulations, [the CEO and CFO certification](#) is provided in this Annual Report.

13. Corporate Governance Handbook

The Company has proactively and voluntarily prepared the Corporate Governance Handbook encompassing a set of guidelines and policies with respect to composition of the Board of Directors and Committees of the Board, meetings of the Board of Directors and Committees of the Board, Managerial Remuneration, Code of Conduct, Whistleblower Policy, Risk Management Policy, Internal Control Procedures etc., being adhered to by the Company. The Corporate Governance Handbook is updated on an annual basis at <https://www.persistent.com/investors/corporate-governance/>

14. Ethics Policy

The Company has continued to proactively and voluntarily implement the Ethics Policy in the Company. The objective of this policy is to explain guiding principles of Persistent's Ethics (for benefit of employees and all other stakeholders like customers, vendors and investors) and to establish a framework for administration. The working of the Ethics Policy is monitored by the Ethics Committee chaired by a Senior Officer (Head – Internal Audit) nominated by the Board of Directors.

The Ethics Committee is an umbrella committee which oversees the handling of various complaints including employee grievances, prevention of insider trading cases, whistleblower cases, bribery and anti-corruption and anti-harassment cases. The Ethics Policy is uploaded on the website of the Company and can be accessed at <https://www.persistent.com/ethical-practices-at-persistent-systems/ethics-policy/>.

15. Fraud Risk Management Policy

The Company has proactively and voluntarily implemented the Fraud Risk Management Policy in the Company. The objective of this policy is to protect the brand, reputation and assets of the Company from loss or damage resulting from any incidents of fraud or misconduct by employees or other stakeholders of the Company. The Fraud Risk Management Policy is uploaded on the website of the Company and can be accessed at <https://www.persistent.com/ethical-practices-at-persistent-systems/fraud-risk-management-policy/>

16. Secretarial Standards

The Ministry of Corporate Affairs notified the Secretarial Standard on Meetings of the Board of Directors (SS-1), Secretarial Standard on General Meetings (SS-2), Secretarial Standard on Dividend (SS-3) and Secretarial Standard on Report of the Board of Directors (SS-4).

The Company complies with Secretarial Standards and guidelines issued by the Institute of Company Secretaries of India (ICSI).

17. Compliance with the Discretionary Requirements

The Company has ensured the implementation of non-mandatory items such as:

- Unmodified Audit opinions/reporting
- The Head of the Internal Audit reporting directly to the Audit Committee

18. Particulars of Total Fees paid to the Statutory Auditors

Particulars of total fees paid to the Statutory Auditors form part of the Note No. 40 of the Consolidated Financial Statements provided in this Annual Report

19. Vendor Code of Conduct

In line with the best international governance practices, the Company has prepared the Vendor Code of Conduct that must be executed by all vendors prior to providing their services to the Company. This Code is explicit about the provisions seeking favours and bribes, and requires the vendors of the Company to follow the relevant legal and regulatory compliances applicable to them while working with the Company. They must follow acceptable business conduct while doing business with or on behalf of the Company. The Vendor Code of Conduct is uploaded on the website of the Company and can be accessed at <https://www.persistent.com/investors/corporate-governance/ethical-practices-at-persistent-systems/vendor-code-of-conduct/>

20. Best Corporate Governance Practices

a. Investors Website

Pursuant to the requirements of the Act and the SEBI Listing Regulations, the Company has revamped its Investor relations website for providing all the necessary information required by the various stakeholders. Share price movement chart / data, financials of the Company and all press releases are uploaded on the website of the Company at <https://www.persistent.com/investors/> for the easy access and analysis of the investors.

b. Investor Calls

Your Company organises Investor Calls at regular intervals after the announcement of the quarterly results. In the call, the Executive Directors and the Senior Management of the Company share information about the Company's performance for the quarter and answer the investors' queries.

c. Shareholder Communication

Your Company has undertaken an initiative to voluntarily communicate the quarterly results declared at the Board Meetings to the shareholders through emails.

d. Analyst Decks and Quarterly Press Releases

In addition to the submission to Stock Exchanges, the Company also publishes all its Investor presentations and press releases on its website on a quarterly basis after declaration of the financial results in the Board Meetings

21. Other Matters

Shareholders holding shares in physical form are requested to notify to **MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)** Registrar and Share Transfer Agent about any change in their address and Bank Account details under the signature of sole / first joint holder. Beneficial owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, if any, etc., directly to their Depository Participants (DP) as the same are maintained by the respective DPs.

Non-resident shareholders are requested to notify to **MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)** at the earliest on the following:

- a. Change in their residential status on return to India for permanent establishment;
- b. Particulars of their NRE Bank Account with a bank in India, if not furnished earlier; and
- c. E-mail address, if any.

22. Nomination in Respect of Shares

Section 72 of the Act provides facility for making nominations by Members in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased Member to his/her nominee without being required to go through the process of obtaining Succession Certificates / Probate of the Will, etc. It would, therefore, be in the best interest of the Members holding shares as a sole holder to make such nomination. Members holding shares in physical mode are advised to submit form SH-13 which is available for download at <https://www.persistent.com/investors/investors-communication/notice-to-physical-shareholders/> to the Registrar and Share Transfer Agent of the Company for making the nomination. Members holding shares in demat form are advised to contact their DP for making the nominations. Members are further requested to quote their E-mail IDs, Telephone / Fax numbers for prompt reply to their communication.

Chief Executive Officer and Chief Financial Officer Certification

We, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2025 and that
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- B. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, and we have
 - i. Designed such disclosures controls and procedures or caused such internal control over financial reporting to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared
 - ii. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with the Generally Accepted Accounting Principles (GAAP) in India
 - iii. Evaluated the effectiveness of the Company's disclosure, control and procedures
 - iv. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting
- D. We have indicated to the Statutory Auditors and the Audit Committee
 - i. significant changes in internal control over financial reporting during the year
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting
 - iv. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal control over financial reporting including any corrective actions with regard to deficiencies
- E. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
- F. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

For and on behalf of the Board of Directors

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: USA
Date: June 6, 2025

Vinit Teredesai
Additional Director (Executive Member)
and Chief Financial Officer
DIN: 03293917

Place: Pune
Date: June 6, 2025

Certificate from Practicing Company Secretary on Corporate Governance

To,
The Members,
Persistent Systems Limited

We have examined the compliance of conditions of Corporate Governance by Persistent Systems Limited (hereinafter referred "the Company"), for the year ended on March 31, 2025 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & Associates**
Company Secretaries

Sridhar Mudaliar
Partner

FCS No: 6156

CP No: 2664

Peer Review No: 6357/2025

UDIN: F006156G000538523

Pune, June 6, 2025

Note: We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

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Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Persistent Systems Limited,
 'Bhageerath', 402 Senapati Bapat Road,
 Pune MH 411016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Persistent Systems Limited** (hereinafter referred to as the Company), bearing **CIN: L72300PN1990PLC056696** and having registered office at Bhageerath, 402, Senapati Bapat Road, Pune, 411016, Maharashtra, produced before us by the Company on the e-mail for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and the Ministry of Corporate Affairs or any such other Statutory Authorities.

Sr. No.	Name of Director	DIN	Original date of appointment
1.	Dr. Anand Deshpande	00005721	October 19, 1990
2.	Ms. Roshini Bakshi*	01832163	July 26, 2014
3.	Mr. Sunil Sapre^	06475949	January 27, 2018
4.	Mr. Sandeep Kalra	02506494	June 11, 2019
5.	Mr. Praveen Kadle§	00016814	April 23, 2020
6.	Ms. Avani Davda	07504739	December 28, 2021
7.	Mr. Arvind Goel	02300813	June 7, 2022
8.	Mr. Ambuj Goyal	09631525	June 7, 2022
9.	Mr. Dan'l Lewin	09631526	June 10, 2022
10.	Mr. Ajit Ranade	00918651	June 6, 2023
11.	Ms. Anjali Joshi-	10661577	June 12, 2024

Note:

*Ms. Roshini Bakshi DIN: 01832163 has ceased to be a Non-Executive, Independent Director of the Company w.e.f. July 16, 2024, upon completion of her second term of 5 (five) consecutive years as the Independent Director of the Company.

^Mr. Sunil Sapre DIN: 06475949 was re-appointed as an Executive Director of the Company w.e.f. October 1, 2024 for a period of 3 months in the Annual General Meeting held on July 16, 2024 and subsequently ceased to be Director of the Company w.e.f. December 31, 2024, on account of his superannuation.

§Mr. Praveen Kadle DIN: 00016814 was re-appointed as a Non-Executive, Independent Director of the Company for the second term of 5 (Five) consecutive years w.e.f. April 23, 2025 in the Annual General Meeting held on July 16, 2024.

-Ms. Anjali Joshi DIN: 10661577 has been appointed as an Additional Non-Executive, Independent Director of the Company w.e.f. June 12, 2024 and regularized in the Annual General Meeting held on July 16, 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SVD & Associates
Company Secretaries**

**Sridhar Mudaliar
Partner**

FCS No: 6156

CP No: 2664

Peer Review No: 6357/2025

UDIN: F006156G000538501

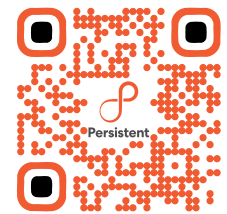
Pune, June 6, 2025

Note: We have relied on the documents and evidence provided by electronic mode, for the purpose of issuing this certificate.

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Business Responsibility and Sustainability Report

FY 2024-25

Business Responsibility and Sustainability Report FY 2024-25

Section A: General Disclosures

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L72300PN1990PLC056696
2. **Name of the Listed Entity:** Persistent Systems Limited
3. **Year of incorporation:** 1990
4. **Registered office address:** 'Bhageerath', 402 Senapati Bapat Road, Pune, Maharashtra 411 016
5. **Corporate address:** 'Bhageerath', 402 Senapati Bapat Road, Pune, Maharashtra 411 016
6. **E-mail:** corpsec@persistent.com
7. **Telephone:** +91 (20) 6703 5555
8. **Website:** www.persistent.com
9. **Financial year for which reporting is being done:** FY 2024-25 i.e., April 1, 2024, to March 31, 2025
10. **Name of the Stock Exchange(s) where shares are listed:**
BSE Limited (BSE) | National Stock Exchange of India Limited (NSE)
11. **Paid-up Capital as on March 31, 2025 is INR 77,92,50,000**
The Paid-up equity share capital as on March 31, 2025 is INR 77,92,50,000 comprising 155,850,000 Equity Shares of face value of INR 5 each
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**
Name: Mr. Amit Atre, Company Secretary & Ms. Chitra Byregowda, Head ESG
Telephone: +91 (20) 6703 5555
E-mail: investors@persistent.com or companysecretary@persistent.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).**
The BRSR report is prepared on a consolidated basis unless otherwise specified in the respective indicator. ESG indicators are disclosed based on the operational control approach, as specified in the boundaries, and in accordance with SEBI BRSR Annexure 1 and Annexure 2 guidelines.
14. **Name of assurance provider:** DNV Business Assurance India Private Limited ('DNV').
15. **Type of assurance obtained**
 - Reasonable Level of assurance for BRSR 9 Core Attributes (Ref: Annexure I of SEBI circular)
 - Limited Level of assurance for BRSR Comprehensive indicators (Ref: Annexure II of SEBI circular)

Refer to the [Independent Assurance Statement](#)

II. Products / Services

16. Details of business activities (accounting for 90% of the turnover):

Persistent Systems Limited is a trusted Digital Engineering and Enterprise Modernization partner, combining deep technical expertise and industry experience to help our clients anticipate what's next, and answer questions before they're asked. Our offerings and proven solutions create a unique competitive advantage for our clients by giving them the power to see beyond and rise above.

Please refer to the [Financial Performance](#) Section in the Annual report.

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Software and IT consulting (GICS classification – Information Technology – Software and Services)	Software enabled product engineering and designing and R&D services	95%
2	IP products (IP LED Services)	AMC, Royalty, License sale (Owned & Third party), any customization work on owned products, etc.	5%

17. Products / Services sold by the entity (accounting for 90% of the entity's Turnover)

Click for more details <https://www.persistent.com/services/>

S. No.	Products / Services	NIC Code	% of total Turnover contribute
1	Software enabled product engineering and designing and R&D services	620	95%
2	IP products	620	5%

III. Operations

18. Number of locations where plants and / or operations / offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not applicable	23	23
International	Not applicable	46	46

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	12
International (No. of Countries)	18

b. What is the contribution of exports as a percentage of the total turnover of the entity?

91%

c. A brief on types of customers

Persistent Systems Limited (BSE Script Code: 533179, NSE Symbol: 533179) is a global services and solutions Company delivering Digital Engineering and Enterprise Modernization to businesses across industries. With over 24,594 employees located in 18 countries, the Company is committed to innovation and client success. Persistent Systems Limited serves enterprise customers across various domains, including Healthcare & Life Sciences (HLS), Banking, Financial Services & Insurance (BFSI), Communications, Media & Technology (CMT), and more. The Company offers a comprehensive suite of services, including AI-enabled software engineering, product development, data and analytics, CX transformation, cloud computing, and intelligent automation. Please refer to details provided in the customer segments of the Annual Report. [Click here](#) for more details.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Employees and workers						
Employees						
S. No.	Particulars	Male			Female	
		Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)
1	Permanent (D)	22,205	15,482	69.7%	6,723	30.3%
2	Other than Permanent (E)	2,389	1,771	74.1%	618	25.9%
3	Total employees (D + E)	24,594	17,253	70.2%	7,341	29.8%

Workers - Not Applicable

Total employee count includes full-time employees (FTE), contractors, and consultants. We categorize the entire workforce under “Employees” and none as “workers.” Therefore, any information required in sections pertaining to the “Workers” category is not applicable to us.

Gender disclosure is voluntary, based on self-declaration by employees.

b. Differently abled Employees and workers:

Differently Abled Employees						
S. No.	Particulars	Male			Female	
		Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)
1	Permanent (D)	51	39	76.5%	12	23.5%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total employees (D + E)	51	39	76.5%	12	23.5%

Differently Abled Workers - Not Applicable

The numbers above are based on employees’ voluntary disclosures.

21. Participation / Inclusion / Representation of women

No. and percentage of Females			
	Total (A)	No. (B)	% (B / A)
Board of Directors	9 *	2	22.22%
Key Managerial Personnel	4	0	0%

Key Managerial Personnel (KMP) includes Chairman, Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary (CS).

* Sunil Sapre served as CFO until May 15, 2024. Vinit Teredesai was appointed as CFO on May 15, 2024.

22. Turnover rate for permanent employees and workers

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.3%	12.10%	12.9%	11.6%	11.4%	11.5%	20.7%	19.06%	19.76%

Turnover rate for permanent employees includes voluntary attrition.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
1	Persistent India Foundation, India	Subsidiary Company	100%	Yes
2	Capiot Software Private Limited, India	Subsidiary Company	100%	Yes
3	MediaAgility India Private Limited, India	Subsidiary Company	100%	Yes
4	Persistent Systems UK Limited, UK	Subsidiary Company	100%	Yes
5	Arrka Infosec Private Limited, India	Subsidiary Company	100%	Yes
6	Persistent Systems Malaysia Sdn. Bhd., Malaysia	Subsidiary Company	100%	Yes
7	Persistent Systems Pte. Ltd., Singapore	Subsidiary Company	100%	Yes
8	Persistent Systems France S.A.S., France	Subsidiary Company	100%	Yes
9	Persistent Systems Germany GmbH, Germany	Subsidiary Company	100%	Yes
10	Persistent Systems Switzerland AG, Switzerland^	Subsidiary Company^	100%	Yes
11	Persistent Systems Costa Rica Limitada^	Subsidiary Company^	100%	Yes
12	Persistent Systems S.r.l., Romania^	Subsidiary Company	100%	Yes
13	Persistent Systems Inc.,z USA	Subsidiary Company	100%	Yes
14	Aepona Group Limited, Ireland*	Subsidiary Company*	100%	Yes
15	Persistent Systems Lanka (Private) Limited, Sri Lanka~	Subsidiary Company~	100%	Yes
16	Persistent Systems Poland spolka z.o.o., Poland*	Subsidiary Company*	100%	Yes
17	Starfish Associates, LLC, USA*	Subsidiary Company*	100%	Yes
18	Persistent Systems Israel Ltd., Israel*	Subsidiary Company*	100%	Yes
19	Persistent Systems Mexico S.A. de C.V., Mexico*	Subsidiary Company*	100%	Yes
20	Persistent Systems Australia Pty. Ltd., Australia*	Subsidiary Company*	100%	Yes
21	Persistent Telecom Solutions Inc., USA*	Subsidiary Company*	100%	Yes
22	MediaAgility Inc., USA*	Subsidiary Company*	100%	Yes
23	MediaAgility Pte. Ltd., Singapore**	Subsidiary Company**	100%	Yes
24	MediaAgility UK Ltd., UK**	Subsidiary Company**	100%	Yes
25	Digitalagility S de RL de CV, Mexico**	Subsidiary Company**	100%	Yes

(*) Subsidiary of Persistent Systems, Inc. and Step-down subsidiary of Persistent Systems Limited, India.

(^) Subsidiary of Persistent Systems Germany GmbH, Germany and Step-down subsidiary of Persistent Systems Limited, India.

(~) Subsidiary of Aepona Group Limited, Ireland and Step-down subsidiary of Persistent Systems Limited, India.

(**) A subsidiary of MediaAgility Inc. USA, Step down subsidiary of Persistent Systems Inc., and Ultimate Parent Company being Persistent Systems Limited.

Refer to <https://www.persistent.com/investors/corporate-governance/subsidiaries/>

VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes

ii. Turnover in INR 117,280.21 Million

iii. Net worth in INR 59,740.08 Million

VII. Transparency and Disclosures Compliances

25. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, The Company has a strong Whistleblower Policy in place and has also established a Toll-free Whistleblower Helpline Numbers: India: 18002100165 USA: 18336058476 Online Complaints may be sent to the Whistleblower Administrator on the following E-mail ID: whistleblower@persistent.com. The Whistleblower policy is available at: Whistleblower Policy Persistent Systems. The CSR team also engages with beneficiaries through stakeholder mechanisms to address issues on an ongoing basis.	0	0	None	0	0	All stakeholders of the Company are encouraged to report either orally or in writing to the Whistleblower Administrator, evidence(s) the Company, departments or Employee(s) that may constitute Improper Activities affecting the business or reputation of the Company. Corporate Governance Report contains details of Investor Complaints. Please refer to the 'Investors' Grievances' section of the Corporate Governance Report
Investors (other than shareholders)	Yes, Investors can raise grievances through the whistleblower system mentioned above and write to investors@persistent.com	0	0		0	0	
Shareholders*	Yes, Shareholders can raise grievances through the whistleblower system mentioned above	2	0		1	0	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, Employees can raise grievances internally through the Global Help Desk, as well as through the whistleblower system mentioned above	37	0		33**	0	
Customers	Yes, Customers can raise grievances through the whistleblower system mentioned above	0	0		0	0	
Value Chain Partners	Yes, Value Chain partners can raise grievances through the whistleblower system mentioned above	5	0		0	0	
Other (please specify)	Not applicable	Not applicable			Not applicable		

*During FY 2024-25, we received a total of 91 other requests from shareholders, while during FY 2023-24, we received a total of 67 other requests. All the requests were resolved. Refer to the [Corporate Governance section of Annual Report](#).

** Revising FY 2023-24 numbers due to previous year's reporting error.

26. Overview of the entity’s material responsible business conduct issues

We have integrated our materiality assessment into the Enterprise Risk Management (ERM) process to identify, assess, and mitigate ESG-related risks and opportunities. This strengthens our commitment to sustainable and responsible business practices.

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Cyber-Attack and Hacking Risk	<ul style="list-style-type: none"> External attacks, malware, compromised credentials, Business email compromise via phishing and other cyber security risks may result in data loss and loss of reputation 	Risk	<ul style="list-style-type: none"> Robust Information Security Management System (ISMS) centered around comprehensive Information Security policies based on industry best practices and leading security frameworks, with a continuous reinforcement of security controls to ensure the confidentiality, integrity, and availability of information assets Multi-layered governance process with executive and Board oversight Certifications such as ISO 27001, ISO 27017, ISO 27018, ISO 27701, and SOC 2 Type II attestations to demonstrate our commitment to cybersecurity Continued investment and deployment of state-of-the-art technologies such as Zero Trust, Advanced endpoint protection solution, Dark / Deep web monitoring, etc., to secure corporate infra, data & applications Access controls including Multi Factor Authentication for secure access to enterprise applications / network, special handling of privileged administrator accounts, rigorous access management on all cloud deployments Mandatory training and adequate awareness measures across employee life cycle ensure a strong human firewall Implementation of enhanced Data Leakage prevention platform to protect critical data Encryption of data, data back-up and recovery mechanisms for ensuring business continuity aligned to ISO 22301:2019 Established threat intelligence, security monitoring and incident response processes to detect and respond to cybersecurity threats and incidents coordinated through a 24x7 Security Operations Center Internal and external audits and red teaming to validate effectiveness of controls 	Negative

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Data Privacy Risk	<ul style="list-style-type: none"> Persistent Systems Limited operates globally, hence needs to be compliant with the data privacy laws across countries where we operate Unauthorized use or disclosure of employee or Company or customer data may lead to either breach of customer contract or fines / penalties from regulators and / or damage to the company's reputation 	Risk	<ul style="list-style-type: none"> Robust Privacy Information Management System (PIMS) to safeguard personal data and ensure compliance with applicable legal, regulatory, and contractual obligations pertaining to data privacy and protection Global privacy policy covering all geographies, all areas of operations, and stakeholders Data Loss Protection (DLP), Data Classification and Data Encryption technologies are deployed to protect personal information Access controls including Multi Factor Authentication, Privileged administrator account management tools are deployed. All access provisioning is on a need-to-know basis and access reviews are performed on a regular basis Dedicated Data Protection Officer and Privacy Team Continuous strengthening of global privacy program through monitoring of regulatory mandates, revalidation of existing frameworks, policies and processes and ensuring applicability to customer contracts Technical and organization measures such as PII Inventories, Privacy Impact Assessment, Incident Management Procedures and Systems, Breach Notification Management, Data Subject Rights Request Management, etc. Development of products & applications, including change in processing of personal data go through appropriate privacy assessments and approval Vendors and third parties subjected to due diligence, contracted with appropriate privacy obligations Mandatory training on data protection, Privacy by Design, and global privacy regulations. Continuous awareness campaigns through blog posts, email broadcasts, and online events Periodic reviews and audits by an independent audit firm to verify compliance to obligations in addition to internal audits across the ecosystem Certified under ISO 27701:2019 – Privacy Information Management System, ISO 27018:2014 – Securing Personal Data in Cloud and SOC 2 Type 2 Attestation 	Negative

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Foreign Exchange Risk	<ul style="list-style-type: none"> The Company operates in the global environment and has maximum business from US geography hence Currency fluctuation is a major risk. 	Risk	<ul style="list-style-type: none"> Net foreign exchange earnings are hedged on 12 months rolling basis to cover 45% to 70% of net open positions Guidance from the Board members is obtained every quarter regarding hedging quantum Close monitoring of exchange rate movement is done 	Negative
4.	Geo-Political and Macro-Economic Risk	<ul style="list-style-type: none"> Changing geo-political landscape in multiple regions (war scenarios in Middle-East and Ukraine / Russia), Macroeconomic uncertainty around interest rate cuts may impact customer discretionary spends, leading to potential impact on opportunities. 	Risk	<ul style="list-style-type: none"> Conduct "Country Risk Assessments" based on PESTEL Framework Engaged with geo-political consultants to get insights on the changing geopolitical landscape Monitoring and reporting of geo-political risks to the RMC of the Board Geo-Diversification for growth planned via Europe and other geographies Enhanced focus on customer connects and relationships Persistent Systems Limited is ISO 22301 certified and regular BCP testing is performed 	Negative
5.	Credit Risk	<ul style="list-style-type: none"> Delay in collection of customer dues as a result of the global economic situation 	Risk	<ul style="list-style-type: none"> The Company has adopted an effective receivables management system to monitor and control the outstanding receivables Credit Risk is managed through policies, procedures, and controls as a part of customer credit risk assessment The Company has adopted an expected credit loss model, based on the profile of the customer and aging pattern to assess the impairment loss or gain on trade receivables 	Negative

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Talent Demand and Employee Attrition Risk	<ul style="list-style-type: none"> Market forces – After the great resignation phase post-COVID, the talent market has stabilized over the past year. However, there is a slight uptick in voluntary attrition. The demand for emerging technologies remains high, with AI reshaping the talent landscape. Specialized digital skills command substantially higher, differentiated compensation, impacting talent hiring and retention. Our high-demand skill capabilities make our trained talent pool susceptible to headhunting and competitive offers Employee preferences – Hybrid working seems to be the employee’s preference. 	Risk	<ul style="list-style-type: none"> Employee Grooming and Upskilling – Focus on employee development and upskilling, enabling them to build their careers has been a part of the ‘Persistent way’ of working. Persistent University offers an excellent platform for employee to acquire skills, stay relevant and enhance their skills and competencies. Persistent Systems Limited invests in up-skilling of its associates in new age digital technologies and runs Persistent’s Digital Engineering Academy (PDEA). PDEA runs upskilling programs in Cloud, Data, Gen AI, etc. Employee engagement and all-round wellbeing – All-round wellbeing of our employee has been central to our employee engagement approach, which covers physical, financial, and psychological wellbeing. We conduct regular surveys to seek input from the employees on various aspects of their work to understand their engagement and expectations. Input thus received is processed to make necessary improvements in processes and policies Employee Experience - We will continue to focus on elevating employee experience through a ‘Do It Yourself’ approach through simplified processes and tools. This will help to enhance employee engagement and productivity Persistent brand – our consistent growth over the last several quarters, scale of operations, geographical presence, and initiatives such as GWR (Guinness World Records) has been helping us continue to position Persistent Systems Limited as a leading brand in the industry. We continue to invest in branding initiatives Inclusive Workplace - Persistent Systems Limited provides a diverse and inclusive workplace which promotes creativity, diversity, inclusivity, and enhanced work culture 	Negative

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Global Regulatory Risk (Emerging Risk)	<ul style="list-style-type: none"> Risk of non-compliance with existing statutory regulations, new regulations, or amendments to existing regulations (e.g., immigration, payroll and social security, taxation, employment laws, data privacy laws, etc.) where the Company operates globally, may have an impact. Persistent Systems Limited operates globally in major markets and industries. There is an inherent risk of non-compliance with the ever-evolving legal landscape resulting in frequent legal updates and changes in regulatory requirements / disclosures (including regulations related to ESG, ethical, and hygiene practices) that are applicable to our business. 	Risk	<ul style="list-style-type: none"> The Company uses a professional Compliance Manager Tool to report and monitor the regulatory compliances applicable to the Company The Company also updates the Tool on ongoing basis with the amendments in the existing regulations and inclusion of newly introduced legislations, if any A framework is in place to assess the correctness of the compliances which have been reported in the Tool The Compliance status is placed before the Audit Committee of the Board of Directors and the Board of Directors of the Company in their meetings at frequent intervals The Company has also appointed the local consultants in various geographies to advise and help the Company to the ensure the compliances in respective geographies The Company has a dedicated ESG function for the oversight of any ESG related regulatory compliance changes Company has been certified in ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System 	Negative
			Opportunity	<ul style="list-style-type: none"> Provide services to customers to enable them to meet their ESG related requirements 	Positive

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	GenAI Risk (Emerging Risk)	<ul style="list-style-type: none"> PSL recognizes the risks associated with GenAI, which includes potential data privacy and cyber security vulnerabilities, intellectual property challenges related to AI-generated content, biased outputs, accuracy, and reliability concerns with AI-generated information, the evolving regulatory landscape adds a risk of non-compliance 	Risk	<ul style="list-style-type: none"> Emphasizing self-regulation and adherence to Responsible AI principles Risk-based approach for reducing risks associated with usage, and build an effective policy over time to govern the usage of AI Responsible AI Council to oversee and direct usage norms Keeping a human-in-the-loop system to review AI generated data Ensuring clarity on the terms of use and liability in AI deployment policies Continue to provide a secured private instance and safe environments for accessing Generative AI applications Raise awareness among employees in responsible use of GenAI tools, from validation of outputs to refraining from using materials that could be subject to copyright Ongoing monitoring of regulatory changes Development of AI management system leading to ISO 42001 certification in FY26 to manage associated risks and entire lifecycle of AI 	Negative
			Opportunity	<ul style="list-style-type: none"> AI for Tech: Launch of a fully integrated end-to-end solution (SASVA 2.0) from ideation to post-deployment operations for businesses across industries to drive innovation, enhance customer experiences and productivity gains AI for Business: Engaged with multiple customers on GenAI opportunities 	Positive

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Sustainability Risk - Climate change	<ul style="list-style-type: none"> Climate change is affecting the frequency and severity of certain extreme weather events, including heat waves, cold waves, tornadoes, tropical cyclones, floods, seasonal diseases, epidemics, and pandemics. Extreme weather events can pose risks to human safety and business operations. Customers appreciate vendors committed to helping them achieve sustainability goals Ignoring environmental regulations can lead to legal issues and hinder best practices. 	Risk	<ul style="list-style-type: none"> The Company’s facilities across India are ISO 14001:2015 certified by external third parties The Company has distributed operations, enabled remote working, focused on agile delivery, and periodically tested business continuity plans Delivery centres are designed to withstand extreme weather events Employee awareness around conservation of resources is built to strengthen business resilience and align resources with the Company The CISO of the Company and the team ensures implementation of business continuity at project, customer, region, location, function level and run internal audit checks to verify the implementation of the controls Persistent Systems Limited is certified- ISO 27001 for information security and ISO 22301 for business continuity We continuously invest in R&D to enhance existing and develop new solutions that boost our clients’ efficiency, generating positive environmental and social impact Recognizing the growing importance of ESG goals, we’re actively exploring ways to integrate them even deeper into our future offerings Our climate action goals include: <ul style="list-style-type: none"> * Maintain Carbon Neutrality for Scope 1 and Scope 2 emissions every year * Sourcing of 100% Renewable energy across owned locations by FY2026 * Achieve Net-zero greenhouse gas emissions across the value chain by FY2050 The progress on above goals is shared biannually with the SRC and ESG committee of the Board for review and guidance The organization focuses on reducing its carbon footprint by promoting environmental sustainability. Its initiatives include tree planting, which contributes to carbon sequestration and air quality improvement efforts Persistent Systems Limited is committed to driving renewable energy adoption, optimizing energy use, and working with communities to address climate change Publishing the ESG and BRSR annual report fulfils regulatory reporting requirements and transparently communicates our progress on ESG goals to our stakeholders Crisis Management framework development in FY26 which includes Early Warning Systems for efficient monitoring and communications 	Negative
			Opportunity	<ul style="list-style-type: none"> Proactive Climate risk assessment ensures we are equipped to deal with adversities Focus on using technology that supports low carbon emissions and reduce carbon footprint 	Positive

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Water Scarcity Risk	<ul style="list-style-type: none"> Water conservation is essential for the sustainability of our planet. Declining groundwater levels and altered rainfall patterns pose significant risks, potentially leading to a global water crisis. 	Risk	<ul style="list-style-type: none"> Water resource analysis has been conducted for all global locations and categorized according to the 'Aqueduct Water Risk Atlas' Vulnerability identification and location-specific mitigation plans have been implemented to monitor water consumption Conservation and efficiency measures are enforced through operational control and all owned facilities are equipped with rainwater harvesting systems to recharge groundwater Groundwater sources are considered a last resort Frequent awareness sessions on sustainable water management are conducted We engage in CSR activities, such as integrated watershed development programs and the provision of open wells for drinking water, to raise awareness and support community development 	Negative
			Opportunity	<ul style="list-style-type: none"> Proactive ESG measures and CSR initiatives taken by Persistent Systems Limited strengthen its brand, thus making it attractive to organizations seeking an IT Services partner with a shared vision. Additionally, it also helps attract and retain younger talent 	Positive

S. No.	Material issue identified	Rationale for identifying the risk / opportunity	Indicate whether risk or opportunity (R / O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11.	Energy Demand Risk (Emerging Risk)	<ul style="list-style-type: none"> The development of emerging technologies and AI may result in increased global energy consumption, which could lead to higher carbon emissions. 	Risk	<ul style="list-style-type: none"> Our climate action goals include: <ul style="list-style-type: none"> * Maintain Carbon Neutrality for Scope 1 and Scope 2 emissions every year * Sourcing of 100% Renewable energy across owned locations by FY2026 * Achieve Net-zero greenhouse gas emissions across the value chain by FY2050 The Company has made significant strides in renewable energy adoption and resource management by enhancing energy efficiency through investments in renewable energy and the development of energy-efficient infrastructure, certified by the Indian Green Building Council (IGBC) and Leadership in Energy and Environmental Design (LEED) Decarbonization roadmap with strategies aligned with SBTi guidelines to achieve emission reductions All owned campuses are equipped with rooftop solar generation and connected to 2 windmills via open access, additionally the Company purchases renewable energy through Green Tariff's from DISCOM's Continuous improvement to monitor and evaluate the environmental performance of new technology, identify areas for enhancement, and implement corrective measures as part of an ongoing process Green procurement policy enabling buyers to evaluate the suppliers based on emissions from Purchase of goods and services 	Negative
			Opportunity	<ul style="list-style-type: none"> As corporations strive to reduce carbon footprints and focus on environment friendly products and services, it also opens up new business opportunities for Persistent Systems Limited to provide technology-led solutions and services to these organizations We help our customers to migrate their workloads from data centres to the cloud, thus reducing their carbon footprints 	Positive

Please refer to [Risk Management section of Annual Report](#) for further information related to Risk Management

Section B: Management and Process Disclosures

Principle	Description
Principle 1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3	Businesses should promote the wellbeing of all employees.
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Business should respect, protect, and make efforts to restore the environment.
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Sr. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Policy and management processes a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	Refer to our Code of Conduct Ethics Policy Whistleblower Policy Anti-Corruption & Anti-Bribery Group Tax Policy	Refer to our Vendor Code of Conduct EHS policy Code of Conduct ESG Policy	Refer to our EHS policy Anti-Harassment Policy Anti-Human Trafficking policy ESG Policy Human Rights Policy Code of Conduct	Refer to our CSR Policy Related Party Transactions Policy Policy for Determination of Materiality of Event / Information Dividend distribution Policy Fair disclosure code Code of Conduct Whistleblower Policy Vendor Code of Conduct Diversity and Inclusion Policy	Refer to our Anti-Human Trafficking policy Diversity and Inclusion Policy Human Rights Policy	Refer to our EHS policy ESG Policy Vendor Code of Conduct	Refer to our Code of Conduct Anti-Corruption & Antibribery Policy Lobbying Policy	Refer to our CSR Policy Vendor Code of Conduct ESG Policy	Refer to our Code of Conduct Privacy Policy Information Security Policy Anti-Corruption & Antibribery Policy
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	GRI standard, UNGC, principles, UN SDGs Principles of Corporate Governance	GRI standard, ISO 45001:2018, ISO 14001:2015, ISO 9001:2015, ISO 13485:2016, CMMI for Dev2.0 Maturity Level 5	GRI standard, UNGC principles ISO 9001:2015	GRI standard, ISO 9001:2015	GRI standard, Principles of Corporate Governance ILO, UNGC principles	ISO 14001:2015, ISO 45001:2018, Carbon Neutrality certification ISO14068, ISO 14068-1:2023, LEED certification, SBTi Net Zero commitment, UNGC principles	Principles of Corporate Governance, UNGC principles	GRI standard, CSR disclosures pursuant to Section 135 of the Companies Act, 2013, UN SDGs	GRI Standards, ISO 27001

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

Our ESG vision is guided by structured goals, actionable targets, and defined timelines that demonstrate our commitment to driving sustainable and responsible impact aligned with Persistent Systems Limited global objectives.

Environmental Goals

Climate Action

- Maintain carbon neutrality across Scope 1 and Scope 2 emissions annually
- To source 100% of electricity from renewable energy for all owned facilities by FY 2026
- Reduce absolute GHG emissions of Scope 1 & 2 by 54.6% and Scope 3 by 54.6% by FY2034 from a FY2024 base year
- Achieve Net-zero greenhouse gas emissions across the value chain by FY 2050

Water Stewardship

- Reduce 5% freshwater consumption and achieve 100% wastewater recycling in owned campuses Year on Year (YoY)

Waste Management

- Reduce waste sent to landfill at owned campuses and achieve a 90% recycling Year on Year (YoY)

Social Goals

Inclusive Workforce

- Aim for 35% gender diversity by FY2030
- Include people of all genders, ethnicities, sexual preferences, religions and specially abled persons in our diverse workplaces.
- Maintain zero workplace accident Year on Year (YoY)

Employee Health and Safety

- Ensure work-life harmony to achieve professional and personal goals
- Implement holistic well-being initiatives focusing on physical, social, financial, and emotional health

Value Chain Sustainability

- Value chain disclosure for partners constituting 2% or more of purchases and sales (up to a total of 75%) by FY2026

Sustainable Livelihood

- Touch 55,000 plus lives to deliver high-impact programs in Education, Health care, Community Development and Preservation of heritage and wildlife by FY2026

Attract and Nurture Talent

- Achieve learning coverage of 92% Year on Year (YoY)
- Nurture long-term employees to get them ready for senior management roles
- Ensure a healthy mix of internal and external talent

Governance Goals:

- 100% Training in Code of Conduct
- Zero tolerance for unethical and non-compliant behavior
- To be recognized as industry leader in information security and cloud practices
- Use information governance to effectively manage data privacy and security-related risks
- Protect Human rights of all employees across all locations Practice “One Persistent, One Family”

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same.

We are steadily advancing toward our ESG goals, guided by a clear vision and measurable actions. Our progress reflects our commitment to creating long-term value for all stakeholders—people, planet, and partners.

ESG Goals	Progress FY 2024-25
Environmental Goals	
Climate Action Goals	
Maintain carbon neutrality across Scope 1 and Scope 2 emissions annually	Achieved Carbon Neutrality across Scope 1 and Scope 2 emissions
To source 100% of electricity from renewable energy for all owned facilities by FY 2026	<ul style="list-style-type: none"> 62.79% Renewable energy consumed within our owned facilities in India 56.83% Renewable energy consumed across Global locations
Reduce absolute scope 1 and 2, 3 emissions by 54.6% by FY2034 from a FY2024 base year (as per SBTi approved targets)	<ul style="list-style-type: none"> 53.4% of Scope 1, 2 & 3 emissions reduced from FY2024 35,795 trees planted, 156,830 Cumulative total trees
Achieve Net-zero greenhouse gas emissions across the value chain by FY 2050	Net-Zero Targets approved by SBTi in Dec 2024
Water Stewardship Goals	
Reduce 5% freshwater consumption and achieve 100% wastewater recycling in owned campuses Year on Year (YoY)	<ul style="list-style-type: none"> 11.69% of water consumption reduced from FY2024 baseline 35% of treated wastewater in owned campuses is used within our facilities 100% Wastewater recycling in owned campuses (India locations)
Waste Management Goals	
Reduce waste sent to landfill at owned campuses and achieve a 90% recycling Year on Year (YoY)	99% recycling of waste
Social Goals	
Inclusive workforce	
Aim for 35% gender diversity by FY2030	<ul style="list-style-type: none"> 29.85% Women in workforce 2.74% Women in leadership roles
Include people of all genders, ethnicities, sexual preferences, religions and specially abled persons in our diverse workplaces	<ul style="list-style-type: none"> 51 Specially abled people 59 Nationalities
Employee Health and Safety	
Maintain zero workplace accidents Year on Year (YoY)	Zero Accidents
Ensure work-life harmony to achieve professional and personal goals	461 Events around fitness, health, women in tech and work-life balance
Implement holistic well-being initiatives focusing on physical, social, financial, and emotional health	98,116 participants took part in Well-being initiatives
Value Chain Sustainability	
Value chain disclosure for partners constituting 2% or more of purchases and sales (up to a total of 75%) by FY2026	The value chain reporting process has been established
Sustainable Livelihood	
Touch 55,000 plus lives to deliver high-impact programs in Education, Health care, Community Development and Preservation of heritage and wildlife by FY2026	<ul style="list-style-type: none"> 52,451 Lives impacted through CSR programs 9,577 Volunteers participated in ISR activities 11,507 Hours of volunteering in ISR activities
Attract and Nurture Talent	
Achieve learning coverage of 92% Year on Year (YoY)	94.2% Learning coverage
Nurture long-term employees to get them ready for senior management roles Ensure a healthy mix of internal and external talent	63% positions for leadership roles fulfilled internally

ESG Goals	Progress FY 2024-25
Governance Goals	
100% Training in Code of Conduct	97% Code of Conduct training
Zero tolerance for unethical and non-compliant behavior	
To be recognized as industry leader in information security and cloud practices	<ul style="list-style-type: none"> • A (9.8) Risk Recon • 790 (Advanced) Bitsight • A (99) Security Scorecard • ISO 27001 & SOC2 Type II Certifications
Use information governance to effectively manage data privacy and security-related risks	Zero data breaches reported
Protect Human rights of all employees across all locations Practice "One Persistent, One Family"	Ethical practices, policies, systems, and procedures audited

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements.

[FY 2024-25 ESG Report](#) - Page number 12 to 21 Chairman and CEO Message, and leadership statements highlighting ESG targets and progress.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Name of highest authority Dr. Anand Suresh Deshpande
 Designation Chairman and Managing Director
 DIN 00005721

9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, [The Stakeholder relationship and ESG Committee of the Board](#) oversees our commitment to environmental sustainability, social responsibility, and strong governance practices.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow up action	Yes, Key functional heads and senior management evaluate policies annually. Once approved by the Board of Directors, the revised policies are communicated to relevant stakeholders through various channels. The following committees reviews the performance against the policies mentioned in Section B. <ul style="list-style-type: none"> • Stakeholders Relationship and ESG Committee • Risk Management Committee • CSR Committee • Audit Committee 								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	We comply with all applicable laws of the land at every location where we are present. Refer to Corporate Governance Report .								

Subject for Review	Frequency (Annually / Half yearly / Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Quarterly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Quarterly								

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
<p>Yes, independent assessment of our policies has been carried out by an external agency, Ernst and Young LLP. Additionally, external third parties review and audit all Company policies during management systems audits such as</p> <ul style="list-style-type: none"> • ISO 14001 • ISO 45001 • ISO 14068 • ISO 27001 • ISO 9001 • SOC2 • BRSR assurance • LEED certification • Cyber Security and Data privacy audits <p>Throughout the audit or assessment process, the auditing team evaluates the effectiveness of the company’s relevant policies by reviewing our components, procedures, action plans, and related elements.</p>								

12.If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not applicable, as our policies comprehensively address all the relevant principles

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmed
Board of Directors	1	Annual code of conduct declaration by BOD and KMP: The <u>Code of Conduct (COC)</u> is a Policy of the Company which is circulated annually to all Directors and Employees as an annual declaration taken from the Directors	100%
Key Managerial Personnel	3	Familiarization programs: Every Quarter, the Board receives familiarization programs on topics like Risk management, Geo-Political risks, Various amendments to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	100%
Employees other than BoD and KMPs	4	Annual Code of Conduct modules Annual Policies Compliance: The Persistent Systems Limited group is committed to following the highest standards of business conduct, integrity, responsibility, and ethics across its global locations. As a part of the compliance and awareness program at Persistent Systems Limited, all employees are required to go through the online module on the following and provide a sign off: <ul style="list-style-type: none"> Code of Conduct Modern Slavery & Human trafficking Safe Workplace Human Rights including Health and Safety 	97%*

*Our goal is to achieve 100% Code of Conduct training coverage. We are implementing several system-level checks to ensure a higher completion rate.

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

None, we comply with all applicable laws of the land we operate in.

During FY2024-25, the Company, including its Directors and Key Managerial Personnel (KMPs), did not incur any monetary or non-monetary fines, penalties, punishments, awards, compounding fees, or settlement amounts in any proceedings with regulators, law enforcement agencies, or judicial bodies for violations of the NGRBC principles.

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine			Nil		
Settlement			Nil		
Compounding fee			Nil		
Imprisonment			Nil		
Punishment			Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies / judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The Persistent Systems Limited Group is committed to the prevention of corrupt business practices such as fraud and bribery. This is in alignment with Persistent Group's principles to conduct its business activities with honesty, integrity and with the highest ethical standards across its global locations. It also enforces its business practice, of not engaging / being part of or supporting corrupt business practices in any form. Please refer to [Anti-Corruption & Anti-bribery Policy](#)

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2024-25	FY 2023-24
Directors	0	0
KMP's	0	0
Employees	0	0

No disciplinary action has been taken by any law enforcement agency for charges of bribery or corruption against directors, KMP, employees, or workers that have come to our attention.

6. Details of complaints with regard to conflict of interest:

No Complaints received during the FY 2024-25

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest

Not Applicable - No Complaints received during the FY 2024-25

8. Number of days of accounts payables (Accounts payable *365) / Cost of goods / services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	32 days	36 days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	None	None
	b. Number of trading houses where purchases are made from	None	None
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	None	None
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	None	None
	b. Number of dealers / distributors to whom sales are made	None	None
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	None	None
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	None	None
	b. Sales (Sales to related parties / Total Sales)	None	None
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	None	None
	d. Investments (Investments in related parties / Total Investments made)	None	None

The details in the above table has been computed based on consolidated financial statements of the Company.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
6	<ol style="list-style-type: none"> 1. ESG Overview 2. BRSR Core requirements for value chain reporting 3. Carbon accounting and Scope1, 2 and 3 Reporting 4. Responsible supply chain 5. Environmental, Social and Governance principles such as Ethics and compliance 6. Environmental, health and safety topics 	Supply chain partners who contribute to 75% of Persistent Systems Limited spending were covered under the ESG awareness programs conducted once in 2 years.

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board?

(Yes / No) If yes, provide details of the same.

Yes

The Company receives an annual declaration (or as per the frequency defined) from its Board members.

Refer to [Corporate Governance](#) section within the Annual Report.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

We firmly believe in conducting affairs with the highest level of integrity and fairness. Our Vendor Code of Conduct ensures all Persistent Systems Limited Vendors shall conduct their business activities in full compliance with the applicable laws and regulations of their respective countries and in respect of their transactions while conducting business.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	We continuously invest in R&D to enhance existing and develop new solutions that boost our clients' efficiency, generating positive environmental and social impact Recognizing the growing importance of ESG goals, we're actively exploring ways to integrate them even deeper into our future offerings		
Capex	2.54%	1.64%	Capital investments in LEED infrastructure, renewable energy, LED light fixtures, air conditioning equipment, energy efficiency upgrades, UPS enhancements, water-saving devices, and purchase of Electrical Vehicles all contribute to reducing CO2e emissions from our operations.

2. **Details on Sustainable Sourcing**

a. Does the entity have procedures in place for sustainable sourcing?

Yes, at Persistent Systems Limited, we are committed to green procurement, integrating environmental sustainability into our supply chain practices. We prioritize sourcing materials, products, and services that minimize environmental impact, enhance resource efficiency, and align with sustainable development goals. We encourage our vendors to adopt eco-friendly practices, including responsible sourcing, waste reduction, and energy efficient operations. Before the award of contracts we assess Environmental & Social impacts of the product and services procured at Persistent Systems Limited. Our contracts with suppliers include the integration of social and environmental clauses. Beyond sustainability, we recognize the importance of supporting local economies and fostering inclusive growth through responsible procurement. We actively engage with local suppliers, including Micro, Small, and Medium Enterprises (MSMEs), across key operational locations, ensuring a significant portion of our procurement budget is directed toward locally sourced products and services.

By fostering partnerships with regional vendors and MSMEs, we contribute to economic stability, job creation, and industrial development, strengthening community relations while enhancing supply chain resilience. Our procurement strategy emphasizes sustainability, ethical business practices, and equitable opportunities for small businesses, reinforcing our commitment to long-term regional growth. Through transparent reporting and adherence to global standards, we continuously assess and optimize our spending on local and MSME suppliers to maximize positive economic and social impact

b. If yes, what percentage of inputs were sourced sustainably?

We collaborate with suppliers to source 100% eco-certified furniture for new projects, ensuring green purchasing options. Refer [Vendor code of conduct policy](#).

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) other waste.**

Persistent Systems Limited is a software and IT consulting organization that does not manufacture any products. The waste generated from our facility operations is meticulously recycled and disposed of in compliance with applicable laws and regulations.

Refer to Waste management initiatives detailed in [FY 2024-25 ESG Report](#)

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

Persistent Systems Limited is a software and IT consulting organization that does not manufacture any products.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.

NIC Code	Name of Product / Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public (Yes / No)
Not Applicable					

- If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk/concern	Action Taken
Not Applicable		

Persistent Systems Limited is a software and IT consulting organization that does not manufacture any products. Life Cycle Assessments (LCA) do not apply to our services. Our service offerings pose no social or environmental risks.

- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY2024-25 Current Financial Year	FY2023-24 Previous Financial Year
	Not Applicable	Not Applicable

Persistent Systems Limited is a software and IT consulting organization that does not manufacture any products. The waste generated from our facility operations is meticulously recycled and disposed of in compliance with applicable laws and regulations. All electronic waste is recycled through an approved pollution control board recycler, and we recycle 100% of e-waste.

- Of the products and packaging reclaimed at end of life of products, amount (in metric tones) reused, recycled, and safely disposed, as per the following format:

	FY2024-25 Current Financial Year			FY2023-24 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable			Not Applicable		
E - waste						
Hazardous waste						
Other waste						

Persistent Systems Limited is a software and IT consulting organization that does not manufacture any products. The waste generated from our facility operations is meticulously recycled and disposed of in compliance with applicable laws and regulations.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable.	
Persistent Systems Limited is a software and IT consulting organization that does not manufacture any products.	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

We prioritize our people's well-being by providing a safe, secure, and healthy workplace. Our Environmental Health & Safety (EHS) Policy ensures regular safety training and necessary support. We aim to nurture physical and mental well-being, ensuring the health and safety of our associates while protecting community interests.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities**	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees*											
Male	15,482	15,482	100%	15,482	100%	NA	NA	15,482	100%	15,482	100%
Female	6,723	6,723	100%	6,723	100%	6,723	100%	NA	NA	6,723	100%
Total	22,205	22,205	100%	22,205	100%	6,723	100%	15,482	100%	22,205	100%

Other than Permanent employees. Our contractor employees are governed by their respective direct employers and are required to adhere to the necessary statutory compliance. Persistent Systems continuously monitors and tracks the adherence of our contractors to applicable local laws. We ensure that our contractors comply with all statutory requirements in the locations where they operate.

* The above table includes benefits offered to Permanent employees across global location

- In few countries, accident insurance is a voluntary cover or part of social security.
- In countries where group insurance cover is not applicable, reimbursement model applies.

** Persistent Systems Limited has location-wise tie-ups with third-party day care centres that all employees can avail. We provide a hybrid work environment to help employees with childcare.

b. Details of measures for the well-being of workers:

Not Applicable

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Indicate input material	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	1.72% *	1.91%

*The year on year decrease in well-being spend between FY 2023-24 and FY 2024-25 is primarily due to a one-time gift issued in the previous year, which led to a higher baseline.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y / N / NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Not Applicable	Yes	99.64%	Not Applicable	Yes
Gratuity	100 %		Yes	100%		Yes
ESI	0.72%		Yes	0.45%		Yes
Superannuation	3.46%		Yes	3.90%		Yes
National Pension Scheme	4.54%		Yes	3.40%		Yes

- Above table is specific to India Locations
- ESI is provided to non-permanent employees. 100% eligible employees are being covered under the ESI scheme.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, Accessibility is a fundamental aspect of our infrastructure at Persistent Systems Limited. Our offices are designed to accommodate the needs of specially abled individuals, aligning with the 2016 Harmonized Guidelines for the Rights of Persons with Disabilities (RPWD Act 2016). We promote inclusivity by offering accessible parking spaces, ramps at entry points, and disabled-friendly restrooms. Our workstations are thoughtfully designed with height adjustable options to support wheelchair users. In the digital space, we adhere to Web Content Accessibility Guidelines (WCAG 2.0) to ensure our online platforms are accessible to all. We integrate assistive technologies as needed and continuously strive to enhance accessibility for individuals requiring additional support. Through regular audits and necessary infrastructure upgrades, we reinforce our commitment to ensuring that people of all abilities can seamlessly navigate and engage with our physical and digital environments. Across all our leased facilities we ensure that the premises are accessible to Persons with Disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

If so, provide a web-link to the policy.

Yes, At Persistent Systems Limited, we are committed to creating an inclusive and diverse workplace where everyone feels valued and empowered. We maintain a safe and supportive environment tailored to the needs of all employees, including those with disabilities in accordance with the Rights of Persons with Disabilities Act (RPwD Act, 2016) and the Rights of Persons with Disabilities Rules, 2017 (“RPwD Rules, 2017”). We believe that embracing diversity and inclusion is key to driving innovation and fostering a thriving workplace. Persistent Systems Limited is committed to promote diverse views and perspectives and does not discriminate based on age, race, national origin, ethnicity, cultural and geographical background, gender, sexual orientation, religion, marital status, any medical conditions, or any other personal or physical aspect.

Refer [Equal Employment Opportunity Policy For Persons with Disability, Diversity and Inclusion Policy](#)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	91.86%
Female	100%	90.76%
Total	100%	91.44%

The above data is for India Location.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

(If yes, then give details of the mechanism in brief)	
Permanent Employees	Yes, The Company has a strong Whistleblower policy in place and has also established a Toll-free Whistleblower Helpline Numbers: India:18002100165 USA:18336058476. Employees, contractors and stakeholders have access to multiple channels to report concerns, ensuring transparency and accountability. Our Whistleblower channel is open to both internal and external stakeholders, including employees, customers, suppliers, communities, NGOs and other third parties. The Individual Investigation team address the concerns raised on the Whistleblower channels. The investigation team follows standard procedures and framework approved by the Board. Also, post investigation completion, the Investigation report, reviewed by the Ethics Committee for approval on the recommendation for execution of the recommendation. These reporting mechanisms are actively communicated through internal platforms for all employees and to our stakeholders through website, emails & contractual agreements. All employees and other stakeholders of the Company are encouraged to report either orally or in writing to the Whistleblower Administrator on the following E-mail ID: whistleblower@persistent.com. Please refer to Whistleblower Policy Upon receipt of complaints, the Whistleblower administrators office shall ensure further investigation as per the Company's investigation framework.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	24,594	0	0%	23,850	0	0%
Male	17,253	0	0%	15,426	0	0%
Female	7,341	0	0%	6,524	0	0%
Total Permanent Workers	Not Applicable					

Persistent Systems Limited upholds the right to freedom of association, ensuring that employees can freely choose to join, form, or refrain from joining labour unions without fear of intimidation or harassment. We maintain transparent communication with legally recognized employee representatives and remain committed to good-faith bargaining where applicable. In compliance with regional laws, we recognize independent trade unions, work councils (WCs), and collective bargaining agreements (CBAs) in locations where they are established. While participation in such structures is voluntary, we foster open dialogue through policies, forums, and support groups to address concerns fairly and transparently. Our Human Rights Policy and Supplier Code of Conduct extend these commitments across our supply chain, ensuring that freedom of association and collective bargaining rights are upheld consistently. Currently we don't have any trade unions or collective bargaining agreements.

This space is intentionally kept blank.

8. Details of training given to employees and workers:

Category	FY 2024-25 Current Financial Year				FY 2023-24 Previous Financial Year				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation
	No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)	% (E/D)	No. (F)	% (F/D)	
Employee									
Male	17,253	13,827	80.14%	16,161	93.67%	Training coverage: 90% includes all technical and non- technical offerings.			
Female	7,341	5,878	80.07%	6,978	95.06%				
Total	24,594	19,705	80.12%	23,139	94.08%				
Workers – Not Applicable									

The above data represents average learning coverage across all employees. Training coverage includes all technical, non-technical offerings and mandatory trainings.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	14,110	13,809	97.87%	14,115	13,582	96%
Female	6,298	6,180	98.13%	6,091	5,937	97%
Total	20,408	19,989	97.95%	20,206	19,519	97%
Workers – Not Applicable						

The above data includes 100% of permanent employees who were eligible for annual performance review.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity?

(Yes / No). If yes, the coverage of such system?

Our India operations are 100% ISO 14001:2015 and ISO 45001:2018 certified, and our global operations are assessed based on local compliances. Our EHS management system covers all our locations in India, representing 93% of our global facility area, and assessments are conducted by a third-party with a certificate of conformance issued.

ESG and EHS policy is applicable to all Persistent Systems Limited and its subsidiaries.

At our overseas locations, we have implemented our own internal Environmental Health and Safety programs aligned with legal requirements and ensure compliance across our global operations.

Refer [EHS policy, ESG Policy](#)

Refer to [ISO 45001:2018 certificates](#)

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Occupational Health and Safety (OHS) programs are essential for identifying and mitigating risks that could cause harm in the workplace. This involves thorough risk and hazard assessments to detect potential hazards such as unsafe equipment, hazardous substances, and unsafe practices. By systematically evaluating the workplace environment, we implement measures to prevent accidents and illnesses, ensuring the safety and well-being of all employees. We use a comprehensive Risk Identification and Hazard Assessment Matrix to systematically detect and address risks across various categories, including biomechanical, psychosocial, biological, unsafe conditions, and natural phenomena. This framework encompasses all operational aspects, covering both routine and non-routine activities, unsafe conditions, and unsafe acts. Each department establishes clear environmental and safety objectives, ensuring a proactive approach to risk management.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y / N)

Yes, A proactive incident management system is implemented to maintain a safety culture. Employees are instructed to report any safety-related issues, near-misses, including workplace hazards, illnesses, and injuries, unsafe acts and conditions, The incident investigation procedure aims to investigate work-related injuries, ill health, diseases, and incidents. Each report is analyzed thoroughly to identify patterns and develop preventive measures. The EHS Officer manages the location incident register and monitors daily operations involving employees, contractors, and vendors. Incident reporting is available to everyone on-site. EHS Officers investigate incidents and implement corrective actions to prevent future hazards. Reporting awareness programs are included in the induction manual. OHS **Target:** Maintain zero workplace accidents Year on Year (YoY)
Performance FY 2024-25: Zero Accident at workplace.

d. Do the employees / workers of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes, Persistent Systems Limited employees are covered under the Group Personal Accidental (GPA) insurance policy, which includes all types of accidents. The “My Life At Persistent” initiative promotes a balanced work-life and employee well-being. We provide physical and mental well-being programs, occupational health centres, gyms, and recreational facilities. Employees can access visiting doctors, online consultations, and master health check-ups. Additionally, we organize Persistent Run events globally to enhance physical well-being.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

We prioritize the well-being of our people by providing a safe, secure and healthy workplace. Our Environmental Health & Safety (EHS) Policy underlines our dedication to creating a safe environment, encompassing regular safety trainings and equipping our workforce with the necessary protective gear. With utmost empathy, we strive to foster a work culture that nurtures the physical and mental well-being of each individual. We are committed to fostering a safe and healthy work environment through comprehensive safety training initiatives. Our programs cover essential areas such as emergency planning, first aid, evacuation procedures, and emergency drills. These sessions empower employees to recognize and mitigate potential hazards effectively. By conducting regular training, we cultivate a shared culture of responsibility where every individual plays a role in maintaining workplace safety.

Our top priority at Persistent Systems Limited has always been to ensure the health and safety of our associates while safeguarding the interests of the communities in which we operate.

- The EHS policy is followed in letter and spirit by every individual including our partners and supply chain.
- Our Environmental health and management system adheres to ISO 14001:2015 and ISO 45001:2018 standards, covering all our locations in India.
- Overseas, we have implemented processes aligned with legal requirements and ensure compliance across our global operations.
- We conduct comprehensive environmental, health, and safety impact assessments for our business activities and incorporate OHS considerations into our business decisions.

- Our people participate in various committees and hobby clubs under My Life at Persistent. Through these committees our people consult with the committee members to discuss well-being, fitness, health & safety, food, health benefits and other related matters.
- We consult our stakeholders to provide necessary inputs to manage and mitigate EHS risks.
- Hazard identification, risk assessment, and incident investigation process help us to identify work-related hazards, and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks.
- EHS trainings are provided to build awareness on environmental conservation, climate action and Health and safety aspects such as first-aid, fire safety, office safety, reporting of near-miss, accident and incidents are provided as and when necessary.
- Job-specific training is regularly conducted for contractual staff during induction and later through refresher courses.

Refer [EHS Policy](#)

13. Number of Complaints on the following made by employees and workers:

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	0	0		0	0	
Health and safety	0	0		0	0	

During FY 2024-25, zero complaints have been registered.

The employee engagement survey allows employees to share their opinions on health and safety issues and working conditions.

14. Assessments for the year:

Assessments for the year:	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
	100%
Health and safety practices	Our India operations are 100% ISO 14001:2015 and ISO 45001:2018 certified, and our global operations are assessed based on local compliances. Our EHS management system covers all our locations in India, representing 93% of our global facility area, and assessments are conducted by a third-party with a certificate of conformance issued. Our EHS team evaluates health and safety practices, including working conditions in all facilities, in line with ISO 45001:2018 standards.
Working conditions	Refer EHS Policy , ESG Policy Refer to ISO 45001:2018 certificates

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

During the year, no safety-related incidents were reported. Post assessments following mitigation practices have been implemented to address significant risks.

- High volume low speed (HVLS) fans were installed in the atrium of Pune locations to prevent trip hazards from pedestal fans.
- All HIRA, AIS are revisited and updated.
- Organized First aid training for employees & their family members.
- All entry/exit of the major campuses have been modernized to enable smooth entry/exit of PWDs (People with Disability).

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y / N); (B) Workers (Y / N).

Employees	Yes
Workers	Not applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We conduct quarterly vendor audits for manpower supply to ensure statutory dues are accurately deducted and deposited by the vendors.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

None.

	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25		FY 2023-24	
Employees	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Persistent Systems Limited not only supports employees throughout their careers but also assists them as they transition into retirement or face unforeseen circumstances. We connect with employees before their retirement date to help plan for their retirement benefits, including Provident Fund (PF), Gratuity, and Superannuation. Additionally, we provide support for continued medical insurance coverage. For those interested in continuing to work, we offer assistance in finding direct consulting assignments.

5. Details on assessment of value chain partners

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	<p>We ensure 100% of vendors working at our premises are assessed for Health and Safety practices and adhere to working conditions as defined by EHS management systems.</p> <p>Our India operations are 100% ISO 14001:2015 and ISO 45001:2018 certified, and our global operations are assessed based on local compliances. Our EHS management system covers all our locations in India, representing 93% of our global facility area, and assessments are conducted by a third-party with a certificate of conformance issued. Our EHS team evaluates health and safety practices, including working conditions in all facilities, in line with ISO 45001:2018 standards.</p>
Working conditions	<p>Refer EHS policy, ESG Policy</p> <p>Refer to ISO 45001:2018 certificates</p>

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Persistent Systems Limited ensures vendor accountability by requiring adherence to the Vendor Code of Conduct. Vendors must ensure that their employees, agents, subcontractors, and representatives comply with the Code. Any situation that results in a violation of the Code must be reported to Persistent immediately. Vendors are also expected to self-monitor compliance and implement communication, awareness programs, and training on the Code. Compliance acknowledgment is required through an annual or bi-annual submission process.

The Persistent Environmental, Health, and Safety (EHS) team conducts regular health and safety audits for high-risk vendors, including housekeeping service providers, security services, food and cafeteria vendors, transport vendors, and drinking water suppliers. Observations from these audits are documented and monitored until resolution.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Our Stakeholder Relationship and ESG Committee regularly engages with stakeholders through the Management to assess key concerns, identify material topics, and evaluate their impact on our business. By leveraging diverse engagement methods, the Management ensures a comprehensive understanding of stakeholder priorities. Critical insights are presented to the Board twice a year, enabling the creation of a strategic ESG framework that aligns business objectives with measurable key performance indicators, promoting ongoing improvement and sustainable growth. Each year, we implement key initiatives and best practices to strengthen stakeholder relationships, safeguard their interests, and drive mutual growth. Through these efforts, we ensure transparency, ethical engagement, and long-term value creation for all those connected to our business.

As part of our governance framework, our Stakeholder Relationship and ESG Committee regularly reviews and updates our stakeholder engagement initiatives. In every Committee meeting, we evaluate progress, identify material issues, and refine our approach for continuous improvement. These discussions and initiatives are then presented to the Committee for review and , ensuring alignment with our broader ESG commitments and business objectives. For more details refer to [FY 2024-25 ESG report](#).

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually / Half yearly / Quarterly / others — please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Emails, newspapers, website, stock exchange filings, answers to investor grievances, R&T agent communication	Annually / half yearly / quarterly / need basis	We communicate with shareholders for various activities such as sending TDS communication, dividend credit intimations, steps to claim unclaimed dividends, decisions taken at quarterly Board meetings, timelines for transfer of shares and dividend to the Investor Education and Protection Fund Authority (IEPFA) other regulatory requirements, sending Annual Reports, notices of general meetings, postal ballots etc. Investor and analyst calls are conducted regularly
Vendors and Consultants	No	Emails, one-on-one meetings, Annual Report	Ongoing basis	The Company ensured that all vendor payments are within the due date as per the agreed payment terms and there was not a single default. The Company also strives to strengthen the partnership framework further aligning to business and organizational objectives. The Company aims to undertake activities for onboard hiring, training, and knowledge partners with our vendors
Customers and Partners	No	Client visit and meetings, customer satisfaction surveys, social media, e-mails	Ongoing basis	The Company focuses highly on customer satisfaction and feedback from customer in terms of project delivery, timeline commitments, challenges during execution and strives to deliver customer excellence, and help meet business objectives

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually / Half yearly / Quarterly / others — please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Directors	No	Quarterly meetings, emails, website	Ongoing basis	The Company communicates with Directors of the Company for sending notices, agenda, meeting invites, regulatory updates and other communication and information on an ongoing basis, which helps in decision-making and adopting various control mechanisms.
Government Regulatory Authorities / Government Bodies / Chamber of Commerce	No	Press releases, surveys by the authorities (RBI and MCCIA), quarterly results, annual reports, sustainability / integrated reports, stock exchange and MCA filings, representations	Ongoing basis	The Company engages with Governments and regulatory authorities for various matters, initiatives, filings, and representations
Society at Large	No	In-person meetings, site visits, website, surveys	Ongoing basis	The Company engages with the society at large to understand their needs, and through our CSR activities, Employees volunteer to provide mentoring programs to engage with the community.
Employees	No	Notice board, website, emails	Ongoing basis	The Company engages with employees on a regular basis through employee surveys, townhalls and Focused Group Discussions (FGDs) for providing various benefits such as trainings, providing world-class learning facilities etc.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company's relevant departments conduct consultations with stakeholders on various topics as part of their engagement responsibilities. The outcome of these engagements is discussed in Stakeholders and ESG Committee meeting of the Board.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes

We regularly engage with stakeholders to understand their expectations and gather insights, fostering long-term trust and transparency. Our annual materiality assessment aligns us with stakeholder priorities, regulatory requirements, and sustainability trends. By identifying key topics, we develop actionable KPIs that guide strategic decisions, focus on impactful areas, and set measurable ESG targets, shaping our policies and procedures.

3. Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable / marginalized stakeholder groups.

Persistent Foundation supports the underprivileged sections of society, creates opportunities, and strives towards a more equitable society. Please refer to the CSR section in the [FY 2024-25 ESG Report](#).

PRINCIPLE 5: Businesses should respect and promote human rights

At Persistent Systems Limited, we are committed to upholding the highest standards of human rights in our operations and supply chain. We recognize that our responsibilities go beyond our legal obligations and extend to the communities in which we operate and the environment we all share. We will continue to work diligently to ensure that we respect and protect the human rights of all individuals impacted by our business.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	22,205	21,930	98.76%	21,950	21,904	99%
Other than Permanent	2,389	1,929	80.75%	1,900	1,648	87%
Total Employees	24,594	23,859	97.01%	23,850	23,552	99%
Workers	Not Applicable					

*Note: Our goal is to achieve 100% training coverage. We are implementing several system-level checks to ensure a higher completion rate.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent	22,205	0	0%	22,205	100%	21,950	0	0%	21,950	100%
Male	15,482	0	0%	15,482	100%	15,426	0	0%	15,426	100%
Female	6,723	0	0%	6,723	100%	6,524	0	0%	6,524	100%
Other than Permanent	2,389	0	0%	2,389	100%	1,900	0	0%	1,900	100%
Male	1,771	0	0%	1,771	100%	1,397	0	0%	1,397	100%
Female	618	0	0%	618	100%	503	0	0%	503	100%

All employees, regardless of their employment status (Permanent and other than Permanent), have been compensated more than the legal minimum wage requirements of the country where we operate.

3. a. Details of remuneration / salary / wages, in the following format:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	3	42,000,000	-	-
Key Managerial Personnel	4	33,500,006	-	-
Employees other than BoD and KMP	15,478	2,240,880	6,722	1,599,996
Workers	Not Applicable			

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	22.54%	23.04%*

*FY 2023-24 numbers initially included only Permanent employees but have been corrected according to the SEBI guidance circular dated December 20, 2024, to now include both Permanent and Non-Permanent employees.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)

Yes, The Company has a strong Whistleblower policy in place and has also established a Toll-free Whistleblower Helpline Numbers: India:18002100165 USA:18336058476. Employees, contractors and stakeholders have access to multiple channels to report concerns, ensuring transparency and accountability. Our Whistleblower channel is open to both internal and external stakeholders, including employees, customers, suppliers, communities, NGOs and other third parties. The Individual Investigation team address the concerns raised on the Whistleblower channels. The investigation team follows standard procedures and framework approved by the Board. Also, post investigation completion, the Investigation report, reviewed by the Ethics Committee for approval on the recommendation for execution of the recommendation. These reporting mechanisms are actively communicated through internal platforms for all employees and to our stakeholders through website, emails & contractual agreements. All employees and other stakeholders of the Company are encouraged to report either orally or in writing to the Whistleblower Administrator on the following E-mail ID: whistleblower@persistent.com. Please refer to [Whistleblower Policy](#). Upon receipt of complaints, the Whistleblower administrators office shall ensure further investigation as per the Company's investigation framework.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All employee/s and contractors can raise grievances through Global Help desk. Upon receipt of complaints, the Whistleblower administrators office shall ensure further investigation as per the Company's investigation framework.

6. Number of complaints made, by employees and workers, on the following:

	FY 2024-2025			FY 2023-2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	4	1	Not Applicable	0	0	Not Applicable
Discrimination at the Workplace	0	0		0	0	
Child Labor	0	0		0	0	
Forced Labor/ Involuntary Labor	0	0		0	0	
Wages	0	0		0	0	
Other Human Rights Related Issues	0	0		0	0	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format: new question

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	0
Complaints on POSH as a % of female employees / workers	0.06%	0
Complaints on POSH upheld	4	0

The above data is for India operations.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Persistent Systems Limited has a zero-tolerance policy. The Company is committed to providing and maintaining a work environment that is free of harassment based on gender, race, religion, national origin, age, sexual orientation or other protected classifications. The Company expects that all relationships among co-workers in the workplace will be free of bias, prejudice and harassment. The Company will not permit any individual to harass others directly or indirectly with whom he/she has business interactions including but not limited to other employees, contractors, consultants, visitors, customers and vendors, or permit any outsider to harass its employees. The Company conducts training for all employees on discrimination and harassment in the workplace.

Protection of whistleblowers:

Any Whistleblower reporting Improper Activities will be protected against threats of retaliation, discharge, or other types of discrimination including compensation or terms and conditions of employment that are directly related to the disclosure of the report. In addition, no Whistleblower may be adversely affected because the Whistleblower refused to carry out a directive that, in fact, constitutes corporate fraud or is a violation of the law.

Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower. Please refer to [Anti-Harassment Policy, Whistleblower Policy](#)

9. Do human rights requirements form part of your business agreements and contracts? (Yes / No).

Yes, Suppliers must comply with the UN Guiding Principles on Business and Human Rights and respect internationally recognized human rights as part of their contractual obligations.

Refer [Human Rights Policy](#)

10. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child Labor	Our India operations have been assessed by Persistent Internal Audit Team and are also 100% certified to ISO 45001:2018. Our Internal audit teams Refer Human Rights Policy and HR team conduct internal audits to ensure compliance with the mentioned topics.
Forced / Involuntary Labor	
Sexual harassment	
Discrimination at the Workplace	
Wages	
Others—please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

These assessments did not report any issues.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

Persistent Systems Limited and its subsidiaries adhere to high standards of business conduct, integrity, and ethics. The company’s [Human Rights Policy](#) is applicable to all stakeholders, including employees, consultants, contractors, vendors, trainees, apprentices, and interns. The policy encourages the reporting of unethical behavior in a safe and threat-free environment. For further information, please refer to the Ethics Policy. If addressing human rights grievances or complaints necessitates changes to processes or policies, such modifications will be implemented to prevent recurrence.

2. Details of the scope and coverage of any Human Rights due diligence conducted.

At Persistent Systems Limited, we respect and protect human rights, ensuring a discrimination-free environment. Our Human Rights policies guide us, and we use a Compliance Management tool to meet local and global standards. Vendor partners are also assessed for compliance. Our India operations are certified under ISO 14001:2015 and ISO 45001:2018, covering 93% of our global facility area, with third-party assessments. Overseas locations meet local legal requirements for compliance.

Refer [Human Rights Policy](#)

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, All Persistent Systems Limited owned premises are accessible to differently abled people including visitors as per the Rights of Persons with Disabilities Act, 2016

4. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Sexual Harassment	
Discrimination at the Workplace	100% of vendors working in our facilities are assessed by our Internal audit teams and HR team to ensure compliance with the mentioned topics.
Child Labour	
Forced Labour / Involuntary Labour	Our vendor partners working on our premises at India locations are assessed to ensure they are complying to the local statutory rules and law of the land.
Wages	Refer Human Rights Policy
Others — please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

There were no significant risks / concerns reported from the assessments.

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PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (GJ)	FY 2023-24 (GJ)
From renewable sources		
Total electricity consumption (A) – Wind Energy & Solar Energy	21618.45	23239.58
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	12,497.09	Not Applicable
Total energy consumed from renewable sources (A+B+C)	34,115.54	23,239.58
From non-renewable sources		
Total electricity consumption (D) – Grid Electricity	25,447.76	36,154.23
Total fuel consumption (E) – DG Electricity	324.69	292.62
Energy consumption through other sources (F)	146.82	Not Applicable
Total energy consumed from non-renewable sources (D+E+F)	25,919.28	36,446.85
Total energy consumed (A+B+C+D+E+F)	60,034.82	59,686.43
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees)	0.000000503	0.000000608
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in USD (Total energy consumed / revenue from operations adjusted for PPP)	0.000010273	0.000013906
Energy intensity in terms of physical output – per employee	2.44	2.50
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

*Boundary – Electricity consumption is reported for Global Location.

As employees resumed work and new offices opened in India, Energy consumption has increased. The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 by the [World Bank for India](#) which is 20.43

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency?

(Y / N) If yes, name of the external agency: Yes, our BRSR core disclosures are externally assured by an independent third party DNV Business Assurance India Private Limited ('DNV').

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y / N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kiloliters)		
(i) Surface water	0.00	0
(ii) Groundwater	17,904.39	16,671.00
(iii) Third party water	69,055.52	72,970.27
(iv) Seawater / desalinated water	0.00	Not Applicable
(v) Others — Packed drinking water	373.90	13,253.85
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	87,333.81	102,895.12
Total volume of water consumption (in kiloliters)	77,533.82	87,798.81
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000065	0.00000089
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in USD (Total water consumption / Revenue from operations adjusted for PPP)	0.0000133	0.0000205
Water intensity in terms of physical output KL/FTE (per year)	3.66	4.24
Water intensity (optional) — the relevant metric may be selected by the entity	Not Applicable	Not Applicable

*Boundary — Water consumption and Withdrawal is reported for India locations.

As employees resumed work and new offices opened in India, Water consumption has increased.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency?

(Y / N) If yes, name of the external agency: Yes, our BRSR core disclosures are externally assured by an independent third party DNV Business Assurance India Private Limited ('DNV').

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0
(ii) To Groundwater		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0
(iii) To Seawater		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0
(iv) Sent to third parties		
No treatment	0.00	
With treatment — send to public sewage treatment plant and the treated water was utilized for irrigation in a public park)	9,799.99	15,096.31
(v) Others		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0
Total water discharged (in kilolitres)	9,799.99	15,096.31

*Boundary — Water discharged is reported for India locations.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency?

(Y / N) If yes, name of the external agency: Yes, our BRSR core disclosures are externally assured by an independent third party DNV Business Assurance India Private Limited ('DNV').

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, wastewater generated from owned locations in India is treated in sewage treatment plants within the facility and common treatment plants within the vicinity.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	Kg	31.95	12.77
SOx	Kg	27.95	15.16
Particulate matter (PM) (PM2.5)	Kg	26.88	34.17
Persistent organic pollutants (POP)	Units	NA	NA
Volatile organic compounds (VOC) CO	mg / m3	<50	<50
Hazardous air pollutants (HAP)	Units	NA	NA
Others — please specify (PM10)	Kg	45.71	58.15

- There are no continuous air emissions from our DG sets present in our owned locations at India. The DG sets are operated only during the power outages and while testing BCP scenarios.
- FY 2023-24 air emissions data has been corrected to report in the appropriate unit of measure, kilograms (Kg).

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO ₂ e	274.51	1,025.51
Total Scope 2 emissions – Location Based (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO ₂ e	4541.04	6,492.66
Total Scope 2 emissions – Market Based (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO ₂ e	0.00	0.00
Total Scope 1 and Scope 2	tCO ₂ e	4815.55	7,518.18
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO ₂ e / INR	0.000000040	0.000000077
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in USD (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO ₂ e per PPP USD	0.000000824	0.00000175
Total Scope 1 and Scope 2 emission intensity in terms of physical output — per employee	tCO ₂ e / Employee	0.196	0.315
Total Scope 1 and Scope 2 emission intensity (optional) — the relevant metric may be selected by the entity	Units	Not Applicable	Not Applicable

*Boundary — Scope 1 emissions reported for India geo locations with operational control.

*Scope 1 emissions increased due to breakdown of ageing assets and release of refrigerant gases.

*Scope 2 emissions (Electricity consumption) reported for global locations. As employees resumed work and new offices opened in India, energy consumption has increased as a result of which Scope 2 is increased.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency?

(Y / N) If yes, name of the external agency: Yes, our BRSR core disclosures are externally assured by an independent third party DNV Business Assurance India Private Limited ('DNV').

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes

Our climate action goals include:

- Maintain Carbon Neutrality for Scope 1 and Scope 2 emissions every year
- Sourcing of 100% Renewable energy across owned locations by FY2026
- Achieve Net-zero greenhouse gas emissions across the value chain by FY2050

To achieve the above goals, the following initiatives are taken to reduce GHG emissions.

Refer [FY 2024-25 ESG Report](#) for more details.

- Green Building Initiatives
- Energy Efficiency Initiatives
- Operational Efficiency
- Lighting Efficiency Adoption of Renewable Energy

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total waste generated in MT		
Plastic waste (A)	4.6	22.98
E-waste (B)	8.4	16.45
Bio-medical waste (C)	0.6	Not Applicable
Construction and demolition waste (D)	0.0	0
Battery waste (E)	0.5	6.28
Radioactive waste (F)	Not Applicable	Not Applicable
Hazardous waste. Please specify, if any. (G)	0.89	1.34
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	107.2	83.12
• Miscellaneous Waste	28.3	27.49
• Glass Waste	1.0	0.06
• Metal Waste	18.7	24.62
• Wood Waste	1.5	2.05
• Organic waste	57.8	28.90
Total (A + B + C + D + E + F + G + H)	122.1	130.17
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000010	0.000000013
Waste intensity per rupee in USD of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000000021	0.000000030
Waste intensity in terms of physical output	0.0050	Not Applicable
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tones)		

Parameter	FY 2024-25	FY 2023-24
Category of waste		
(i) Recycled	121.20	99.93
(ii) Re-used	0.0	28.90
(iii) Other recovery operations	0.0	-
Total	121.20	128.83
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.89	1.3
(ii) Landfilling	0.0	0
(iii) Other disposal operations	0.0	-
Total	0.89	1.3

*Boundary — Waste generated in operations is reported for Global location.

As employees resumed work and new offices opened in India, waste generation has risen.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency?

(Y / N) If yes, name of the external agency: Yes, our BRSR core disclosures are externally assured by an independent third party DNV Business Assurance India Private Limited ('DNV').

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Not applicable.

11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not applicable. We don't operate in close proximity to ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y / N). If not, provide details of all such non-compliances, in the following format:

Yes, Persistent Systems Limited is in adherence to all the applicable environmental laws / regulations / guidelines in India and has not incurred any fines / penalties.

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information:

i. Name of the area

During FY 2024-25, our offices located in following cities of India fall under water stress zones. These zones have been identified as per the [Aqueduct report](#). Please refer to our water conservation efforts mentioned in the [FY 2024-25 ESG Report](#).

Persistent offices located in Pune, Nagpur, Ahmedabad, Jaipur, Gurugram, Kochin, Noida, Hyderabad, Indore, Bengaluru

ii. Nature of operations:

IT Services

iii. Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) To Surface water	0.00	0
(ii) To Groundwater	16,924.39	16,671.00
(iii) Third party water	62,872.38	72,970.27
(iv) Seawater / desalinated water	0.00	0
(v) Others — Packed drinking water	280.71	13,253.85
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	80,077.48	102,895.12
Total volume of water consumption (in kilolitres)	70,277.49	87,798.81
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000059	0.00000091
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in INR (Total water consumption / Revenue from operations adjusted for PPP) in USD	0.0000120	0.0000205
Water intensity (per employee)	3.31	4.32

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
No treatment	0.0	0
With treatment — please specify level of treatment	0.0	0
(ii) To Groundwater		
No treatment	0.0	0
With treatment — please specify level of treatment	0.0	0
(iii) To Seawater		
No treatment	0.0	0
With treatment — please specify level of treatment	0.0	0
(iv) Sent to third parties		
No treatment	0.0	0
With treatment — please specify level of treatment	9,799.99	15,096.31
(v) Others		
No treatment	0.0	0
With treatment — please specify level of treatment	0.0	0
Total water discharged (in kiloliters)	9,799.99	15,096.31

* The Water consumption data for FY 2023–24 has been revised.

*Boundary — Water discharged is reported for India owned locations.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency: Yes, our BRSR core disclosures are externally assured by an independent third party DNV Business Assurance India Private Limited ('DNV').

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3105.59	9492.40
Total Scope 3 emissions per rupee of turnover	MT per INR	0.000000026	0.000000097
Total Scope 3 emission intensity (optional) — the relevant metric may be selected by the entity	MT per PPP USD	0.000000053	0.00000022
Total Scope 3 emission intensity in terms of physical output	tCO ₂ e per FTE	0.125	0.398

- Boundary — Global locations: Purchase of Goods and Services, Capital Goods, Business Travel, Fuel & other energy related activities; Upstream Transport related emissions were considered for Scope 3 emission calculation. India location: Waste generated from operations — Associate commute related emissions were considered for Scope 3 emission calculation.
- Scope 3 emissions are estimated in few categories.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

(Y / N) If yes, name of the external agency: Yes, our BRSR core disclosures are externally assured by an independent third party DNV Business Assurance India Private Limited ('DNV').

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S.No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Refurbishing old end-of-life	As part of our commitment to promote sustainability, we have initiated a program to refurbish end-of-life (EOL) laptops and donate them to NGOs and educational institutes. This initiative not only helps in reduction of e-waste but also creates employment opportunities for people who need it.	Reduction in e-waste generation
2	No Plastic Days	We have taken several steps in reducing plastic waste generation. We are minimizing the use of plastic bags and encouraging the use of cloth or paper bags. To promote awareness on the harmful effects of plastic, we encourage our employees to adopt eco-friendly practices.	Reduction in plastic waste generation in Persistent Systems Limited facilities
3	Green Energy	<ol style="list-style-type: none"> 1. Green Energy (solar + wind) generation of 64,55,439kWh in FY2023-24 for our own use 2. Purchase of EAC Certificates to convert our power consumption through grid into renewable energy 3. Persistent Systems Limited uses 100% eco-certified furniture. All the furniture including sofas, chairs, tables etc., are BIFMA certified in their upcoming projects 4. Persistent Systems Limited "Bhageerath" facility from Pune is an IGBC Platinum certified building 5. Optimum usage of daylight: 54% of the total regularly occupied areas achieve natural daylight of 300 lux or more 6. Ramanujan facility from Pune "LEED V4 Gold Certified" under the category "Interior Design and Construction: Commercial Interior". 	Increase of renewable energy usage

S.No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4	AC replacement	<p>1. ACs of 662 TR capacity in a 1500+ seating capacity building which were installed 15 years before were replaced with energy efficient all Inverter VRV AC system.(10% reduction in electricity consumption of air conditioning compared to earlier installation) at Vedas complex, Pune</p> <p>2. Eco-friendly Refrigerants & Halons: Split & Ductable ACs of 67 TR which were based on R-22 gas were replaced with energy efficient inverter based ACs with environment friendly R-32/R-410a gas. (10 % reduction in electricity consumption of air conditioning) at Vedas complex, Pune</p> <p>3. ACs of 176 TR capacity in a 300+ seating capacity building which were installed 12 years before were replaced with energy efficient all Inverter VRV AC system.(10% reduction in electricity consumption of air conditioning compared to earlier installation) at Bhaskar building, Goa</p> <p>4. Eco-friendly Refrigerants & Halons: Split & Ductable ACs of 50 TR which were based on R-22 gas were replaced with energy efficient inverter based ACs with environment friendly R-32/R-410a gas. (10 % reduction in electricity consumption of air conditioning) at Bhaskar building, Goa</p>	<p>10 % reduction in electricity consumption of air conditioning</p> <p>Emission reduction due to replacement of low emission refrigerant gas</p>
5	Use of LED lights	Replacement of Old LED lights with new LED. 100% of Persistent locations is converted to LED light fixtures	Energy Saving through LED lights

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.

Persistent Systems Limited is certified for ISO 22301:2019 and maintains a comprehensive Business Continuity Management System. This includes business continuity and disaster recovery plans designed to minimize impact on business and operations during emergencies or disasters. Regular tests, such as call tree tests, data restoration tests, and DR drills, are conducted to ensure a high level of preparedness for business continuity events.

The governance risk and compliance services from Persistent Systems Limited feature a structured BCP-DRP framework and methodology. This framework helps enterprises tackle challenges by analyzing business impact, defining recovery strategies, and documenting plans for BCP / DRP. Additionally, we also test the BCP / DRP to ensure it is up-to-date and meets the RTO / RPO requirements.

<https://www.persistent.com/services/enterprise-it-security/governance-risk-and-compliance/business-continuity-and-disaster-recovery/>

6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Persistent Systems Limited is an IT / ITES Company with no involvement in the supply, distribution, manufacturing, or transportation of physical goods. Our focus is on maintaining a sustainable value chain that fosters a positive global impact. The only negative impact from our value chain is the generation of electronic waste. We implement measures to encourage our suppliers to minimize e-waste, adhere to global standards for vendors, and work exclusively with authorized vendors. There is no significant environmental impact resulting from our value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No significant adverse impact to the environment arising from our value chain.

8. Green Credits: As part of our commitment to climate action, PSL has undertaken the voluntary purchase of carbon credits to offset a portion of our greenhouse gas emissions. During the reporting period, PSL procured 6978 International Renewable Energy Certificates (IRECs), to support renewable energy generation. Additionally, we purchased 1082 Carbon credit sourced from Nature based solution of verified carbon credits (VERRA) to offset Scope 1 & 3 emissions. We have also purchased 2298 Carbon Credits generated from renewable energy sources. These efforts reflect PSL's proactive approach towards achieving its decarbonization goals and contributing to a low-carbon economy. In the current reporting period, PSL has relied on internationally recognized market-based instruments, while closely monitoring developments under the MoEFCC's Green Credit Program (GCP) for potential future alignment.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1a. Number of affiliations with trade and industry chambers / associations:

8

1b. List the top 10 trade and industry chambers / associations (detered based on the total members of such body) the entity is a member of / affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State / National)
1	National Association for Software and Services Companies (NASSCOM)	National
2	Confederation of Indian Industry (CII)	National
3	Mahratta Chamber of Commerce Industries and Agriculture (MCCIA)	State
4	Indo-German Chamber of Commerce (IGCC)	International
5	Software Exporters Association of Pune (SEAP)	State
6	Hinjewadi Industries Association, Pune (HIA)	State
7	The German Chambers of Commerce Abroad (AHK)	International
8	Indo-Australian Chamber of Commerce (IACC)	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Persistent Systems Limited did not receive any complaints or registered for issues related to anti-competitive conduct from regulatory authorities for year FY 24. Persistent Systems Limited is unwavering in its commitment to integrity and ethical business conduct. “Anti-trust” and “Anti-Competition” refers to actions that provide an unfair advantage in the marketplace and other practices which would monopolise competition in the market.

All employees are expected to adhere to all applicable anti-trust laws and to deal fairly with each other, and with the Company’s customers, suppliers, competitors and third parties. Employees should not take undue advantage of anyone through collusion, price-fixing, market manipulation or any other practices that may compromise fair competition.

Please refer to [Code of Conduct Policy](#)

Name of authority	Brief of the case	Corrective action taken
None		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes / No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify)	Web Link, if available
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Our active participation in trade and industry associations allows us to stay informed about industry developments, contribute to policy discussions, share our perspectives and insights to research undertaken and foster collaboration within the business community. Refer to [Lobbying policy](#)

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is Ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
None						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a strong Whistleblower policy in place and has also established a Toll-free Whistleblower Helpline Numbers: India:18002100165 USA:18336058476. Employees, contractors and stakeholders have access to multiple channels to report concerns, ensuring transparency and accountability. Our Whistleblower channel is open to both internal and external stakeholders, including employees, customers, suppliers, communities, NGOs and other third parties. The Individual Investigation team address the concerns raised on the Whistleblower channels. The investigation team follows standard procedures and framework approved by the Board. Also, post investigation completion, the Investigation report, reviewed by the Ethics Committee for approval on the recommendation for execution of the recommendation. These reporting mechanisms are actively communicated through internal platforms for all employees and to our stakeholders through website, emails & contractual agreements All employees and other stakeholders of the Company are encouraged to report either orally or in writing to the Whistleblower Administrator on the following E-mail ID: whistleblower@persistent.com. Please refer to [Whistleblower Policy](#) Upon receipt of complaints, the Whistleblower administrators office shall ensure further investigation as per the Company's investigation framework.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs / small producers	1.86%	2.4%
Sourced directly from within India	49.74%	73.5%

The above data is applicable to India Locations. In FY 2023-24, we accounted for net remuneration and payroll payables. For FY 2024-25, we have eliminated these expenses.

5. Job creation in smaller towns — Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	0%	0%
Semi-urban	1.13%	0.95%
Urban	5.00%	4.88%
Metropolitan	93.87%	94.17%

The above data is applicable to India Locations. Classification is based on the RBI Guidelines and Census 2011. As per the latest census all urban would be classified as Metropolitan based on the population index.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impact identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

None

Details of negative social impact identified	Corrective action taken
None	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District	Amount spent (In INR)
None		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes / No):

Yes, for Micro, Small & Medium Enterprises (MSME) suppliers we follow statutory requirements for making on-time payments as per the law of the land.

- (b) From which marginalized / vulnerable groups do you procure?

MSMEs certified by Indian government.

- (c) What percentage of total procurement (by value) does it constitute?

1.86% is from MSME.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Intellectual Property based on traditional knowledge	Owned/Acquired (Yes /No)	Benefit shared (Yes /No)	Basis of calculating benefit share
Not Applicable			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes where in usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Projects implemented to improve the quality of education and infrastructure development, skill development, and support for higher education	21579	100%
2	Projects implemented in the area of curative health care focusing on geriatric and pediatric age group	6748	100%
3	Tree plantation — 25,000 trees	13 farmers	100%
4	Support for livelihood	1281	100%
5	Compressive watershed development program	18 villages in Pune and Goa, impacting 3960 farmers	100%
6	Support for drinking water	3 open wells, 2,096 villagers	100%
7	Support for printing Kolami language book	3,000 students	100%
8	Support for procurement of translocation vehicle, animal ambulance and patrolling — 4 Vehicles	Not Applicable	Not applicable

Note: Women, children and people who are differently-abled are the main vulnerable groups identified.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

- (a) **Client complaints:** We have a robust mechanism to handle client complaints and escalations received through our dedicated client partners and delivery heads. These complaints are logged into our delivery governance platform, Persistent Integrated Quality (PIQ), to go through a formal client complaints and escalation redressal process. The basic steps of the client escalation process are outlined below.
- (b) **Analyze and Plan Actions:** The Delivery Partner & SQA will assess the business impact of the situation to identify the root causes of the escalation to prepare a Corrective and Preventive Action (CAPA) plan. We are also ensuring customer confirmation on CAPA as part of alignment.
- (c) **Implement and Track CAPA:** The CAPA plan will be implemented by the Project Manager, with support from the Delivery Excellence team. The progress of the CAPA will be tracked and periodically updated.
- (d) **Closure of Escalation:** Delivery Partner will get customer representative acknowledgement (any form) on the closure of customer escalation and will inform the Delivery Head and SQA. SQA will review the overall completion, result and close the escalation in PIQ.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and / or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks			Remarks
Data privacy	0	0	There were no complaints registered under these heads during FY2025	0	0	There were no complaints registered under any heads during FY2024
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive trade practices	0	0		0	0	
Unfair trade practices	0	0		0	0	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls	Not Applicable	

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy. Yes

Yes, Persistent Systems Limited (PSL) operates across multiple business verticals, each catering to distinct customer requirements. With a diverse portfolio spanning industries such as healthcare, financial services, technology, and manufacturing, PSL encounters a wide range of customer needs and expectations. From developing custom software solutions to providing consulting services, PSL's business activities are tailored to meet the unique demands of each vertical. This diversity in business verticals and customer requirements underscores the complexity of PSL's operations and highlights the need for agile and adaptable strategies to effectively serve its diverse clientele. Through a combination of innovative technologies and industry expertise, PSL strives to deliver tailored solutions that address the specific challenges and opportunities faced by its customers in various sectors.

Persistent Systems Limited is certified for ISO 27001, ISO 27017, ISO 27018 for Information Security, ISO 27701 for Data Privacy, and ISO 22301 for Business Continuity. [Information Security at Persistent Systems](#)

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

7. Provide the following information relating to data breaches:

(a) Number of instances of data breaches.

None

(b) Percentage of data breaches involving personally identifiable information of customers.

0%

(c) Impact, if any, of the data breaches

None.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We provide Digital Engineering and Enterprise Modernization services, combining technical expertise and industry experience to assist our clients in preparing for future challenges. Our offerings aim to give clients a competitive edge by helping them foresee and address potential issues.

<https://www.persistent.com/services/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.

Not Applicable

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

We maintain a structured governance and escalation process to inform customers of any potential risks of service disruption or termination.

Each project is assessed for delivery risks with the customer on a monthly basis, and mitigation plans are developed, reviewed, and approved by senior delivery leaders and customers.

Risks are evaluated based on the risk priority number (RPN) and aggregated by risk index at the project level.

Projects exceeding a certain threshold are classified as "high risk" or "critical risk". These projects undergo specific discussions for mitigations and actions with senior delivery leadership and client relationship owners every two weeks.

We use multiple forums and channels to communicate these risks of disruption or termination to our customers:

- Weekly Status Reports
- Monthly Business Reviews
- Quarterly Business reviews
- CXO to CXO leadership connections
- Business continuity plans

Our clients rated us highly in delivery and project management in our recent annual client satisfaction (CSAT) survey.

Besides formal channels, we have designated contacts for each program on the consumer side for necessary escalations.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)

Not Applicable

This space is intentionally kept blank.



Independent Assurance Statement - Reasonable level of Assurance BRSR 9 core attributes

INDEPENDENT VERIFICATION STATEMENT

to the Management of Persistent Systems Limited

Persistent Systems Limited (Corporate Identity Number L72300PN1990PLC056696, hereafter mentioned as 'PSL' or 'the Company') commissioned DNV Business Assurance India Private Limited ("DNV", "us" or "we") to conduct a reasonable level of verification for its Scope 1 & 2 GHG emissions and a limited level of verification for the Scope 3 GHG emissions (Categories 1, 2, 3, 4, 5, 6, 7) for the period 01/04/2024 to 31/03/2025.



Our Conclusion - Reasonable level of verification (Scope 1 & 2 GHG emissions): Based on our review and procedures followed for reasonable level of verification, DNV is of the opinion that, in all material aspects, Scope 1, Scope 2 GHG emissions of PSL's GHG Inventory calculated in line with the GHG Protocol, for the reporting period FY 2024-25.

Limited Level of verification (Scope 3 GHG emissions): On the basis of our verification methodology and scope of work agreed upon, nothing has come to our attention to suggest that the GHG emissions are not materially correct and is not a fair representation of the Scope 3 GHG emissions of PSL attributes (as listed in Annexure I of this statement) for the reporting period FY 2024-25.

In both cases, some data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been corrected.

Scope details	Total GHG Emissions (tCO ₂ e)
Scope 1 Direct GHG emissions ¹	274.51
Scope 2 Indirect GHG emissions ²	4,541.04
Scope 3 other Indirect GHG emissions ³	3,105.59
Total Scope 1, Scope 2 & Scope 3 emissions	7,921.14

Scope of Work and Boundary

The scope of work agreed includes a reasonable level of assurance for the GHG scope 1 & 2 emissions and a limited level of verification for the Scope 3 emissions data for the FY 2024-25 from the Company's operations, comprising of:

- **Direct GHG emissions (Scope 1):** Covering combustion of fossil fuels and other emissions, such as Combustion of coal, High-Speed Diesel (HSD), furnace oil, natural gas, Liquefied Petroleum Gas (LPG), HFC leakages from air conditioners and CO₂ released due to use of CO₂-based fire extinguishers.
- **Indirect GHG emissions (Scope 2):** Covering the GHG emissions on account of purchased electricity from national grids in India and other countries grid sources.
- **Indirect GHG emissions (Scope 3):** Other Indirect GHG emissions (Scope 3 emissions) arising from value chain covering seven categories as per the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting. Categories reported are-
 - Category 1: Purchased Goods and Services
 - Category 2: Capital Goods
 - Category 3: Fuel- and Energy-Related Activities
 - Category 4: Upstream Transportation and Distribution
 - Category 5: Waste Generated in Operations
 - Category 6: Business Travel
 - Category 7: Employee Commuting

1. Calculation of Scope 1 GHG emissions are based on conversion factors, omission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report, The UK Department for Environment, Food and Rural Affairs (Defra) 2024 and GHG protocol cross sector emission factors.
2. Scope 2 GHG emissions for Indian operations are calculated based on emission factors in Central Electricity Authority, Govt. of India (CEA Version_20.0): Grid Emission Factors - Weighted Average Emission Rate (Incl RES), including cross-border electricity transfers which is 0.727 kgCO₂ per kWh. Scope 2 GHG emissions for USA operations are calculated based on emission factors in US Environmental Protection Agency (EPA). Scope 2 GHG emissions for rest of the countries (other than India and USA) operations are calculated based on emission factors in International Energy Agency (IEA).
3. Calculation of Scope 3 GHG emissions are calculated based on emission factors considered in The UK Department for Environment, Food and Rural Affairs (Defra), US Environmental Protection Agency (EPA), India GHG Program, and International Energy Agency (IEA).
4. Emission factors used and their references, assumptions considered are mentioned in the 'ESG -SOP for GHG FY2025 - V01_28th Jan 2025', prepared by PSL.

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment - General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the verification engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability and GHG verification professionals. During the reporting period i.e. FY 2024-25, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data except for this Verification Statement. DNV maintains complete impartiality toward stakeholders interviewed during the verification process.

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Verification was carried out at the PSL's corporate office and selected sites in India as listed out in Annexure II for as part of the process of reviewing the Company's internal protocols, processes, and controls related to the collection and collation of its GHG emissions assertions.

Based on the agreed scope with the Company, the boundary for GHG emissions verification covers the operations of PSL across all global locations, unless otherwise stated in the table, GHG emissions calculations are done by PSL using 'operational control' approach.

Parameter	Boundary
Scope 1 emissions	All Global locations*
Scope 2 emissions	All Global locations
Scope 3 Category 1: Purchased Goods and Services	All Global locations
Scope 3 Category 2: Capital Goods	All Global locations
Scope 3 Category 3: Fuel- and Energy-Related Activities	All Global locations
Scope 3 Category 4: Upstream Transportation and Distribution	All Global locations
Scope 3 Category 5: Waste Generated in Operations	All Global locations
Scope 3 Category 6: Business Travel	All Global locations
Scope 3 Category 7: Employee Commuting	India Locations

*Note: Scope 1 emissions from PSL's international sites have not been accounted for, as the company does not have direct operational control over these leased facilities.

Basis of our conclusion

DNV planned and performed the verification assessment to obtain the necessary evidence to provide a limited/ reasonable level of verification, adopting a risk-based approach in selecting samples to assess the robustness of the underlying data management system, information flow, controls, quality verification, and check procedures. DNV carried out the following activities.

- **Desk review** of the Scope 1, 2, and 3 emissions for the period from 01/04/2024 to 31/03/2025. Sampling of activity data for verification in line with the requirements for verification.
- **Understanding the GHG management procedures**, including formats, assumptions, emission factors, and calculation methodologies, as well as the Company's GHG data management processes used to generate, aggregate, and report the GHG data, assessing completeness, accuracy, and reliability.
- **Site verifications involving** on-site visits to corporate office and selected sites in India as listed out in Annexure II for verifying the identified activities and GHG emission sources and related evidence at the site level on a sample basis.
- **Interactions with key managers and data owners** to review data consolidation systems related to the GHG inventory, including reviews of emission factors and assumptions used in the calculation methodology.
- **Evaluation of GHG emissions data** using the reliability principle in conjunction with PSL's methodologies (which are based on GHG Protocol) on data analysis, aggregation, measurement, and reporting.
- **Verification of the calibration status** of equipment being used to monitor and generate activity data on a sample basis.

Inherent Limitations

DNV's verification engagements assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The verification scope has the following limitations:

- DNV has not been involved in the evaluation or assessment of any financial data/performance of the company. DNV's opinion on specific categories relies on the third party audited financial data of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of verification.
- Data outside the operations specified in the verification boundary is excluded from the verification, unless explicitly mentioned otherwise in this statement.
- The verification engagement assumes that the data and information provided by the Company are complete, sufficient and authentic.
- No external stakeholders were interviewed as part of this verification engagement
- The verification engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this verification, and the Company is responsible for ensuring adherence to relevant laws.

Reporting Criteria and Verification Standards

PSL has prepared its GHG data in reference to the requirements of the below,

- ✓ GHG Protocol: A Corporate Accounting and Reporting Standard, 2015,
- ✓ ISO 14064-1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals

DNV has carried out this customized engagement in accordance with the verification principles and requirements as per ISO 14064-3:2019. This provides a limited/ reasonable level of verification on PSL's GHG performance data based on the principles of Relevance, Completeness, Consistency, Transparency, and Accuracy applying a ±5% materiality threshold for errors and omissions.

Responsibility of the Company

PSL is responsible for the collection, analysis, aggregation, calculations and presentation of data and information related to GHG emission data assertions (based on methodologies defined in frameworks and Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard) by adopting the 'operational control' model as a performance data consolidation approach.

DNV's Responsibility

Our responsibility for performing this work is to the management of PSL only and in accordance with the scope of work agreed with the Company; however, this statement represents our independent opinion. The verification engagement assumes that the data and information provided to us are complete, sufficient, and true. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this verification statement.

Use and distribution of Verification statement

This verification statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV's work or this verification statement.

The use of this verification statement shall be governed by the terms and conditions of the contract between DNV and the PSL. DNV does not accept any liability if this verification statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this verification statement.

For DNV Business Assurance India Private Limited,	
Chandan Sarkar Lead Verifier	Anjana Sharma Technical Reviewer
Verifiers: Roshni Sarage, Goutam Banik, Shilpa Swarnim, Poornachander Maratha, Sudharshan K	

05/06/2025, Bangalore, India

Annexure I - Scope 3 emissions (Other Indirect GHG emissions)

Category	Scope 3 Emissions (tCO ₂ e)
Category 1: Purchased Goods and Services	220.32
Category 2: Capital Goods	80.23
Category 3: Fuel- and Energy-Related Activities	761.99
Category 4: Upstream Transportation and Distribution	0.74
Category 5: Waste Generated in Operations	0.92
Category 6: Business Travel	1777.03
Category 7: Employee Commuting	264.35
Total Scope 3 Emissions	3,105.59

Annexure II - Sites selected for audit

S.no	Site	Location
1.	Corporate Office	Pune-Bhageerath
2.	India offices (onsite audits)	Pune-Hinjawadi Pune-Bhageerath Pune- Ramanujan Hyderabad - Argus-Sattva Bengaluru - RMZ, PRITECH PARK, The Cube
3.	India offices (remote audits)	Nagpur-Gargi Maitreyi Goa-Charak Bhaskar Noida - Logix Cyber Park Indore - Brilliant Centre
4.	International Sites (remote audit)	UK - London, Level 1

INDEPENDENT ASSURANCE STATEMENT

to the Management of Persistent Systems Limited

Persistent Systems Limited (Corporate Identity Number L72300PN1990PLC056696, hereafter referred to as 'PSL' or 'the Company') has commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent of assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include BRSR Core as per Annexure 17A and the non-financial disclosures as per Annexure 16 of the Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.



Our Conclusion:

Reasonable level of Assurance- BRSR Core

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core Key Performance Indicators (KPIs) under 9 ESG attributes (as listed in Annexure I of this statement) for FY 2024-25 are reported in accordance with reporting requirements outlined in Industry Standard on Reporting of BRSR Core.

Limited Level of Assurance- BRSR Disclosures

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the non-financial disclosures (as listed in Annexure I of this statement) in BRSR do not properly adhere to the reporting requirements as per BRSR reporting guidelines in Annexure 16 of SEBI's Master Circular.

Scope of Work and Boundary

The scope of our engagement includes a reasonable level of assurance for the 'BRSR Core' attributes and a limited level of assurance for the non-financial disclosures, for the Financial Year (FY) 2024-25.

Reasonable assurance of BRSR Core: Boundary covers the performance of PSL operations that fall under the direct operational control of the Company's legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of PSL as stated in the table below.

BRSR Core Attribute	Boundary for Reasonable Assurance
Attribute 1 GHG footprint: Scope 1 emissions	All Global locations*
Attribute 1 GHG footprint: Scope 2 emissions	All Global locations
Attribute 2 Water footprint	India locations**
Attribute 3 Energy footprint	All Global locations
Attribute 4 Waste Management	All Global locations
Attribute 5 Enhancing Employee Wellbeing and Safety	All Global locations
Attribute 6 Gross wages paid to females as % of wages paid	All Global locations
Attribute 6 POSH	India locations
Attribute 7 Enabling Inclusive Development	India locations
Attribute 8 Fairness in Engaging with Customers and Suppliers	All Global locations
Attribute 9 Openness of business	All Global locations

*Scope 1 emissions from PSL's international sites have not been accounted for, as the company does not have direct operational control over these leased facilities.

**Water consumption data is reported only for India operations, as PSL does not have the operational control required to accurately measure or manage water usage across international locations.

Limited assurance of rest non-financial disclosures in BRSR: Boundary for limited assurance of rest non-financial disclosures in BRSR covers the operations of PSL across all global locations, unless otherwise specified in the report.

This boundary for limited assurance also applies to the BRSR Core attribute-related disclosures as mentioned in the table above and cross-references, except where the BRSR report explicitly specifies that certain disclosures are applicable only to India operations.

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment - General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e. FY 2024-25, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

Reporting Criteria and Standards

The disclosures have been prepared by PSL in reference to:

- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated Dec 20, 2024.
- BRSR Core (Annexure 17A) and BRSR reporting guidelines (Annexure 16) as per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.
- ISO 14064-1:2018 - Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

Assurance Methodology/Standard and Level of Assurance

This assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards. DNV conducted Reasonable level of assurance for the BRSR Core KPIs under 9 ESG attributes; and a Limited level of assurance for the rest non-financial disclosures of BRSR.

Basis of our conclusion

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of PSL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

BRSR Core Indicators - Reasonable level of Assurance	Rest non-financial disclosures in BRSR - Limited Level of Assurance
Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The Industry Standard on Reporting of BRSR Core used a basis of reasonable level of assurance.	Reviewed the disclosures under BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators. Assessment of operational control and reporting boundaries	Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in BRSR. Understand and test, on a sample basis, to evaluate adherence to the reporting principles.
Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.	Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders.
DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure II.	DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.

In both the cases, DNV teams conducted the:

- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ Protocol, V6.0 for both reasonable level and limited level of assurance for the disclosures.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement

errors and omissions.

- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV’s opinion on specific BRSR Core Attribute 8 on “Number of days of accounts payable”, Attribute 9 “Open-ness of business” and all sections of BRSR indicators where currency or INR has been applied relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

Responsibility of the Company

PSL has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core and BRSR. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. PSL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

DNV’s Responsibility

In performing this assurance work, DNV’s responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Use and distribution of Assurance statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV’s work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company’s website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the PSL. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

For DNV Business Assurance India Private Limited,	
Chandan Sarkar Lead Verifier	Anjana Sharma Assurance Reviewer
Assurance Team: Roshni Sarage, Goutam Banik, Shilpa Swarnim, Poornachander Maratha	

05/06/2025, Bengaluru, India.

Annexure I

1. BRSR Core Verified Data- for reasonable level of assurance

Stipulated as per BRSR Core provided by the company.

Sr. No.	Attribute	BRSR Core Parameter	Unit	Verified Value for FY 2024-25	
1	Green-house gas (GHG) footprint	Total Scope 1 emissions	MT of CO ₂ e	274.51	
		Total Scope 2 emissions	MT of CO ₂ e	4,541.04	
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover	tCO ₂ e/Total Revenue from operations in INR	0.000000040	
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	tCO ₂ e / Total Revenue from operations adjusted for PPP in USD	0.000000824	
		Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e / Full Time Equivalent	0.196	
2	Water footprint	Total water consumption	KL	77,533.82	
		Water consumption intensity	Total water consumption in KL / Total Revenue from operations in INR	0.000000065	
			Total water consumption in KL / Revenue from operations adjusted for PPP in USD	0.0000133	
		Water intensity in terms of physical output	Total water consumption in KL/ Full Time Equivalent	3.66	
		Water Discharge by destination and levels of Treatment	KL	9,799.99	
3	Energy footprint	Total energy consumed	Gigajoules (GJ)	60,034.82	
		% of energy consumed from renewable sources	In % terms	56.83%	
		Energy intensity	GJ/ Total Revenue from operations in INR	0.000000503	
			GJ/ Total Revenue from operations adjusted for PPP in USD	0.000010273	
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	4.6	
		E-waste (B)	MT	8.4	
		Bio-medical waste (C)	MT	0.6	
		Construction and demolition waste (D)	MT	0.00	
		Battery waste (E)	MT	0.5	
		Radioactive waste (F)	MT	NA	
		Other Hazardous Waste (G)	MT	0.89	
		Other Non-Hazardous Waste (H)	MT	107.2	
		Total (A+B + C + D + E + F + G+ H)	MT	122.1	
		Waste intensity per rupee of turnover from operations	MT /Total Revenue from operations in INR	0.0000000010	
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Total waste generated in MT/ Revenue from operations adjusted for PPP in USD	0.000000021	
		Waste intensity in terms of physical output	MT/ Full Time Equivalent	0.0050	
		Total waste recovered through recycling, re-using or other recovery operations			
		(i) Recycled	MT	121.20	
		(ii) Re-used	MT	0	
		Total	MT	121.20	
		Waste Recycled, Recovered /Total Waste generated	%	99.27%	
		Total waste disposed by nature of disposal method			
		(i) Incineration	MT	0.89	
		(ii) Landfilling	MT	0	
		(iii) Other disposal options	MT	0	
Total	MT	0.89			
Waste disposed /Total Waste generated	%	0.73%			
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers - cost incurred as a % of total revenue of the company	In % terms	1.72%	
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Total recordable work-related injuries	0	
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	0	
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	22.54%	
		Complaints on PoSH	Total Complaints on Sexual Harassment (POSH) reported	4	
			Complaints on PoSH as a % of female employees / workers	0.06%	
			Complaints on PoSH upheld	4	
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases and from within India	Directly sourced from MSMEs/ small producers	1.86%	
			Sourced directly from within India	49.74%	
			Location		

		Job creation in smaller towns - Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Rural	0.00%
			Semi-urban	1.13%
			Urban	5.00%
			Metropolitan	93.87%
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	0
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	32
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties	Purchases from trading houses as % of total purchases	0%
		Loans and advances & investments with related parties	Number of trading houses where purchases are made from	0
			Purchases from top 10 trading houses as % of total purchases from trading houses	0%
			Sales to dealers / distributors as % of total sales	0%
			Number of dealers / distributors to whom sales are made	0
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0%
			Share of RPTs (as respective %age) in Purchases	0%
			Sales	0%
			Loans & advances	0%
			Investments	0%

2. BRSR Disclosures- Limited level of assurance

- Section A: General Disclosures- 20-a, b, 21, 22, 25
- Section C: Principle Wise Performance Disclosure-
- Principle 1: Essential Indicator 1, Leadership Indicator 1
- Principle 2: Leadership Indicator 4, 5
- Principle 3: Essential Indicator 1-a, b, 2, 5, 7, 8, 9, 13, 14; Leadership Indicator 3, 5
- Principle 5: Essential Indicator 1, 2, 6, 10; Leadership Indicator 4
- Principle 6: Essential Indicator 6, Leadership Indicator 1, 2, 7
- Principle 8: Leadership Indicator 6
- Principle 9: Essential Indicator 2, 3, 4

Annexure II - Sites selected for audits

S.no	Site	Location
1.	Corporate Office	Pune- Bhageerath
2.	India offices (onsite audits)	Pune- Hinjawadi Pune- Bhageerath Pune- Ramanujan Hyderabad - Argus-Sattva Bengaluru - RMZ, PRITECH PARK, The Cube
3.	India offices (remote audits)	Nagpur-Gargi Maitreyi Goa-Charak Bhaskar Noida - Logix Cyber Park Indore - Brilliant Centre
4.	International Sites (remote audit)	UK - London, Level 1

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Management Discussion and Analysis Report

Global Macroeconomic and Industry Landscape

The global IT services market is projected to reach USD 1.73 trillion in 2025, up 9% from USD 1.59 trillion in 2024, according to Gartner, making IT services the largest segment of worldwide IT spending. This growth is propelled by accelerated enterprise adoption of Artificial Intelligence (AI), cloud computing, and IoT, with overall worldwide IT spending expected to total USD 5.61 trillion in 2025, a 9.8% increase from the previous year. India remains a pivotal player in this landscape, with IT exports expected to reach USD 210 billion in the 2024-25 financial year, accounting for 18% of global IT outsourcing spending and driven largely by robust US demand.

While Global Capability Centers (GCC) in India continue to grow faster than traditional IT services providers, the sector faces a dual challenge from both, the internal competition and the disruptive impact of AI. AI presents enormous opportunities for innovation and efficiency but also introduces risks by changing pricing and delivery models, compressing margins, and demanding rapid upskilling of the workforce. As a result, Indian IT services companies must navigate a more complex and competitive environment, balancing the need for strategic reinvention with the realities of inflation, trade policy shifts, and talent mobility constraints to sustain growth and global relevance.

Despite these macroeconomic headwinds, the IT sector exhibited remarkable resilience and adaptability. Enterprises worldwide accelerated their digital transformation journeys, seeking to enhance agility and competitiveness through the adoption of advanced technologies. Artificial Intelligence (AI), cloud computing, and data analytics became pivotal enablers, empowering businesses to navigate complexity and uncertainty. The IT services industry, in particular, experienced a period of transformation, with AI-led delivery, cloud-native solutions, and cybersecurity emerging as key growth drivers. Engineering, Research & Development (ER&D) and the Global Capability Center (GCC) landscape also opened new avenues for innovation and value creation.

Persistent's Strategic Positioning and Performance

Celebrating its 35th anniversary, Persistent Systems achieved a significant milestone by surpassing USD 1.4 billion in annual revenue, reflecting an impressive 18.8% year-over-year growth in USD terms. This performance underscores Persistent's steadfast commitment to delivering value through its AI-led, platform-driven services strategy. Over the years, Persistent has established itself as a trusted partner in digital engineering and enterprise modernisation, leveraging deep technical expertise and industry experience to help clients anticipate and respond to future challenges and opportunities.

Persistent's diversified portfolio encompasses end-to-end software product engineering, cloud and infrastructure modernisation, advanced data and analytics, customer experience transformation, enterprise IT security, and intelligent automation. The company's robust execution framework, which blends design thinking, hackathons, and accelerators, enables the delivery of next-generation software products and impactful user experiences. These capabilities have positioned Persistent as a partner of choice for leading global enterprises seeking to accelerate their digital transformation initiatives.

Persistent's AI strategy is anchored around four pillars. With AI for Technology, the Company is proceeding simultaneously on two fronts. Firstly, the Company is utilising its product development expertise to collaborate with leading technology and hyperscalers to help them engineer and scale their platforms for their enterprise clients. Secondly, the Company is building SASVA, its Generative AI-enabled platform which has 35 patents, to accelerate software and application development for technology companies and enterprises. With AI for Business, the Company is continuing to invest in its iAURA and GenAI platforms to accelerate its agentic AI roadmap for enterprises across industry verticals. Persistent is also adding an Agentic Reasoning Layer to create back-end agentic workflows, which is generating an increase in client engagements for additional data and engineering solutions.

The third pillar involves strategic acquisitions to enhance the Company's capabilities, such as Starfish and Arrka, which have added significant value to our contact center and data privacy governance offerings. Finally, the Company is leveraging its AI investments to transform business models, focusing on outcome-driven and differentiated commercial models that create value for customers and drive growth for Persistent.

Industry Focus and Growth

Persistent's industry-focused approach has yielded substantial growth across key verticals. The Healthcare & Life Sciences segment led the way with a remarkable 54% year-over-year increase, driven by digital health initiatives and the growing demand for data-driven healthcare solutions. The Banking, Financial Services & Insurance (BFSI) sector achieved 17.8% growth, benefiting from the Company's focus on digital banking, risk management, and regulatory compliance solutions. Meanwhile, the Software & Hi-Tech vertical recorded steady growth, emphasising product innovation and agile methodologies to meet evolving client needs.

Innovation, Intellectual Property, and AI Journey

Innovation remains at the heart of Persistent's strategy. The Company has made significant investments in developing proprietary platforms and accelerators such as SASVA, an AI-driven platform that enhances software development and testing, and GenAI Hub & iAURA, which facilitate AI-enabled workflows across industries. Persistent's deep roots in data systems and decades of enterprise experience make it an ideal partner for organisations seeking to harness the transformative potential of AI while adhering to stringent security, privacy, and governance requirements. The Company's Generative AI (GenAI) capabilities are helping clients accelerate software development, enhance customer service, and optimise workplace processes, all while delivering measurable efficiencies and outcomes.

Customer Experience and Data Integration

Persistent is committed to transforming customer experience through a blend of user-centric design, advanced analytics, and GenAI. By integrating these capabilities, the Company enables clients to enhance digital engagement, accelerate go-to-market strategies, and improve user adoption. Persistent's enterprise integration services further empower organisations to overcome fragmented application landscapes, ensuring seamless, real-time data exchange and greater organisational agility.

Strategic Partnerships, Recognitions, and Talent Development

Persistent's collaborative approach has resulted in significant partnerships and industry accolades. The Company was recognized as the 2025 Infrastructure Modernization Partner of the Year for Asia Pacific by Google Cloud, reflecting its success in large-scale cloud migrations. Brand Finance named Persistent the fastest-growing IT services brand in the 2024 India 100 report, with a 327% increase in brand value since 2020. Additionally, the company received the ISG Star of Excellence™ for superior customer experience and adaptability.

With a workforce exceeding 24,500+ employees, Persistent places a strong emphasis on continuous learning and talent development. Upskilling initiatives in AI, cloud technologies, and domain-specific expertise ensure that employees remain at the forefront of technological advancements. The appointment of Vinit Teredesai as Additional Director (Executive Member) and Chief Financial Officer to the Board has further strengthened the Company's financial stewardship.

Mergers, Acquisitions, and ESG Commitment

Persistent has strategically expanded its capabilities through targeted acquisitions, including Starfish Associates (contact center modernisation), Arrka (data privacy and AI governance), and Soho Dragon (BFSI sector expertise). These acquisitions have enhanced Persistent's ability to deliver comprehensive solutions across industries.

The Company is deeply committed to Environmental, Social, and Governance (ESG) principles, integrating sustainability goals, community development initiatives, and high standards of corporate governance into its core strategy. Persistent's measurable targets for reducing environmental impact and its investments in employee well-being reflect its dedication to responsible growth.

Persistent is a constituent of the Dow Jones Sustainability World Index, scoring an impressive 85, up from 61 this year, placing us among global leaders in sustainable business practices. This recognition affirms our dedication to upholding the highest ESG standards, creating long-term value, and positively impacting our stakeholders. Being part of the DJSI reinforces our enhanced reputation, strengthens investor confidence, improves access to capital, lowers costs, and sharpens our risk management practices.

Moreover, Persistent has been included in the top 10% of the S&P Global 2025 Sustainability Yearbook, reaffirming our commitment to responsible business practices and long-term ESG impact. Out of over 7,690 companies assessed, only 780 across 62 industries were included in the 2025 Sustainability Yearbook, based on the S&P Global Corporate Sustainability Assessment score.

In terms of our ESG performance, we are thrilled to report that our S&P Dow Jones Sustainability Index (DJSI) ESG rating has risen to 85, up from 61, while our SES-ESG rating has improved to 77 from 72. Additionally, we have made commendable progress in our MSCI ESG rating, advancing from BB to BBB. We are also proud to be recognized among India's Top 50 Most Sustainable Companies for 2024 by BW Businessworld, a leading business publication in the country.

Opportunities, Challenges, and Risk Management

AI presents a key opportunity for Persistent as it enables the Company to deliver innovative solutions and transform business models. By leveraging AI technologies, Persistent can help its clients across various industries, such as banking, healthcare, and technology, to improve efficiency, reduce costs, and drive growth. The Company's investments in GenAI-enabled platforms like SASVA and its expertise in data plumbing and engineering position it well to capitalize on the growing demand for AI-powered solutions.

However, AI also poses key challenges for Persistent, such as the need to stay ahead of rapidly evolving technologies, ensure data privacy and governance, and address potential disruptions to traditional business models. The Company is constantly innovating and will continue to deliver high-quality AI solutions that meet client needs and expectations.

The accelerating pace of digitisation presents both opportunities and challenges. Persistent is well-positioned to capitalise on trends such as AI-driven automation, real-time analytics, and cloud-native transformation. However, the Company remains vigilant in managing risks related to cybersecurity, regulatory compliance, talent acquisition, and the measurement of digital transformation ROI. Persistent's robust cybersecurity frameworks and proactive compliance measures ensure that client data remains secure and that the Company meets evolving regulatory standards.

Outlook

Looking ahead, Persistent aims to achieve USD 2 billion in revenue over the next few years, driven by an AI-first strategy, the expansion of proprietary platform-led solutions, and continued global expansion. The Company's focus on innovation, operational efficiency, and client-centric solutions will be instrumental in sustaining growth and creating long-term stakeholder value. Persistent remains dedicated to leveraging its expertise, partnerships, and culture of excellence to navigate the evolving technology landscape and deliver sustainable, differentiated value to clients worldwide.

Financial performance summary

Particulars	Unit	Financial Year 2024-25	% to revenue	Financial Year 2023-24	% to revenue	Growth
Revenue	₹ Million	119,387.17		98,215.87		21.56%
Revenue	\$ Million	1,409.09		1,186.05		18.8%
Earnings before interest, depreciation, amortization and taxes	₹ Million	20,581.93	17.24%	17,243.02,	17.56%	19.36%
Profit Before Tax	₹ Million	18,223.08	15.26%	14,476.06	14.74%	25.88%
Profit After Tax	₹ Million	14,001.61	11.73%	10,934.91	11.13%	28.05%
Earnings Per Share (EPS)						
Basic	₹	91.22		72.44		25.92%
Diluted	₹	90.24		71.07		26.97%

Share Capital

The authorised share capital of the Company as at March 31, 2025, was ₹ 2,000.00 Million divided into 400 Million equity shares of ₹ 5 each. The paid-up share capital as at March 31, 2025, was ₹ 779.25 Million divided into 155.85 Million equity shares of ₹ 5 each. (Previous year ₹ 770.25 Million divided into 154.05 Million equity shares of ₹ 5 each).

Other Equity

The Other Equity as at March 31, 2025, stood at ₹ 62,411.40 Million as against ₹ 48,806.82 Million as at March 31, 2024, showing a growth of 27.87%. The details of Other Equity are as below:

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve	27,730.15	25,842.99
Share Options Outstanding Reserve	3,432.38	2,227.71
Gain on bargain purchases	65.19	63.61
Capital redemption reserve	35.75	35.75
Retained Earnings	28,833.47	19,346.09
Securities premium reserve	3,438.70	1,601.80
Treasury shares	(2,994.10)	(2,085.84)
PSL ESOP trust reserve	180.77	140.64
Effective portion of cash flow hedges	(2.32)	23.85
Exchange differences on translating the financial statements of foreign operations	1,691.41	1,610.22
Total	62,411.40	48,806.82

General Reserve

During the year, there has been a transfer of ₹ 1,887.16 Million from Share Options Outstanding Reserve on exercise/expiry of stock options by the employees. The balance in General Reserve stood at ₹ 27,730.15 Million as at March 31, 2025, as against ₹ 25,842.99 Million as at March 31, 2024.

Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Share Options Outstanding Reserve

In accordance with Ind AS 102 – 'Share Based Payments', the cost of equity-settled transactions is determined by the fair value of the options at the date of the grant and recognized as employee compensation cost over the vesting period following graded vesting method.

The amount of stock options outstanding as at March 31, 2025, was ₹ 3,432.38 Million for 6.71 Million options outstanding as on that date (the corresponding amount in the stock options outstanding account as on March 31, 2024, was ₹ 2,227.71 Million for 8.75 Million options outstanding as on that date). The increase in the liability represents the fair value of options granted (including Deep-discounted options) during the year to the employees. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Gain on Bargain Purchases

As per Ind AS 103- 'Business Combinations', if the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognised as Gain on bargain purchases under other comprehensive income. The Company has carried out the fair valuation of all identifiable assets, liabilities and contingent liabilities acquired under the business acquisitions after the date of transition to Ind AS (i.e. April 1, 2015). Based on this, the Gain on bargain purchases stood at ₹ 65.19 Million as at March 31, 2025, as compared to ₹ 63.61 Million as at March 31, 2024. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Capital Redemption Reserve

Capital redemption reserve represents the nominal value of the shares bought back and is created and to be utilised in accordance with Section 69 of the Companies Act, 2013. The Capital redemption reserve was unchanged and stood at ₹ 35.75 Million as at March 31, 2025, and March 31, 2024. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Retained Earnings

The balance retained in the Statement of Profit and Loss as at March 31, 2025 is ₹ 28,833.47 Million, after appropriation towards dividend of ₹ 4,657.50 Million.

The details of changes in Retained Earnings are as follows:

(In ₹ Million)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	19,346.09	16,607.36
Net profit for the year	14,001.61	10,934.91
Items recognized in / from other comprehensive income for the year	143.27	(77.00)
Dividend	(4,657.50)	(4,153.95)
Transfer to general reserve	-	(3,965.23)
Closing balance	28,833.47	19,346.09

Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Treasury shares

Treasury shares represent the number of shares held by ESOP Trust. The treasury shares have a balance of ₹ 2,994.10 Million as at March 31, 2025, as compared to ₹ 2,085.84 Million as at March 31, 2024. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

PSL ESOP Trust reserve

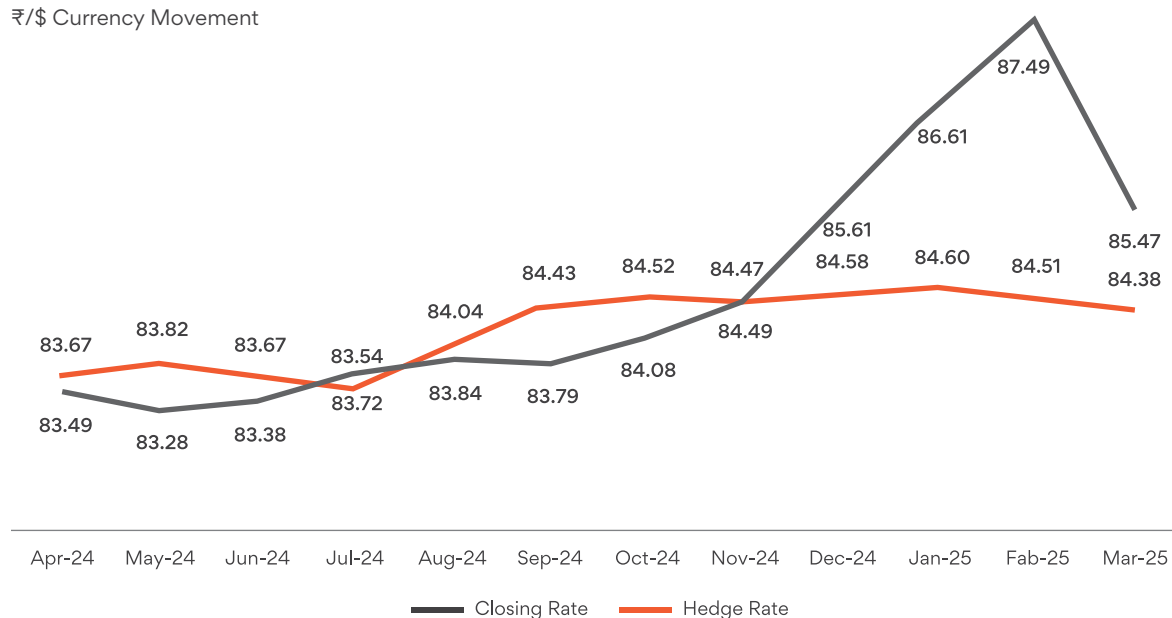
PSL ESOP Trust reserve represents the dividend received by ESOP trust from the company. The PSL ESOP Trust reserve has a balance of ₹ 180.77 Million as at March 31, 2025, as compared to ₹ 140.64 Million as at March 31, 2024. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Effective Portion of Cash Flow Hedges

The Company derives a substantial part of its revenues in foreign currency, while a major part of its expenses is incurred in Indian Rupees. This exposes the Company to the risk of loss due to fluctuations in foreign currency rates.

The following chart shows the movement of monthly spot and forward rates of the Rupee against the USD in Financial year 2024-25, indicating the volatility that the currency faced throughout the year:

₹/\$ Currency Movement



The Company minimises the foreign currency fluctuation risk as per the Company's Foreign Exchange Risk Management Policy. The Company holds plain vanilla forward contracts against a portion of expected future receivables in USD to manage the risk of changes in exchange rates.

As per the accounting principles laid down in Ind AS 109 – 'Financial Instruments' relating to cash flow hedges, derivative financial instruments which qualify for cash flow hedge accounting are fair valued at balance sheet date and the effective portion of the resultant loss / (gain) is debited / (credited) to the hedge reserve under other comprehensive income and the ineffective portion is recognised in the statement of profit and loss. Derivative financial instruments are carried as forward contract receivable when the fair value is positive and as forward contract payable when the fair value is negative.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised in the statement of profit and loss as they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognised under other comprehensive income is transferred to the statement of profit and loss when the forecasted transaction occurs or affects profit or loss or when a hedged transaction is no longer expected to occur.

Accordingly, the Hedge Reserve (net of tax effects) as at March 31, 2025 stood at a debit balance of ₹ (2.32) Million as against a credit balance of ₹ 23.85 Million as at March 31, 2024. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Exchange Differences on Translating the Financial Statements of Foreign Operations

While consolidating the financial statements of subsidiaries (including step down subsidiaries) with the financial statements of the Parent Company, the assets and liabilities are stated in Indian Rupees by applying the closing exchange rates, equity is stated in Indian Rupees by applying the historical exchange rates and income and expenditure are stated in Indian Rupees by applying the average exchange rates. This creates an exchange difference on consolidation, which is accumulated under the foreign currency translation reserve.

The balance in the foreign currency translation reserve was ₹ 1,691.41 Million as at March 31, 2025 as against ₹ 1,610.22 Million as at March 31, 2024. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Non-current Assets (other than non-current financial assets)

The Non-current assets (other than non-current financial assets) as at March 31, 2025, stood at ₹ 26,184.43 Million as against ₹ 22,549.98 Million as at March 31, 2024. The details are as below:

Particulars	(In ₹ Million)	
	As at March 31, 2025	As at March 31, 2024
Property, Plant and Equipment	4,350.88	4,420.03
Capital work-in-progress	41.84	218.73
Right of use assets	3,798.67	2,307.18
Goodwill	12,337.94	10,912.56
Other Intangible assets	4,923.33	4,574.95
Intangible assets under development	731.77	116.53
Total	26,184.43	22,549.98

Property, Plant and Equipment

The gross block of Property, Plant and Equipment amounted to ₹ 12,866.55 Million as at March 31, 2025 as against ₹ 12,354.06 Million as at March 31, 2024. The increase is primarily because of the acquisition of computers during the year.

Capital Work-in-progress

Capital work-in-progress (Capital WIP) stood at ₹ 41.84 Million as at March 31, 2025 as against ₹ 218.73 Million as at March 31, 2024. The decrease is primarily because of capitalization of some of the assets which became operational.

Right of Use Assets

The gross block of Right of Use Assets stood at ₹ 5,690.50 Million as at March 31, 2025 as against ₹ 3,772.07 Million as at March 31, 2024. Net additions of ₹ 1,918.43 Million have been made towards renewals/ additions of leased office premises.

Goodwill

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired Company. The Goodwill as at March 31, 2025, was ₹ 12,337.94 Million as against ₹ 10,912.56 Million as at March 31, 2024. The increase is due to amounts recognised on business acquisitions made during the year.

Other Intangible Assets

The gross block of intangible fixed assets amounted to ₹ 17,551.39 Million as at March 31, 2025 as against ₹ 15,688.86 Million as at March 31, 2024. The additions mainly pertain to software and acquired contractual rights, including those acquired through business combinations.

Please refer note no. 44 of the consolidated financial statements for details.

Non-current Financial Assets

The non-current financial assets as at March 31, 2025, were ₹ 7,853.25 Million as against ₹ 6,960.38 Million as at March 31, 2024. The details of non-current financial assets are as follows:

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivable	664.40	730.18
Investments	6,415.04	5,539.14
Other non-current financial assets	773.81	691.06
Total	7,853.25	6,960.38

Non-current Financial Assets: Trade receivable

In some IP deals, we have deferred credit arrangements with certain large enterprise customers. These customer outstanding are realisable after 12 months and are shown as Non-current trade receivables. The trade receivables stood at ₹ 664.40 Million as at March 31, 2025 as against ₹ 730.18 Million in the previous year.

Non-current Financial Assets: Investments

The total non-current investments as on March 31, 2025, stood at ₹ 6,415.04 Million as against ₹ 5,539.14 Million in the previous year. The net increase in non-current investments is mainly due to an increase in investment in mutual funds net of write-off of investment in Trunomi, Inc. Please refer to Note 6 of the consolidated financials for details.

Other Non-current Financial Assets

Other non-current financial assets consist of the non-current deposits with banks and the financial institutions including interest accrued on these deposits.

The Company has fully provided for the deposits of ₹ 130.00 Million with IL&FS Ltd and ₹ 300.00 Million with IL&FS Financial Services Ltd by FY20. During the year, the Company has received ₹ 21.12 Million from the IL&FS Group, and the Management is hopeful of recovering the balance amount with a time lag. The Company continues to monitor developments in the matter and is committed to taking steps including legal action that may be necessary to ensure full recovery of the said deposits.

During the year, the Company has received proceeds from the maturity of the deposits of HDFC Limited of ₹ 100.00 Million. Please refer to Note 8 of the consolidated financials for details.

Deferred Tax Assets and Deferred Tax Liabilities

On March 31, 2025, the net deferred tax assets amounted to ₹ 1,873.75 Million, compared to ₹ 1,340.88 Million on March 31, 2024.

Please refer Note 9 of the consolidated financials for component-wise details of deferred tax balances.

Other Non-current Assets (other than financial assets)

Other non-current assets, besides financial assets, include Income tax assets (net) and other non-current assets. The amount of Income tax assets (net) was ₹ 787.55 Million as at March 31, 2025, as against ₹ 387.05 Million as at March 31, 2024. Other non-current assets was ₹ 257.02 Million as at March 31, 2025, as against ₹ 1,247.28 Million as at March 31, 2024. The details for the Other non-current assets are given below:

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	33.53	826.67
Prepayments	223.49	420.61
Total	257.02	1,247.28

Current Financial Assets

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Investments	3,388.17	2,726.54
Trade receivables (net)	18,477.95	16,761.13
Cash and cash equivalents	6,744.06	6,625.15
Bank balances other than cash and cash equivalents	3,510.65	3,603.71
Other current financial assets	9,375.16	6,621.83
Total	41,495.99	36,338.36

Current Investments

As per the Investment Policy approved by the Board of Directors, the Company invests its surplus funds in liquid and debt schemes, and fixed maturity plans of some reputed mutual funds with a focus on capital preservation, liquidity and optimization of returns.

Investment in mutual funds classified under current investments stood at ₹ 3,388.17 Million as at March 31, 2025 as compared to at ₹ 2,726.54 Million as at March 31, 2024.

Trade Receivables

Trade receivables (net of provision for doubtful debts) amounted to ₹ 18,477.95 Million as at March 31, 2025 as against ₹ 16,761.13 Million as at March 31, 2024.

The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the historical payment track record of customers. Further, the policy incorporates the provisioning of all customer balances which are overdue for a period of more than 180 days.

Provision for doubtful debts stood at ₹ 916.03 Million as at March 31, 2025 as against ₹ 398.64 Million as at March 31, 2024. Please refer to Note 12 of the consolidated financials for details.

DSO was 58 days as of March 31, 2025, compared to 63 days as of March 31, 2024.

Cash and Cash Equivalents

Cash and cash equivalents include bank balances and cash on hand. Cash and cash equivalents increased to ₹ 6,744.06 Million as at March 31, 2025 from ₹ 6,625.15 Million as at March 31, 2024.

Bank balances other than cash and cash equivalents

Deposits with banks having a maturity of more than twelve months from the balance sheet date, including interest thereon, and the balances on unpaid dividend accounts are considered under other bank balances. These deposits amounted to ₹ 3,490.42 Million as at March 31, 2025 as compared to ₹ 3,600.79 Million as at March 31, 2024. The balances on unpaid dividend accounts was ₹ 20.23 Million as at March 31, 2025 as against ₹ 2.92 Million as at March 31, 2024. Please refer Note 14 of the consolidated financials for details.

Other Current Financial Assets

Other current financial assets were ₹ 9,375.16 Million as at March 31, 2025 as compared to ₹ 6,621.83 Million as at March 31, 2024. Following are the components of other current financial assets:

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	116.44	57.95
Forward contracts receivable	-	42.54
Unbilled revenue	9,258.72	6,521.34
Total	9,375.16	6,621.83

The amount of forward contracts receivable represented favourable position (i.e. Mark To Market gain) as at the Balance Sheet date in respect of the forward contracts entered into by the Company. Unbilled revenue represents revenue recognized in relation to work done until the Balance Sheet date for which billing has not taken place.

Please refer Note 16 of the consolidated financials for details.

Other Current Assets

Other current assets were ₹ 8,763.54 Million as at March 31, 2025, as compared to ₹ 5,230.49 Million as at March 31, 2024.

Other current assets include advances recoverable in cash or kind within period of twelve months from the Balance Sheet date and VAT receivable, Service Tax and GST receivable.

Current ratio was 2.36 as at March 31, 2025, as against 1.89 as at March 31, 2024.

Non-current Liabilities

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Financial liabilities		
Borrowings (non-current portion)	-	99.15
Lease liabilities	2,156.67	1,608.09
Provisions	66.95	546.96
Other financial liabilities	425.90	-
Other non-current liabilities	47.63	44.44
Total	2,697.15	2,298.64

Non-current Financial Liabilities- Borrowings

The overall break-up of total borrowings summarized below:

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Term Loans		
India Rupee loan	-	1.85
Interest accrued but not due	-	0.02
Foreign Currency loan from others		
Loan from HSBC	-	2,059.52
Interest accrued on loan from HSBC	-	11.80
Total	-	2,073.19

Indian rupee loan from Government department was Nil (Previous year: ₹ 1.85 Million) having interest @ 3% p.a. which was repayable in ten equal annual installments over a period of ten years commencing from October 2015 has been repaid.

Please refer Note 19 of the consolidated financials for details.

There are no debts as at March 31, 2025 while the debt-equity ratio was 0.04:1 as at March 31, 2024.

Non-current Liabilities- Lease liabilities

The balance of ₹ 2,156.67 Million represents the non-current portion of Lease Liability as at March 31, 2025, as against previous year balance of ₹ 1,608.09 Million.

Non-current Liabilities- Provisions

The long-term provisions are those provisions which are not expected to be settled within twelve months from the date of the Balance Sheet. Long term provisions include the liability towards long service award. The total long-term provisions have decreased to ₹ 66.95 Million as at March 31, 2025 as compared to ₹ 546.96 Million as at March 31, 2024 mainly due to discontinuation of the policy of Long-Term Service Awards to employees.

Non-current Liabilities- Other financial liabilities

The balance of ₹ 47.63 Million represents the non-current portion of Unearned revenue as at March 31, 2025, as against previous year balance of ₹ 44.44 Million.

Current Liabilities

Particulars	(In ₹ Million)	
	As at March 31, 2025	As at March 31, 2024
Financial liabilities		
- Trade payables	8,886.17	8,138.62
- Lease liabilities	952.30	830.01
- Borrowings	-	1,974.04
- Other financial liabilities	2,438.40	3,718.27
Other current liabilities	4,516.47	3,639.82
Provisions	4,028.54	3,330.66
Income tax liabilities (net)	505.85	547.29
Total	21,327.73	22,178.71

Trade Payables

Trade payables increased to ₹ 8,886.17 Million as at March 31, 2025, from ₹ 8,138.62 Million as at March 31, 2024, essentially on account of the growth in operations of the Company.

Lease Liability

The balance of ₹ 952.30 Million represents the current portion of Lease Liability as at March 31, 2025 as against previous year balance of ₹ 830.01 Million.

Other Current Financial Liabilities

Other current financial liabilities include capital creditors, accrued employee liabilities, unpaid dividend and other contractual liabilities. Other current financial liabilities have increased to ₹ 2,438.40 Million as at March 31, 2025, from ₹ 3,718.27 Million as at March 31, 2024, due to increase in accrued employee liabilities.

The details of major components of other current financial liabilities are shown below:

Particulars	(In ₹ Million)	
	As at March 31, 2025	As at March 31, 2024
Capital creditors	59.66	79.97
Accrued employee liabilities	999.37	1,092.42
Unpaid dividend	20.23	2.92
Other liabilities	38.99	78.41
Foreign exchange forward contracts	36.82	-
Payable to Selling Shareholders	1,283.33	2,464.55
Total	2,438.40	3,718.27

Other Current liabilities

Other current liabilities include unearned revenue, advances from customers and statutory and other liabilities. Unearned revenue represents the billing in respect of contracts for which the revenue is not recognized. The other current liabilities have increased to ₹ 4,516.47 Million as at March 31, 2025, from ₹ 3,639.82 Million as at March 31, 2024. Please refer to Note 24 of the consolidated financials for details.

Current Liabilities: Provisions

The short-term provisions denote the employee liabilities and other provisions expected to be settled within a period of twelve months from the date of the Balance Sheet. The short-term provisions were ₹4,028.54 Million as at March 31, 2025, as against ₹ 3,330.66 Million as at March 31, 2024. The details of the components of short-term provisions are given below:

Particulars	(In ₹ Million)	
	As at March 31, 2025	As at March 31, 2024
Provision for employee Benefits		
Gratuity	24.78	0.13
Leave encashment	1,716.12	1,651.87
Long service awards	-	34.02
Other Employee benefits	2,287.64	1,644.64
Total	4,028.54	3,330.66

Income Tax Liabilities (Net)

Current tax liabilities were ₹ 505.85 Million as at March 31, 2025, as against ₹ 547.29 Million as at March 31, 2024. Refer to Note 33 of Consolidated Financial Statements for details.

Revenue from Operations (Net)

The Company provides product engineering services, platform-based solutions and IP-based software products for global customers. The Company derives a significant portion of revenues from exporting software services and products.

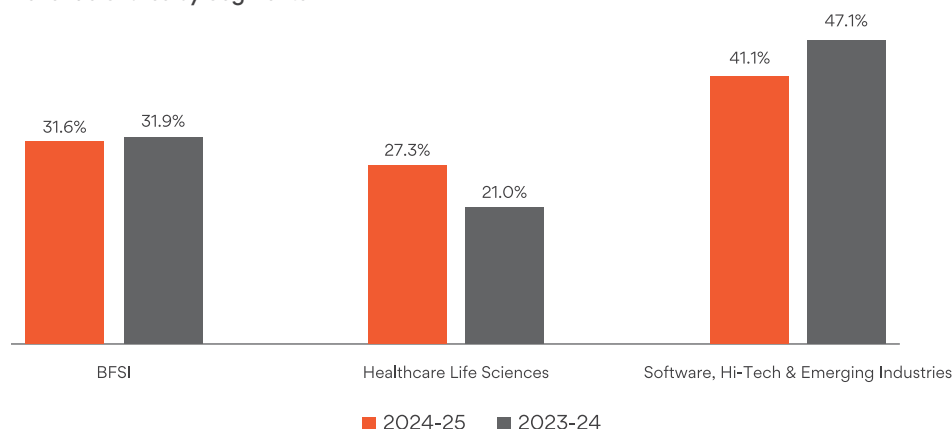
The revenue for the year in USD terms was up by 18.8% at USD 1,409.1 Million against USD 1,186.0 Million in the previous year. In Rupee terms, the revenue was ₹ 119,387.17 Million against ₹ 98,215.87 Million, representing a growth of 17.24% over the previous year. The average rate of the Rupee depreciated by 2.3% during the year against the US Dollar.

The operating segments of the Group are:

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

The following is the graphical presentation of the contribution of the segments in the total revenue:

Revenue Shares by Segments



(In ₹ Million)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024	Growth
Segmental revenue			
- BFSI	37,709.68	31,385.58	15.25%
- Healthcare & Life Sciences	32,551.45	20,880.32	29.20%
- Technology Companies and Emerging Verticals	49,126.04	45,949.97	14.55%
Total			
Segmental Operating income			
- BFSI	13,486.46	11,523.86	15.19%
- Healthcare & Life Sciences	12,768.39	8,671.22	8.21%
- Technology Companies and Emerging Verticals	14,320.53	11,804.66	(3.89%)
Total			
Segmental Operating margin %			
- BFSI	35.76%	36.72%	
- Healthcare & Life Sciences	39.23%	41.53%	
- Technology Companies and Emerging Verticals	29.15%	25.69%	

In terms of the geographical mix of revenue, North America continued to dominate by contributing 80.68% of the total revenue. Contribution from India was 9.38% while the Rest of the World contributed 9.94% of the total revenue.

The details in respect of the percentage of revenues generated from top customer, top 5 customers and top 10 customers are as under:

Revenue Concentration	2024-25	2023-24
Top 1	10.4%	9.4%
Top 5	31.3%	27.7%
Top 10	40.9%	39.0%

Other Income

As explained in Note 27 of the consolidated financials, Other Income consists of income from investment of surplus funds in the form of dividends from mutual funds, profit on sale of investments, interest on deposits and bonds, foreign exchange gain and miscellaneous income. Other income has increased to ₹ 1,381.54 Million for the year ended March 31, 2025, from ₹ 1,280.20 Million for the year ended March 31, 2024. One of the major reasons for an increase in other income was due to gain on sale of financial assets of ₹ 492.76 Million as against the gain of ₹ 289.11 Million in the previous year.

The details of other income are given below:

(In ₹ Million)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024	Change
Investment income (including interest, dividend, fair value gain/loss and profit on sale of investments)	1,077.33	851.56	26.51%
Foreign exchange gain	89.18	84.97	4.95%
Miscellaneous Income (including Advances and excess provisions written back and profit on sale of fixed assets)	215.03	343.67	(0.01%)
Total	1,381.54	1,280.20	7.92%

Personnel Expenses

Personnel Expenses for the year amounted to ₹ 86,228.82 Million against ₹ 71,102.40 Million for the previous year, showing an increase of 21.27%. As a percentage of revenue, these expenses were 74.70% during the year as compared to 75.49% in the previous year.

Please refer to Note 28 of the consolidated financials for details.

Other Expenses

Operating and other expenses for the year amounted to ₹ 12,576.42 Million against ₹ 10,356.61 Million in the previous year. As a percentage of revenue, the expenses decreased to 10.53% from 10.54%.

The main reasons for variations in Operating and other expenses are as below:

- Travelling and conveyance costs went up by ₹ 177.05 Million primarily due to an increase in airfares
- Purchase of software licenses costs went up by ₹ 1,871.17 Million mainly due to increased headcount and an increase in the cost of sale for a few partner IPs
- Legal and professional fees have increased by ₹ 583.85 Million on account of due diligence and other legal fees incurred for acquisitions.

Please refer to Note 29 of the consolidated financials for more details.

Profit Before Interest, Tax, Depreciation and Amortisation

During the year, the Company reported Profit before interest, tax, depreciation and amortisation of ₹ 20,581.93 Million, representing an increase of 22.83% over Profit before interest, tax, depreciation and amortisation of ₹ 16,756.86 Million during the previous year. The margin of Profit before interest, tax, depreciation and amortisation increased to 17.24% during the year from 17.06% in the previous year.

Depreciation and Amortisation

The depreciation and amortisation for the year amounted to ₹ 3,069.10 Million as against ₹ 3,093.73 Million in the previous year. Increase is mainly on account of amortisation of intangibles acquired under business combinations and new additions during the year in Property, Plant and Equipment.

Depreciation and amortisation as a percentage of revenue was 2.57% for the year against 3.15% for the previous year. The details on depreciation and amortisation is as given below:

Particulars	In ₹ Million)	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024
On Property, Plant and Equipment	920.65	1,187.51
On Other Intangible assets	921.15	651.50
On Right of Use assets	1,227.30	1,254.72
Total	3,069.10	3,093.73

Tax Expense

Tax expense consists of current tax and deferred tax.

The Company's two major tax jurisdictions are India and the United States, though the Company also files tax returns in other overseas jurisdictions.

The tax expense for the year amounted to ₹ 4,721.97 Million (including tax charge in respect of earlier years of ₹ 41.92 Million) against ₹ 3,752.84 Million (including tax charge in respect of earlier years of ₹ 73.19 Million) in the previous year. The deferred tax credit for the year was ₹ 500.50 Million against the deferred tax credit of ₹ 211.69 Million in the previous year.

The total tax expense for the year amounted to ₹ 4,221.47 Million against ₹ 3,541.15 Million for the previous year. The Effective Tax Rate (ETR) for the year amounted to 23.17% as compared to 25.17% in the previous year.

Please refer to Note 33 for reconciliation of estimated income tax expense at Indian statutory income tax rate to the income tax expense reported in the statement of profit and loss.

Net Profit after Tax

The Net Profit for the year amounted to ₹ 14,001.61 Million against ₹ 10,934.91 Million for the previous year, an increase of 28.05%. The Net Profit margin for the year was 11.73% as compared to 11.13% in the previous year.

Dividend

To celebrate the 35th year of the Company, the Board of Directors recommended a Final Dividend of ₹15 per share. This brings the total dividend for the year to ₹35 including an interim dividend of ₹20 per equity share declared in January 2025. The Final Dividend of ₹15 per share recommended by the Board is subject to approval at the ensuing Annual General Meeting.

For the previous year, the total dividend was ₹ 26 per share.

The total appropriation towards interim dividend for the year was ₹ 3,117 Million as against ₹ 2,461.60 Million for the previous year.

On approval of final dividend of ₹ 15 per share which was recommended by board in its meeting held in April 2025, the amount of ₹ 2,337.75 Million will be appropriated from reserves. Subject to approval in the AGM, dividend will be paid on the basis of outstanding shares as on the date of distribution.

Summary of dividends declared

Type of Dividend	Financial Year 2024-25		Financial Year 2023-24	
	Interim	Final	Interim	Final
Month of Declaration/recommendation	Jan-25	Apr-25	Jan-24	Apr-24
Amount of Dividend Per Equity Share of ₹ 5 per share	20	15	16	10
% of Dividend	400%	300%	320%	200%
Total Dividend* (In ₹ Million)	3,117.00	2,337.75	2,461.60	1,540.50
Total Dividend Outflow for the Year (In ₹ Million)		5,454.75		4,002.10

The dividend payout ratio (including proposed final dividend) for the year was 39.0% as compared to 36.6% for the previous year.

*Subject to approval in the AGM, the dividend will be paid on the basis of outstanding shares as on the date of distribution.

Earnings Per Share (EPS)

Basic and Diluted earnings per share went up to ₹ 91.22 per share and ₹ 90.24 per share respectively, compared to ₹ 72.44 per share and ₹ 71.07 per share respectively in the previous year, recording an increase of 25.92% and 26.97% respectively. The impact of share split is considered for calculation of EPS.

Ratio Analysis and its Elements

Sr. No	Ratio	March 31, 2025	March 31, 2024	% change	Reason for variance (If more than 25%)
1.	Current ratio	2.36	1.87	26.20%	Refer Note 1
2.	Debt-Equity ratio	NA	4.18%	100.00%	Refer Note 2
3.	Debt Service Coverage ratio	NA	8.49	100.00%	Refer Note 2
4.	Return on Equity ratio	25.18%	24.94%	0.96%	-
5.	Trade Receivables turnover ratio	6.24	5.62	11.07%	-
6.	Trade payables turnover ratio	3.74	2.73	27.30%	Refer Note 1
7.	Net capital turnover ratio	4.13	5.07	-18.53%	-
8.	Net profit ratio	11.73%	11.13%	5.34%	-
9.	Return on Capital employed	27.65%	26.39%	4.77%	-
10.	Return on investment	5.74%	6.86%	-16.33%	-

** Earnings available for debt service = Profit Before Tax + Finance cost + Depreciation & Amortization - Other income - Lease payments

Note 1: Primarily on account of increase in current assets due to increase in business operations during the year.

Note 2: The Group has repaid the outstanding borrowings during the year.

Report on Risk Management

Persistent's Approach to Risk Management

Persistent has a well-defined Risk Management framework that includes a risk management policy, risk management processes, governance, and awareness programmes. Our Enterprise Risk Management (ERM) function aims to strengthen and embed proactive risk management culture across the organisation.

The ERM function works closely with the various organisational units and their leadership to facilitate. The Risk Management Committee of the Board of Directors was constituted on April 24, 2017, even before the requirement of forming this Committee was applicable to the Company.

ERM Objectives

- Promote an effective risk management system that supports the Company's growth strategy, business objectives and ensure resilience to the business dynamics
- Improve institutional decision-making by giving senior management and Board of Directors timely and accurate information that helps them better comprehend the risks and possibilities at the enterprise level, and then propose mitigation plans to achieve the desired objectives
- Enhance the company's capacity to achieve its legal, regulatory, and policy compliance obligations
- Establish a process to identify and assess risks that may impact the business continuity of the Company, and define response and recovery plans for such risks
- Proactively identify potential opportunities and risks to prepare for future breakthroughs and obstacles
- Strengthen the organisation's capacity to comprehend and control risk exposures and establish a culture of responsible risk-taking
- Integrate opportunity and risk assessment analysis into the company's periodic planning procedures (for example, strategic planning, annual budget cycle, etc.)
- Promote a Risk Intelligent Culture wherein conscious efforts are made at an enterprise level for aligning the organization's approach towards risk and consistently making appropriate risk-based decisions (for example. Risk Familiarization Programme for Directors and Key Managerial Personnel, and Risk Trainings across key functions)

ERM Framework

The Enterprise Risk Management (ERM) framework adopted by Persistent is mapped as per the ISO Standard 31000:2018 Risk Management — Guidelines, COSO: ERM — Integrating Strategy and Performance (2017), and the requirements of various applicable regulations in India. Our ERM framework is a holistic approach to managing the full range of risks the Company faces, especially risks that are critical to its strategic success. The framework provides guidance for identifying, assessing, measuring, monitoring, and responding to risks across the enterprise in a way that is aligned with its strategic objectives and risk appetite. ERM function reports the risks to the executive leadership and Risk Management Committee (RMC) of the Board each quarter for their regular review.

The responsibility for risk management is shared across the organisation for an effective and consistent process. There are dedicated forums involving leadership to address all the risks that are identified and tracked at an enterprise level and the Risk Management Committee of the Board is ultimately responsible for overseeing the Risk Management function of the Company.

Below is the risk management process followed at Persistent:

ERM Process Flow

- Identifying plausible uncertainties or risks that may impact the successful achievement of functional, organisational, and business objectives or threaten the business continuity of the Company. The risks are categorised into financial, operational, reputational, regulatory, extended enterprise, strategic, sustainability, talent, and technology for further assessment

- Analysing and assessing the potential impact, likelihood and velocity of existing and newly identified risks and determining the readiness to manage them.
- Evaluating the results of the risk analysis with the established risk criteria and prioritising them based on criticality to help decide on the appropriate risk management strategy
- Formulating risk response strategies to evade / prevent / eliminate the root causes of the risks and the occurrence of risk event, especially in case of key risks
- Integrating mitigation plans devised by the risk owners in the day-to-day activities and monitoring them closely
- Monitoring and reviewing risks on a periodic basis for continuous risk assessment
- Re-evaluating the risk environment and the risk events and updating the mitigation plans if necessary
- Reporting relevant risk information to the Risk Management Committee of the Board in a timely manner to provide the necessary basis for risk-informed decision-making

Risk Categorisation

Risk categorisation at Persistent follows the 'FORRESSSTT' model which has been derived from the 'PESTEL*' model. Details of the FORRESSSTT model are as follows:

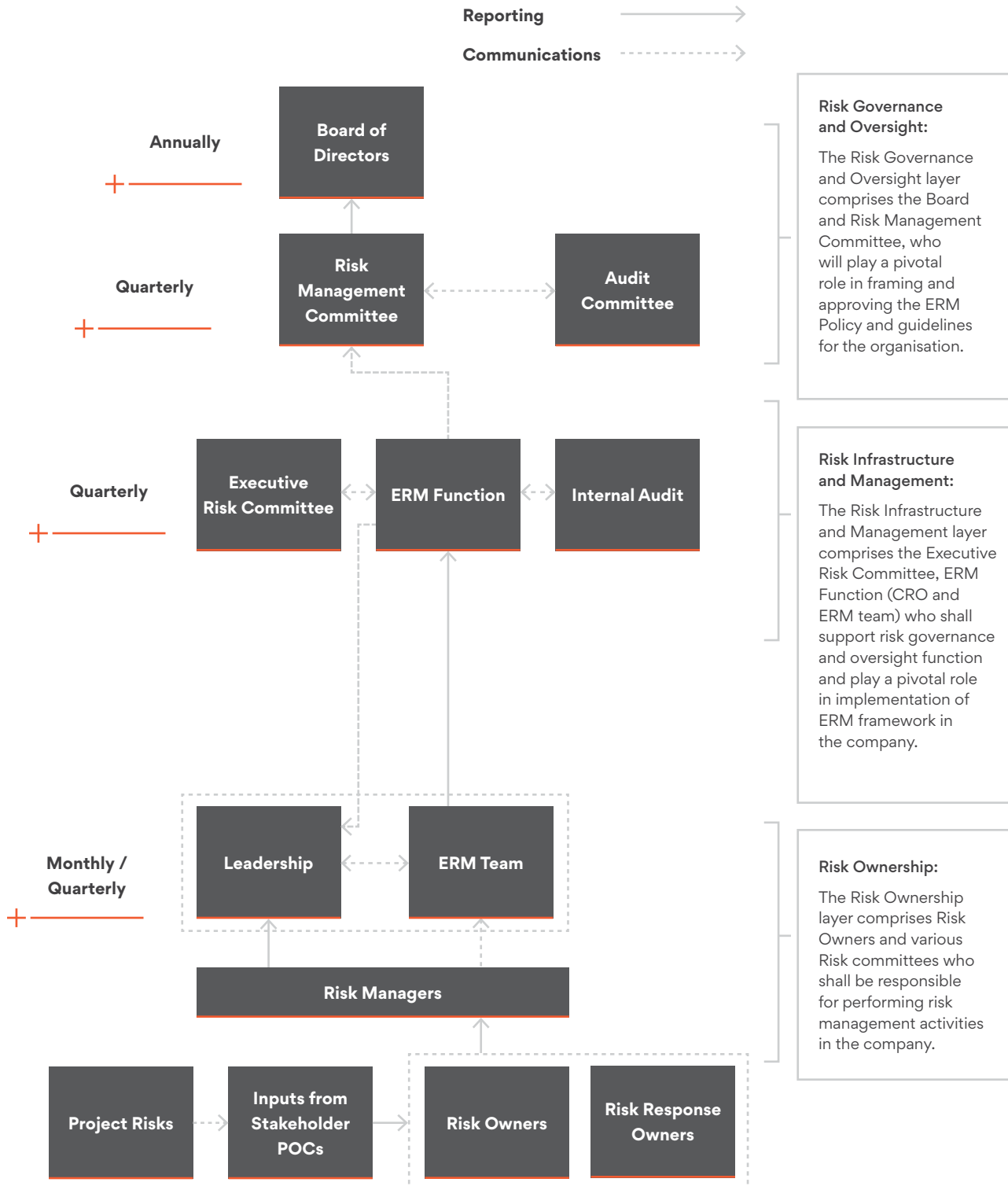
Risk Domains	Definition
Financial	Risk of potential financial loss resulting from breach of key risk indicators, ineffective or inefficient processes and controls.
Operational	Risk of potential breakdowns / deficiencies in process effectiveness or efficiency resulting from controls and / or process design weakness which may cause material exposure.
Reputational	Risk of a potential tarnished reputation, loss of marketplace or investor confidence caused by a breach in risk management requirements, Operational breakdown, legal / regulatory breach, unsuccessful product launch or other reputational-impacting event.
Regulatory	Potential fines, litigation costs or enforcement actions from regulators resulting from changes in the legal and regulatory environment, perceived or actual conflicts of interest, and potential actions or breaches of compliance and / or risk management requirements.
Extended Enterprise	Risk of potential disruption caused by a failure to identify, measure, and mitigate risks at key third-party organisations.
Sectoral	Industry risks pertaining to the sector of business.
Strategic	Potential risk(s) that could disrupt the assumptions at the core of an organisation's business strategy, including risks to strategic positioning, strategic execution and strategic choices and consequences — impeding the organisation's ability to achieve its strategic objectives.
Sustainability – ESG	Risks associated to manage corporate responsibility and sustainable development issues that deliver top and bottom-line growth for the long term, and create maximum impact for beneficiaries.
Talent	Risk arising from increase in staff turnover and well below the industry / market trend, Resignations of staff members, Employee attrition rate more than target rate.
Technology & Cyber	Risk arising from system defects, such as failures, faults, or incompleteness in computer operations, or illegal or unauthorised use of computer systems.

*PESTEL stands for Political, Economic, Social, Technological, Environmental, Legal

Risk Governance Structure

The Company has established three pillars of risk management responsibilities in its Governance structure as Risk Oversight, Risk Infrastructure and Management, and Risk Ownership, that cascades the scope of activities to senior management and all employees across the subsidiaries of the Company.

The risk management governance structure at Persistent is as follows:



Audits

The enterprise-level resilience at Persistent is enhanced continuously through rigorous audits and assessments faced at an entity-level as well as at a functional level, with key improvement suggestions incorporated by the respective teams within their processes and operations. A few examples of the audits and assessments over the last financial year are:

- Internal Audit of Organizational Units
- SOC-2 Type 2 Audit
- Various ISO Audits
- Capability Maturity Model Integration (CMMI) Assessments

Highlights of FY25

As we pursue our goal of reaching the next orbit of \$2 billion company in the coming years, we remain focused on enhancing risk management practices in Persistent. Effective change management has led to adoption and enhancement of our Enterprise Risk Management program to proactively identify and report risks. We evaluate emerging risks, risks emanating from uncertain environments, geopolitical changes, ESG landscape, Cybersecurity, and rapidly evolving technological disruptions that we are evaluating and monitoring on a regular basis along with the guidance from the RMC of the Board.

This will help the Company to have a holistic understanding and better management of key risks as it plans to achieve its strategic goals and objectives. To effectively track and manage risk at Persistent, The Risk Manager tool has been introduced to digitize risk register for enhanced communication & governance. Additionally, we have the dedicated project risk management tool and contract compliance monitoring & tracking tool deployed to identify, monitor & report risks, assumptions, issues, dependencies for standardize approach across organisation.

Persistent is developing a Risk Intelligence platform for risk analytics. It's a single interface to the corporate and function level risks for monitoring and alerting, decision making, predictive analysis through key risk indicators against organisational risk appetite.

At Persistent, successful governance of critical risks is a strategic investment for sustainable growth. It is meant to prepare the Company for a wide range of possible challenges in its growth journey.

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Some of the key risks in the current business environment are given below:

Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
1	Cyber-Attack and Hacking Risk	Technology & Cyber / Extended Enterprise	External attacks, malware, compromised credentials, Business email compromise via phishing and other cyber security risks may result in data loss and loss of reputation	<ul style="list-style-type: none"> • Robust Information Security Management System (ISMS) centred around comprehensive Information Security policies based on industry best practices and leading security frameworks, with a continuous reinforcement of security controls to ensure the confidentiality, integrity, and availability of information assets • Multi-layered governance process with executive and Board oversight • Certifications such as ISO 27001, ISO 27017, ISO 27018, ISO 27701, and SOC 2 Type II attestations to demonstrate our commitment to cybersecurity • Continued investment and deployment of state-of-the art technologies such as Zero Trust architecture, Advanced endpoint protection solution, Dark / Deep web monitoring, etc. to secure corporate infra, data & applications • Access controls including Multi Factor Authentication for secure access to enterprise applications/network, special handling of privileged administrator accounts, rigorous access management & monitoring of all cloud deployments • Mandatory training and adequate awareness measures across employee life cycle ensure a strong human firewall • Implementation of enhanced Data Leakage prevention platform to protect critical data • Encryption of data, data back-up and recovery mechanisms for ensuring business continuity aligned to ISO 22301:2019 • Established threat intelligence, security monitoring and incident response processes to detect and respond to cybersecurity threats and incidents coordinated through a 24x7 Security Operations Centre • Internal and external audits and red teaming to validate effectiveness of controls

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Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
2	Data Privacy Risk	Regulatory / Reputational	<ul style="list-style-type: none"> • Persistent operates globally, hence needs to be compliant with the data privacy laws across countries where we operate • Unauthorised use or disclosure of employee or company or customer data may lead to either breach of customer contract or fines / penalties from regulators and / or damage to the company's reputation 	<ul style="list-style-type: none"> • Robust Privacy Information Management System (PIMS) to safeguard personal data and ensure compliance with applicable legal, regulatory, and contractual obligations pertaining to data privacy and protection • Global privacy policy covering all geographies, all areas of operations, and stakeholders • Data Loss Protection (DLP), Data Classification and Data Encryption technologies are deployed to protect personal information • Access controls including Multi Factor Authentication, Privileged administrator account management tools are deployed. All access provisioning is on a need-to-know basis and access reviews are performed on a regular basis • Dedicated Data Protection Officer and Privacy team • Continuous strengthening of global privacy program through monitoring of regulatory mandates, revalidation of existing frameworks, policies and processes and ensuring applicability to customer contracts • Technical and organisation measures such as PII Inventories, Privacy Impact Assessment, Incident Management Procedures and Systems, Breach Notification Management, Data Subject Rights Request Management, etc. • Development of products & applications, including change in processing of personal data go through appropriate privacy assessments and approval • Vendors and third parties are subjected to risk assessment and contracted with appropriate privacy obligations • Mandatory training on data protection, Privacy by Design, and global privacy regulations. Continuous awareness campaigns through blog posts, email broadcasts, and online events • Periodic reviews and audits by independent audit firm to verify compliance to obligations in addition to internal audits across the ecosystem • Certified under ISO 27701:2019 – Privacy Information Management System, ISO 27018:2014 – Securing Personal Data in Cloud and SOC 2 Type 2 Attestation

Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
3	Foreign Exchange Risk	Financial	The Company operates in the global environment and has maximum business from US geography, hence Currency fluctuation is a major risk	<ul style="list-style-type: none"> Net foreign exchange earnings are hedged on 12 months rolling basis to cover 45% to 70% of net open positions Guidance from the Board members is obtained every quarter regarding hedging quantum Close monitoring of exchange rate movement is done
4	Geo-Political and Macro-Economic Risk	Strategic / Sectoral	Changing Geo-political landscape in multiple regions - Change in Govt. & their policies (US, Europe, UK); Extended war scenarios in Middle East and Ukraine / Russia, Macroeconomic headwinds due to potential tariffs changes, energy price increase and customer discretionary spends, leading to potential impact on growth opportunities	<ul style="list-style-type: none"> Conduct "Country Risk Assessments" based on PESTEL Framework Engaged with geo-political consultants to get insights on the changing geopolitical landscape Monitoring and reporting of geo-political risks to the RMC of the Board Geo-Diversification for growth planned via Europe and other geographies Enhanced focus on customer connects and relationships Persistent is ISO 22301 certified and regular BCP testing is performed
5	Credit Risk	Financial	Delay in collection of customer dues as a result of the global economic situation	<ul style="list-style-type: none"> The Company has adopted an effective receivables management system to monitor and control the outstanding receivables Credit Risk is managed through policies, procedures, and controls as a part of customer credit risk assessment The Company has adopted the expected credit loss model, based on the profile of the customer and aging pattern, to assess the impairment loss or gain on trade receivables
6	Talent Demand and Employee Attrition Risk	Talent / Operational	<ul style="list-style-type: none"> Market forces – After the great resignation phase post-COVID, the talent market has stabilized over the past year. However, there is a slight uptick in voluntary attrition. The demand for emerging technologies remains high, with AI reshaping the talent landscape. Specialized digital skills command substantially higher, differentiated compensation, impacting talent hiring and retention. Our high-demand skill capabilities make our trained talent pool susceptible to headhunting and competitive offers 	<ul style="list-style-type: none"> Employee Development and Growth — Focus on employee development and upskilling, enabling them to build their careers has been a part of the 'Persistent way' of working. Persistent University offers an excellent platform for employee to acquire skills, stay relevant, and enhance their skills and competencies. Persistent invests in up-skilling of its associates in new age digital technologies and runs Persistent's Digital Engineering Academy (PDEA). PDEA runs upskilling programs in Cloud, Data, Gen AI, etc. Employee engagement and all-round wellbeing — All round wellbeing of our employee has been central to our employee engagement approach, which covers physical, financial, and psychological wellbeing. We conduct regular surveys to seek input from employees on various aspects of their work to understand their engagement and expectations. Input thus received is processed to make necessary improvements in processes and policies.

Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
			<ul style="list-style-type: none"> Employee preferences — Hybrid working seems to be the employee's preference 	<ul style="list-style-type: none"> Employee Experience — We will continue to focus on elevating employee experience through a 'Do It Yourself' approach through simplified processes and tools. This will help to enhance employee engagement and employee productivity. Persistent brand — our consistent growth over last several quarters, scale of operations and geographical presence has been helping us continue to position Persistent as a leading brand in the industry. We continue to invest in branding initiatives. Inclusive Workplace — Persistent provides a diverse and inclusive workplace which promotes creativity, diversity, inclusivity, and enhanced work culture.
7	Global Regulatory Risk (Emerging Risk)	Regulatory / Reputational	<ul style="list-style-type: none"> Risk of non-compliance with existing statutory regulations, new regulations, or amendments to existing regulations (e.g., immigration, payroll and social security, taxation, employment laws, data privacy laws, etc.) where the company operates globally, may have an impact Persistent operates globally in major markets and industries. There is an inherent risk of non-compliance with the ever-evolving legal landscape, resulting in frequent legal updates and changes in regulatory requirements / disclosures (including regulations related to ESG, ethical, and hygiene practices) that are applicable to our business 	<ul style="list-style-type: none"> The Company uses a professional Compliance Manager Tool to report and monitor the regulatory compliances applicable to the Company The Company also updates the Tool on an ongoing basis with the amendments in the existing regulations and inclusion of newly introduced legislations, if any A framework is in place to assess the correctness of the compliances which have been reported in the Tool The Compliance status is placed before the Audit Committee of the Board of Directors and the Board of Directors of the Company, in their quarterly meetings The Company has also appointed local consultants in various geographies to advise and help the Company to ensure the compliances in respective geographies The Company has a dedicated ESG function for the oversight of any ESG related regulatory compliance changes. Company has been certified in- ISO14001:2015 Environmental Management System and ISO45001:2018 Occupational Health and Safety Management Systems

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Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
8	GenAI Risk (Emerging Risk)	Operational / Financial / Regulatory / Technology & Cyber	PSL recognizes the risks associated with GenAI, which includes potential data privacy and cyber security vulnerabilities, intellectual property challenges related to AI-generated content, biased outputs, accuracy, and reliability concerns with AI-generated information, the evolving regulatory landscape adds a risk of non-compliance	<ul style="list-style-type: none"> • Emphasizing self-regulation and adherence to Responsible AI principles • Risk-based approach for reducing risks associated with usage, and build an effective policy over time to govern the usage of AI • Responsible AI Council to oversee and direct usage norms • Keeping a human-in-the-loop system to review AI generated data • Ensuring clarity on the terms of use and liability in AI deployment policies • Continue to provide a secured private instance and safe environments for accessing Generative AI applications • Raise awareness among employees in responsible use of GenAI tools, from validation of outputs to refraining from using materials that could be subject to copyright • Ongoing monitoring of regulatory changes • Development of AI management system leading to ISO42001 certification in FY26 to manage associated risks and entire lifecycle of AI • Further details on the AI specific opportunities are mentioned in the ESG Report (Risk Management Section) and can be viewed at https://www.persistent.com/wp-content/uploads/2025/06/esg-sustainability-report-2025.pdf
9	Sustainability Risk - Climate change		<ul style="list-style-type: none"> • Climate change is affecting the frequency and severity of certain extreme weather events, including heat waves, cold waves, tornadoes, tropical cyclones, floods, seasonal diseases, epidemics, and pandemics • Extreme weather events can pose risks to human safety and business operations • Customers appreciate vendors committed to helping them achieve sustainability goals • Ignoring environmental regulations can lead to legal issues and hinder best practices 	<ul style="list-style-type: none"> • The Company's facilities across India are ISO 14001:2015 certified by external third parties • The Company has distributed operations, enabled remote working, focused on agile delivery, and periodically tested business continuity plans • Delivery centres are designed to withstand extreme weather events • Employee awareness around conservation of resources is built to strengthen business resilience and align resources with the Company • The CISO of the company and the team ensures implementation of business continuity at project, customer, region, location, function level and run internal audit checks to verify the implementation of the controls • Persistent is certified ISO 27001 for information security and ISO 22301 for business continuity • We continuously invest in R&D to enhance existing and develop new solutions that boost our clients' efficiency, generating positive environmental and social impact • Recognising the growing importance of ESG goals, we're actively exploring ways to integrate them even deeper into our future offerings

Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
	Sustainability Risk - Climate change			<ul style="list-style-type: none"> • Our climate action goals include: <ul style="list-style-type: none"> * Maintain Carbon Neutrality for Scope 1 and Scope 2 emissions every year * Sourcing of 100% Renewable energy across owned locations by FY2026 * Achieve Net-zero greenhouse gas emissions across the value chain by FY2050 • The progress on above goals is shared biannually with the SRC and ESG committee of the board for review and guidance • The organisation focuses on reducing its carbon footprint by promoting environmental sustainability. Its initiatives include tree planting, which contributes to carbon sequestration and air quality improvement efforts • Persistent is committed to driving renewable energy adoption, optimizing energy use, and working with communities to address climate change • Publishing the ESG and BRSR annual report fulfils regulatory reporting requirements and transparently communicates our progress on ESG goals to our stakeholders • Crisis Management framework development in FY26 which includes Early Warning Systems for efficient monitoring and communications
10	Water Scarcity Risk	Sustainability — ESG / Operational	Water conservation is essential for the sustainability of our planet. Declining groundwater levels and altered rainfall patterns pose significant risks, potentially leading to a global water crisis	<ul style="list-style-type: none"> • Water resource analysis has been conducted for all global locations and categorized according to the 'Aqueduct Water Risk Atlas' • Vulnerability identification and location-specific mitigation plans have been implemented to monitor water consumption • Conservation and efficiency measures are enforced through operational control and all owned facilities are equipped with rainwater harvesting systems to recharge groundwater • Groundwater sources are considered a last resort • Frequent awareness sessions on sustainable water management are conducted • We engage in CSR activities such as integrated watershed development programs, and the provision of open wells for drinking water to raise awareness and support community development

Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
11	Energy Demand Risk (Emerging Risk)	Sustainability — ESG	The development of emerging technologies and AI may result in increased global energy consumption, which could lead to higher carbon emissions	<ul style="list-style-type: none"> • Our climate action goals include: <ul style="list-style-type: none"> * Maintain Carbon Neutrality for Scope 1 and Scope 2 emissions every year * Sourcing of 100% Renewable energy across owned locations by FY2026 * Achieve Net-zero greenhouse gas emissions across the value chain by FY2050 • The Company has made significant strides in renewable energy adoption and resource management by enhancing energy efficiency through investments in renewable energy and the development of energy-efficient infrastructure, certified by the Indian Green Building Council (IGBC) and Leadership in Energy and Environmental Design (LEED) • Decarbonization roadmap with strategies aligned with SBTi guidelines to achieve emission reductions • All owned campuses are equipped with rooftop solar generation and connected to 2 windmills via open access, additionally the company purchases renewable energy through Green Tariffs from DISCOMs • Continuous improvement to monitor and evaluate the environmental performance of new technology, identify areas for enhancement, and implement corrective measures as part of an ongoing process • Green procurement policy enabling buyers to evaluate the suppliers based on emissions from Purchase of goods and services

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Consolidated Financials

Independent Auditor's Report

To the Members of Persistent Systems Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Persistent Systems Limited ('the Holding Company') its subsidiaries and its controlled trust (the Holding Company, its subsidiaries and its controlled trust together referred to as 'the Group'), as listed in Annexure B, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
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 the other auditors on separate financial statements and on the other financial information of the subsidiaries, and its controlled trust the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and controlled trust, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter	How our audit addressed the key audit matter
1.	<p data-bbox="259 304 812 346">Accuracy of revenues and onerous obligations in respect of fixed-price contracts</p> <p data-bbox="259 367 812 409">Refer Note 4.2(a) to in notes forming part of the consolidated financial statements.</p> <p data-bbox="259 430 812 661">The Group has entered into various fixed-price software development contracts, for which revenue is recognized by the Group using the percentage of completion computed as per the Input method prescribed under Ind AS 115 'Revenue from Contracts with Customers' ('Ind AS 115'). Revenue recognition in such contracts involves exercise of significant judgement by the management and the following factors requiring significant auditor attention:</p> <ul data-bbox="259 693 812 1144" style="list-style-type: none"> <li data-bbox="259 693 812 808">• High inherent risk around accuracy of revenue, given the customized and complex nature of these contracts and significant involvement of information technology (IT) systems. <li data-bbox="259 840 812 955">• High estimation uncertainty relating to determination of the progress of each contract, costs incurred till date and additional costs required to complete the remaining contract. <li data-bbox="259 987 812 1029">• Identification and determination of onerous contracts and related obligations. <li data-bbox="259 1060 812 1144">• Determination of unbilled revenue receivables and unearned revenue related to these contracts as at end of reporting period. <p data-bbox="259 1165 812 1344">Considering the materiality of the amounts involved, and significant degree of judgement and subjectivity involved in the estimates as mentioned above, we have identified revenue recognition for fixed price contracts and determination of onerous contracts and related provisions, as a key audit matter for the current year audit.</p>	<p data-bbox="812 304 1438 367">Our audit procedures relating to accuracy of revenues and onerous obligations in respect of fixed-price contracts included but were not limited to the following:</p> <ul data-bbox="812 388 1438 1801" style="list-style-type: none"> <li data-bbox="812 388 1438 546">• Obtained an understanding of the systems, processes and controls implemented by management for calculating and recording revenue, and the associated unbilled revenue, unearned and deferred revenue balances, and onerous contract obligations; <li data-bbox="812 567 1438 651">• Evaluated the design and tested operating effectiveness of related internal financial manual controls and involved auditor's experts to: <ul data-bbox="812 682 1438 1144" style="list-style-type: none"> <li data-bbox="812 682 1438 829">• Test key IT controls over IT environment in which the business systems operate, including access controls, segregation of duties, program change controls, program development controls and IT operation controls; <li data-bbox="812 850 1438 934">• Test the IT controls over the completeness and accuracy of cost/efforts and revenue reports generated by the system; and <li data-bbox="812 955 1438 1144">• Test the access and application controls pertaining to allocation of resources and budgeting systems which prevents the unauthorized changes to recording of efforts incurred and controls relating to the estimation of contract efforts required to complete the project; <li data-bbox="812 1165 1438 1344">• Selected samples of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract; <li data-bbox="812 1365 1438 1491">• Reviewed samples of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations; <li data-bbox="812 1512 1438 1575">• Performed analytical procedures for reasonableness of incurred and estimated efforts; <li data-bbox="812 1596 1438 1659">• Evaluated management's identification of onerous contracts based on estimates tested as above; and <li data-bbox="812 1680 1438 1801">• Evaluated the appropriateness of disclosures made in the Consolidated financial statements with respect to revenue recognized during the year as required by applicable Indian Accounting Standards

Sr. No.	Key audit matter	How our audit addressed the key audit matter
2.	<p data-bbox="272 254 781 275">Valuation of Employee Stock Option Plan ('ESOP')</p> <p data-bbox="272 296 764 352">Refer note 4.3(q) and note 35 of the consolidated financial statements.</p> <p data-bbox="272 373 786 520">The Group has framed various ESOP schemes for its employees under which the Company pays remuneration to its employees for services received in the form of equity-settled share based payment transactions.</p> <p data-bbox="272 541 797 730">In accordance with the principles of Ind AS 102 'Share Based Payments' ('Ind AS 102'), the fair value of aforesaid employee stock options determined as at the date of their grant is recognised as employee compensation cost by the Company/Group over the vesting period of such options.</p> <p data-bbox="272 751 824 993">The fair valuation of options granted to employees for the services rendered is performed by external valuation specialists using Black-Scholes valuation model which requires the management to make certain key estimates and assumptions including expected volatility, dividend yield, risk-free interest rate, performance factor, attrition rate and non-acceptance factors.</p> <p data-bbox="272 1014 824 1129">Considering significant management judgment and materiality of amounts involved, valuation of ESOP reserve and expense is considered as a key audit matter for the current year audit.</p>	<p data-bbox="857 254 1360 310">Our audit procedures relating to valuation of ESOP included but were not limited to the following:</p> <ul data-bbox="857 310 1435 1098" style="list-style-type: none"> <li data-bbox="857 310 1360 367">• Obtained an understanding of the terms and arrangements of Employee Stock Option Plans; <li data-bbox="857 367 1403 531">• Evaluated the design and tested operating effectiveness of internal financial controls over the methodology, models and assumptions used by the management to determine the fair value of options granted during the year; <li data-bbox="857 531 1390 588">• Evaluated competency and objectivity of valuation specialist hired by the management; <li data-bbox="857 588 1414 686">• Reviewed the report from management's valuation specialist considered for valuation of options granted during the year; <li data-bbox="857 686 1414 814">• Assessed the reasonableness of the management assumptions and estimates and verified the accuracy of inputs used for the valuation purpose on a sample basis; <li data-bbox="857 814 1435 978">• Involved auditor's valuation expert to assist us in validating the valuation assumptions, methodology and approach considered by the management's expert and ascertained arithmetical accuracy of computation of share-based payment expense; and <li data-bbox="857 978 1435 1098">• Evaluated the appropriateness of disclosures made in the Consolidated financial statements with respect to share based payments as required by applicable Indian Accounting Standards.

Sr. No.	Key audit matter	How our audit addressed the key audit matter
3.	<p>Impairment assessment of goodwill</p> <p>Refer notes 4.3(g) and 5.4 to the accompanying consolidated financial statements.</p> <p>As at 31 March 2025, the Group's assets include goodwill aggregating to 12,337.94 million relating to business acquisitions made by the Group in earlier years across multiple geographic locations.</p> <p>The Group has performed annual impairment test of Goodwill as required under per Ind AS 36, 'Impairment of Assets' ('Ind AS 36') by determining the fair value of the Cash Generated Units (CGUs) to which the goodwill is allocated, using discounted cash flow method.</p> <p>The determination of the recoverable value of CGUs requires management to make certain key estimates and assumptions including forecast of future cash flows, long-term growth rates, profitability levels and discount rates. Changes in these assumptions could lead to an impairment to the carrying value of the goodwill.</p> <p>Considering goodwill balance is significant to the consolidated financial statements and auditing management judgement and estimates as stated above involves high degree of subjectivity and requires significant auditor judgement, impairment assessment of goodwill is considered as a key audit matter for the current year audit .</p>	<p>Our audit procedures relating to testing of impairment assessment of goodwill included but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of management's process for identification of CGUs and impairments testing of goodwill; • Evaluated the design and tested operative effectiveness of the key internal financial controls over the Group's process of impairment assessment of goodwill; • Assessed the reasonability of the assumptions used by the management for cash flow forecasts by comparing to the historical trend of past performance of the CGUs • Traced the projections used by the management to approved business plans; • Assessed the competence and objectivity of the management's valuation expert and obtained their valuation report on determination of recoverable amounts of CGUs and; • Involved auditor's valuation expert to assess the valuation assumptions used and methodology considered by the management's expert to calculate the recoverable amounts of CGUs and the mathematical accuracy of these calculations; • Performed sensitivity analysis on the key assumptions to evaluate estimation uncertainty and ascertain the sufficiency of headroom available; and • Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements used by management, in accordance with applicable Indian Accounting Standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, 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, Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place 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 management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, 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.
12. 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.
 13. 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.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of twenty five subsidiaries and one controlled trust, whose financial statements reflects total assets of ₹ 15,243.49 Million as at 31 March 2025, total revenues of ₹ 10,664.63 Million and net cash outflows amounting to ₹ 360.75 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and controlled trust, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, and controlled trust, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 14, on separate financial statements of the subsidiaries, we report that the Holding Company, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to two subsidiaries, incorporated in India whose financial statements have been audited under the Act, since none of such companies is a public company as defined under section 2(71) of the Act.
17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements for the year ended 31 March 2025 and covered under the Act we report that:

- A. Following are the qualifications / adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2025 for which such Order reports have been issued till date and made available to us:

Sr. No.	Name	CIN	Holding Company / subsidiary	Clause number of the CARO report which is qualified or adverse
1	Persistent Systems Limited	L72300PN1990PLC056696	Holding Company	Clause (ii) (b) Clause (vii) (b)
2	CAPIOT Software Private limited	U72200PN2014PTC226352	Wholly Owned Subsidiary	Clause (xvii)
3	MediaAgility India Private Limited	U72200HR2010PTC041548	Wholly Owned Subsidiary	Clause (vii) (b)

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors,
- c. The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e. On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries, respectively, and the reports of the statutory auditors of its subsidiaries, covered under the Act, none of the directors of the Holding Company, and its subsidiaries, are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
- g. g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 report of the other auditors on separate financial statements and other financial information of the subsidiaries, incorporated in India whose financial statements have been audited under the Act:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 43 to the consolidated financial statements;
 - ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended 31 March 2025;

- iv.
- a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief on the date of this audit report as disclosed in note 52 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, on the date of this audit report as disclosed in the note 53 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries, from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Holding Company and its subsidiaries, during the year ended 31 March 2025 and until the date of this audit report is in compliance with section 123 of the Act.
- The final dividend paid by the Holding Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- As stated in note 18(A)(b) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. As stated in note 54 to the consolidated financial statements and based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, the Holding Company and its subsidiaries, in respect of financial year commencing on 01 April 2024, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Holding Company and above referred subsidiaries as per the statutory requirements for record retention

For Walker Chandio & Co LLP

Chartered Accountants
Firm's Registration No. 001076N/N500013

Shashi Tadwalkar

Partner
Membership No. 101797
UDIN: 25101797BMMAKF4265

Place: USA
Date: 23 April, 2025

Annexure A

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Persistent Systems Limited ('the Holding Company'), its subsidiaries and its controlled trust (the Holding Company, its subsidiaries and its controlled trust together referred to as 'the Group'), as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company, and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 1,545.10 Million and net assets of ₹ 507.10 Million as at 31 March 2025, total revenues of ₹ 368.48 Million and net cash outflows amounting to ₹ 604.62 Million for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditor whose report have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, and its subsidiary company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the reports of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013

Shashi Tadwalkar

Partner

Membership No. 101797

UDIN: 25101797BMMAKF4265

Place: USA

Date: 23 April, 2025

Annexure B

List of entities included in the report

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.	Aepona Group Limited (AGL)	Wholly owned subsidiary of PSI
9.	Persistent Systems UK Ltd. (Formerly known as Aepona Limited, UK) (formerly Wholly owned subsidiary of AGL)	Wholly owned subsidiary of PSL
10.	Persistent Systems Lanka (Private) Limited	Wholly owned subsidiary of AGL
11.	Persistent Systems Mexico, S.A. de C.V.	Wholly owned subsidiary of PSI
12.	Persistent Systems Israel Ltd.	Wholly owned subsidiary of PSI
13.	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	Wholly owned subsidiary of PSGG
14.	CAPIOT Software Private Limited	Wholly owned subsidiary of PSL
15.	Persistent Systems Australia Pty Ltd (Formerly known as CAPIOT Software Pty Ltd)	Wholly owned subsidiary of PSI
16.	Persistent Systems S.R.L. Romania	Wholly owned subsidiary of PSGG
17.	Software Corporation International LLC	Wholly owned subsidiary of PSI
18.	Persistent Systems Costa Rica Limitada (Formerly known as "Data Glove IT Solutions Limitada")	Wholly owned subsidiary of PSGG
19.	Persistent Systems Poland sp z.o.o.	Wholly owned subsidiary of PSI
20.	MediaAgility Inc.(MAI)	Wholly owned subsidiary of PSI
21.	MediaAgility Pte. Ltd.	Wholly owned subsidiary of MAI
22.	MediaAgility UK Ltd.	Wholly owned subsidiary of MAI
23.	Digitalagility S de RL de CV	Wholly owned subsidiary of MAI
24.	MediaAgility India Private Limited	Wholly owned subsidiary of PSL
25.	Persistent India Foundation (incorporated w.e.f. 1st May 2024)	Wholly owned subsidiary of PSL
26.	PSPL ESOP Management Trust	Controlled ESOP Trust
27.	Arrka Infosec Private Limited, India (Acquired w.e.f. 1st August 2024)	Wholly owned subsidiary of PSL
28.	Starfish Associates, LLC (Acquired w.e.f. 1st August 2024)	Wholly owned subsidiary of PSI

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Consolidated Balance Sheet as at March 31, 2025

	Notes	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
ASSETS			
Non-current assets			
Property, plant and equipment	5.1	4,350.88	4,420.03
Capital work-in-progress	5.2	41.84	218.73
Right of use assets	5.3	3,798.67	2,307.18
Goodwill	5.4	12,337.94	10,912.56
Other Intangible assets	5.5	4,923.33	4,574.95
Intangible assets under development	5.6	731.77	116.53
		26,184.43	22,549.98
Financial assets			
- Trade receivables	12	664.40	730.18
- Investments	6	6,415.04	5,539.14
- Loans	7	-	-
- Other financial assets	8	773.81	691.06
Deferred tax assets (net)	9	2,024.24	1,462.80
Income tax assets (net)		787.55	387.05
Other non-current assets	10	257.02	1,247.28
		37,106.49	32,607.49
Current assets			
Financial assets			
- Investments	11	3,388.17	2,726.54
- Trade receivables	12	18,477.95	16,761.13
- Cash and cash equivalents	13	6,744.06	6,625.15
- Bank balances other than cash and cash equivalents	14	3,510.65	3,603.71
- Loans	15	-	-
- Other financial assets	16	9,375.16	6,621.83
Other current assets	17	8,763.54	5,230.49
		50,259.53	41,568.85
TOTAL		87,366.02	74,176.34
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18 (a)	779.25	770.25
Other equity	18 (b)	62,411.40	48,806.82
		63,190.65	49,577.07
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	19	-	99.15
- Lease liabilities	20	2,156.67	1,608.09
- Other financial liabilities	23	425.90	-
Other non-current liabilities	24	47.63	44.44
Deferred tax liabilities (net)	9	150.49	121.92
Provisions	21	66.95	546.96
		2,847.64	2,420.56
Current liabilities			
Financial liabilities			
- Borrowings	19	-	1,974.04
- Lease liabilities	20	952.30	830.01
- Trade payables	22		
- Total outstanding dues of micro and small enterprises		40.77	49.63
- Total outstanding dues of creditors other than micro and small enterprises		8,845.40	8,088.99
- Other financial liabilities	23	2,438.40	3,718.27
Other current liabilities	24	4,516.47	3,639.82
Provisions	25	4,028.54	3,330.66
Income tax liabilities (net)		505.85	547.29
		21,327.73	22,178.71
TOTAL		87,366.02	74,176.34
Summary of material accounting policy information	4		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

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

Shashi Tadwalkar
Partner
Membership No: 101797

Place: USA
Date: April 23, 2025

For and on behalf of the Board of Directors of
Persistent Systems Limited

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: USA
Date: April 23, 2025

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Amit Atre
Company Secretary
Membership No. A20507

Place: USA
Date: April 23, 2025

Praveen Kadle
Independent Director
DIN: 00016814

Place: India
Date: April 23, 2025

Consolidated Statement of Profit & Loss for the year ended March 31, 2025

	Notes	For the year ended	
		March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Income			
Revenue from operations	26	1,19,387.17	98,215.87
Other income	27	1,381.54	1,280.20
Total income (A)		1,20,768.71	99,496.07
Expenses			
Employee benefits expense	28.1	68,737.17	59,609.70
Cost of professionals	28.2	17,491.65	11,492.70
Finance costs		671.29	467.27
Depreciation and amortisation expense	5.7	3,069.10	3,093.73
Other expenses	29	12,576.42	10,356.61
Total expenses (B)		1,02,545.63	85,020.01
Profit before exceptional items and tax (A - B)		18,223.08	14,476.06
Tax expense			
Current tax		4,680.05	3,679.65
Deferred tax credit		(500.50)	(211.69)
Tax charge in respect of earlier years		41.92	73.19
Total tax expense		4,221.47	3,541.15
Net Profit for the year (C)		14,001.61	10,934.91
Other comprehensive income			
Items that will not be reclassified to profit or loss (D)			
- Remeasurements of the defined benefit liabilities / (asset)		193.08	(98.29)
- Income tax effect on above		(49.81)	21.29
		143.27	(77.00)
Items that will be reclassified to profit or loss (E)			
- Effective portion of cash flow hedge		(34.97)	21.59
- Income tax effect on above		8.80	8.02
- Exchange differences in translating the financial statements of foreign operations		81.19	104.82
		55.02	134.43
Total other comprehensive income / (loss) for the year (D) + (E)		198.29	57.43
Total comprehensive income for the year (C) + (D) + (E)		14,199.90	10,992.34
Earnings per equity share [Nominal value of share ₹5 (Previous year: ₹5)]	30		
Basic (In ₹)		91.22	72.44
Diluted (In ₹)		90.24	71.07
Summary of material accounting policy information	4		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

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

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Shashi Tadwalkar
Partner

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Praveen Kadle
Independent Director

Membership No: 101797

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Amit Atre
Company Secretary
Membership No. A20507

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: India
Date: April 23, 2025

Consolidated Cash Flow Statement for the year ended March 31, 2025

		For the year ended	
		March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Cash flow from operating activities			
Profit before tax		18,223.08	14,476.06
Adjustments for:			
Interest income		(556.42)	(562.45)
Finance costs		417.06	287.25
Interest on lease liability		254.23	180.02
Depreciation and amortisation expense		3,069.10	3,093.73
Unrealised exchange (gain) / loss (net)		275.94	27.27
Change in foreign currency translation reserve		227.91	172.65
Exchange loss / (gain) on derivative contracts		44.12	(70.63)
Exchange loss / (gain) on translation of foreign currency cash and cash equivalents		11.76	(23.84)
Bad debts		-	63.36
Allowance for expected credit loss (net)		422.18	103.57
Employee stock compensation expenses		3,095.27	1,091.75
Loss / Impairment of non-current investments		-	20.58
Changes in contingent consideration payable on business combination		(1,461.82)	(743.03)
Excess provision in respect of earlier period / year written back		(29.37)	(27.76)
Profit on sale / fair valuation of financial assets designated as FVTPL		(470.40)	(289.11)
Provision towards employee benefits		(506.74)	-
Profit on sale of investment - Dx Now		(21.67)	-
Profit on sale of investment - PSG		(0.69)	-
Profit on sale of property, plant and equipment (net)		(76.84)	(22.64)
Operating profit before working capital changes		22,916.70	17,776.78
Movements in working capital :			
Decrease / (Increase) in other non-current assets		197.12	(256.22)
Increase in other financial assets		(2,761.88)	(1,585.47)
Increase in other current assets		(3,659.19)	(1,076.41)
Increase in trade receivables		(2,394.69)	(1,810.64)
Increase in trade payables, current liabilities and non-current liabilities		1,467.51	4,629.73
Increase / (Decrease) in provisions		917.69	(1,242.94)
Operating profit after working capital changes		16,683.26	16,434.83
Direct taxes paid (net of refunds)		(5,114.10)	(3,413.74)
Net cash generated from operating activities	(A)	11,569.16	13,021.09
Cash flows from investing activities			
Payment towards capital expenditure (including property, plant and equipment, intangible assets, capital advances and capital creditors)		(2,366.91)	(3,580.33)
Proceeds from sale of property, plant and equipment		436.14	29.35
Payment for acquisition of financial instruments		(54,916.91)	(50,889.51)
Payment towards contingent consideration		(489.64)	(2,073.64)
Proceeds from sale of financial instruments		52,773.30	49,522.79
Investment in unquoted securities		(434.93)	-
Profit on sale of investment - Dx Now		21.67	-
Profit on sale of investment - PSG		0.69	-
Proceeds from maturity of bank deposits having original maturity over three months		62.21	773.06
Interest received		570.04	597.38
Net cash used in investing activities	(B)	(4,344.34)	(5,620.90)

Consolidated Cash Flow Statement for the year ended March 31, 2025

		For the year ended	
		March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Cash flows from financing activities			
Repayment of long term borrowings		-	(1.84)
Proceeds from issue of share capital including securities premium		1,845.90	1,607.80
Repayment of foreign currency long term borrowings		(2,061.35)	(2,231.88)
Payments towards lease liabilities		(1,093.66)	(760.18)
Interest paid		(372.82)	(349.11)
Dividends paid		(4,600.06)	(4,083.62)
Net cash generated / (used) in financing activities	(C)	(6,281.99)	(5,818.83)

		For the year ended	
		March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Net increase in cash and cash equivalents (A + B + C)		942.83	1,581.36
Cash and cash equivalents at the beginning of the year		6,625.15	4,670.12
Cash and cash equivalents acquired on acquisition		56.38	-
Effect of exchange difference on translation of foreign currency cash and cash equivalents		(11.76)	23.84
Impact of ESOP Trust & Persistent Foundation consolidation		(868.54)	349.83
Cash and cash equivalents at the end of the year		6,744.06	6,625.15
Components of cash and cash equivalents			
Cash on hand (refer note 13)		0.20	0.11
Balances with banks			
On current accounts # (refer note 13)		4,392.63	4,819.66
On saving accounts (refer note 13)		27.50	23.48
On exchange earner's foreign currency accounts (refer note 13)		1,488.57	1,401.87
On deposit accounts with original maturity less than three months (refer note 13)		835.16	380.03
On Other accounts (refer note 13)		-	414.32
Cash and cash equivalents		6,744.06	6,625.15

Of the cash and cash equivalent balance as at March 31, 2025, the Group can utilise ₹ 0.02 Million (Previous year: ₹ 65.10 Million) only towards certain predefined activities specified in the government grant agreement.

"The above Statement of cash flow has been prepared under "Indirect Method" as set out in Ind AS - 7 on "Statement of Cash Flows" notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Summary of material accounting policy information (refer note 4)

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

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

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Shashi Tadwalkar
Partner
Membership No: 101797

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Praveen Kadle
Independent Director
DIN: 00016814

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Amit Atre
Company Secretary
Membership No. A20507

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: India
Date: April 23, 2025

Consolidated Statement of Changes in Equity for the year ended March 31, 2025

A. Share capital

(refer note 18(a))

(In ₹ Million)

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
770.25	9.00	779.25

(In ₹ Million)

Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
764.25	6.00	770.25

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Consolidated Statement of Changes in Equity for the year ended March 31, 2025

B. Other equity

(In ₹ Million)

Particulars	Reserves and surplus								Items of other comprehensive income		Total
	Securities premium	General reserve	Share options outstanding reserve	Gain on bargain purchase	Capital redemption reserve	Retained earnings	Treasury shares	PSL ESOP Trust reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of foreign operations	
Balance as at April 1, 2024	1,601.80	25,842.99	2,227.71	63.61	35.75	19,346.09	(2,085.84)	140.64	23.85	1,610.22	48,806.82
Addition during the year	1,836.90	-	-	-	-	-	-	-	-	-	1,836.90
Net profit for the year	-	-	-	-	-	14,001.61	-	-	-	-	14,001.61
Items recognised in / from other comprehensive income for the year	-	-	-	-	-	193.08	-	-	(34.97)	81.19	239.30
Income tax effect on above	-	-	-	-	-	(49.81)	-	-	8.80	-	(41.01)
Dividend	-	-	-	-	-	(4,657.50)	-	-	-	-	(4,657.50)
Dividend Paid to ESOP trust	-	-	-	-	-	-	-	40.13	-	-	40.13
Shares held by ESOP trust	-	-	-	-	-	-	(908.26)	-	-	-	(908.26)
Transfer to general reserve	-	-	-	-	-	-	-	-	-	-	-
Adjustments towards employees stock options	-	1,887.16	(1,887.16)	-	-	-	-	-	-	-	-
Employee stock compensation expenses	-	-	3,095.27	-	-	-	-	-	-	-	3,095.27
Other changes during the year	-	-	(3.44)	1.58	-	-	-	-	-	-	(1.86)
Balance at March 31, 2025	3,438.70	27,730.15	3,432.38	65.19	35.75	28,833.47	(2,994.10)	180.77	(2.32)	1,691.41	62,411.40

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

B. Other equity

(In ₹ Million)

Particulars	Reserves and surplus							Items of other comprehensive income			Total
	Securities premium	General reserve	Share options outstanding reserve	Gain on bargain purchase	Capital redemption reserve	Retained earnings	Treasury shares	PSL ESOP Trust reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of foreign operations	
Balance as at April 1, 2023	-	20,824.45	2,222.02	62.67	35.75	16,607.36	(2,435.67)	70.31	(5.76)	1,505.40	38,886.53
Addition during the year	1,601.80	-	-	-	-	-	-	-	-	-	1,601.80
Profit for the year	-	-	-	-	-	10,934.91	-	-	-	-	10,934.91
Items recognised in / from other comprehensive income for the year	-	-	-	-	-	(98.29)	-	-	21.59	104.82	28.12
Income tax effect on above	-	-	-	-	-	21.29	-	-	8.02	-	29.31
Dividend	-	-	-	-	-	(4,153.95)	-	-	-	-	(4,153.95)
Dividend Paid to ESOP trust	-	-	-	-	-	-	-	70.33	-	-	70.33
Shares held by ESOP trust	-	-	-	-	-	-	349.83	-	-	-	349.83
Transfer to general reserve	-	3,965.23	-	-	-	(3,965.23)	-	-	-	-	-
Adjustments towards employees stock options	-	1,087.56	(1,087.56)	-	-	-	-	-	-	-	-
Employee stock compensation expenses	-	-	1,091.75	-	-	-	-	-	-	-	1,091.75
Other changes during the year	-	(34.25)	1.50	0.94	-	-	-	-	-	-	(31.81)
Balance at March 31, 2024	1,601.80	25,842.99	2,227.71	63.61	35.75	19,346.09	(2,085.84)	140.64	23.85	1,610.22	48,806.82

Summary of significant accounting policies - refer note 4

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

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

For and on behalf of the Board of Directors of
Persistent Systems Limited

Shashi Tadwalkar
Partner
Membership No.: 101797

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Praveen Kadle
Independent Director
DIN: 00016814

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Amit Atre
Company Secretary
Membership No. A20507

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Place: USA
Date: April 23, 2025

Consolidated statement of changes in equity for the year ended March 31, 2025

Nature and purpose of reserves

a. General reserve

The general reserve is a free reserve created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of other comprehensive income (“OCI”). The same can be utilised in accordance with the provisions of the Companies Act, 2013.

b. Share options outstanding reserve

Share options outstanding reserve represents the cumulative expense recognised for equity-settled transactions at each reporting date until the employee share options are exercised / expired upon which such amount is transferred to General reserve.

c. Gain on bargain purchase

The excess of the Group’s portion of equity of the acquired company over its cost is treated as gain on bargain purchase in the financial statements.

d. Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares bought back; and is created and utilised in accordance with section 69 of the Companies Act, 2013.

e. Cash flow hedge reserve

When a derivative is designated as cashflow hedging instrument, the effective portion of changes in the fair value of derivative is recognised in other comprehensive income (OCI) and accumulated in cashflow hedge reserve. Cumulative gains or losses previously recognised in cashflow hedge reserve are recognised in the statement of profit and loss in the period in which such transaction occurs / hedging instruments are settled / cancelled.

f. Foreign currency translation reserve

The foreign exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented under equity in the foreign currency translation reserve. The amount is transferred to retained earnings upon disposal of investment in foreign operation.

g. PSL ESOP Trust reserve and Treasury shares

The Group has formed PSPL ESOP Management Trust (“PSPL ESOP Trust”) for implementation of the schemes that are notified or may be notified from time to time under the plans providing share based payment to its employees.

PSPL ESOP Trust is a controlled entity of the Group and shares held by PSPL ESOP Trust are treated as treasury shares. Profit / (Loss) on sale of treasury shares and dividend earned on the same by PSPL ESOP Trust is recognised in PSPL ESOP Trust reserve.

h. Securities premium reserve

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

i. Retained earnings

Retained earnings represent the amount of accumulated earnings of the Group which includes remeasurements of the defined benefit liabilities / asset.

Notes forming part of consolidated financial statements

1. Group Overview

Persistent Systems Limited (“the Parent Company” or “PSL”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (“the 1956 Act”). The Company has its registered office at Bhageerath, 412 Senapati Bapat Road, Pune, Maharashtra, India. The shares of PSL are listed on Bombay Stock Exchange and National Stock Exchange. PSL is a global company specializing in software products, services and technology innovation. PSL together with its subsidiaries and controlled trust, is hereinafter referred to as ‘the Group’. The Group offers complete product life cycle services.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2025 and authorised for issue on April 23, 2025 (PDT) i.e. April 24, 2025 (IST).

Persistent Systems, Inc. (PSI) based in the USA, a wholly owned subsidiary of PSL, is engaged in software product, services and technology innovation. Also, the Company is engaged in providing sales and marketing support and other allied services to its group entities.

Persistent Systems Pte. Ltd. (PS Pte.) based in Singapore, a wholly owned subsidiary of PSL, is engaged in software development, professional and marketing services.

Persistent Systems France SAS (PSFS) based in France, a wholly owned subsidiary of PSL, is engaged in software products, services and technology innovation.

Persistent Telecom Solutions, Inc. (PTSI) based in the USA, a wholly owned subsidiary of Persistent Systems, Inc., is engaged in software products, services and technology innovation in telecom and Product Lifecycle Management domains.

Persistent Systems Malaysia Sdn. Bhd. (PSM) based in Malaysia, a wholly owned subsidiary of PSL, is engaged in software products and services.

Aepona Group Limited, an Ireland based wholly owned subsidiary of Persistent Systems, Inc. is engaged in software development and related services and also operates as the holding Company of Persistent Systems Lanka Ltd.

Persistent Systems UK Limited (formerly known as Aepona Limited, a UK based wholly owned subsidiary of Persistent Systems Limited) is engaged in the business of a telecommunication API gateway for defining, exposing, controlling and monetizing telecom services to partners and application developers and an Internet of Things service creation platform that allows enterprises to add a service layer (or “business logic”) to the basic APIs exposed to by connected devices, and to expose and monetise these APIs. Also, it has acquired a new Microsoft business unit with expertise in Microsoft technologies, including Azure, business applications, workplace modernisation, and Data and AI.

Persistent Systems Lanka (Private) Limited (a Sri Lanka based wholly owned subsidiary of Aepona Group Limited) has adopted indirect sales model, with services revenue being billed to Persistent Systems UK Ltd. Sale of services are then contracted between Persistent Systems UK Ltd. and customers.

Persistent Systems Mexico, S.A. de C.V (a Mexico based wholly owned subsidiary of Persistent Systems Inc.) has adopted indirect sales model, with services revenue being billed to Persistent Systems Inc. Sale of services are then contracted between Persistent Systems Inc. and customers.

Persistent Systems Israel Ltd. (an Israel based wholly owned subsidiary of Persistent Systems Inc.) has adopted indirect sales model, with services revenue being billed to Persistent Systems Inc. Sale of services are then contracted between Persistent Systems Inc. and customers.

Persistent Systems Germany GmbH (wholly owned subsidiary of PSL) operates as the holding Company of Persistent Systems Switzerland AG, Persistent Systems Costa Rica Limitada (formerly known as Data Glove IT Solutions Limitada) and Persistent Systems S.r.l., Romania. Youperience GmbH and PARX Consulting GmbH have been merged with Persistent Systems Germany GmbH w.e.f August 21, 2023 and August 25, 2023 respectively.

Persistent Systems Switzerland AG (formerly known as PARX Werk AG, a Switzerland based wholly owned subsidiary of Persistent Systems Germany GmbH) is engaged in the business of software products, services and technology innovation in the digital practice.

PARX Consulting GmbH (a Germany based wholly owned subsidiary of Persistent Systems Switzerland AG) has been merged with Persistent Systems Germany GmbH w.e.f. August 25, 2023.

Persistent Systems Costa Rica Limitada (formerly known as Data Glove IT Solutions Limitada, a Costa Rica based wholly owned subsidiary of Persistent Systems Germany GmbH) is a leading Microsoft technology solutions provider in verticals including Azure, business applications, workplace modernisation, and Data and AI.

Youperience GmbH (a Germany based wholly owned subsidiary of Persistent Systems Germany GmbH) has been merged with Persistent Systems Germany GmbH w.e.f. August 21, 2023.

Youperience Limited (a United Kingdom based wholly owned subsidiary of Youperience GmbH) has been dissolved w.e.f. June 27, 2023.

Persistent Systems S.R.L. Romania is a wholly owned subsidiary of Persistent Systems Germany GmbH is engaged in software development and services.

CAPIOT Software Private Limited is a India based wholly owned subsidiary of PSL.

CAPIOT Software Inc (a US based wholly owned subsidiary of Persistent Systems Inc) has been dissolved w.e.f. December 29, 2023.

Persistent Systems Australia Pty Ltd (formerly known as Capiot Software Pty Ltd, a Australia based wholly owned subsidiary of Persistent Systems Inc) is engaged in enterprise and data integration services across platforms. Further, it has acquired a new Microsoft business unit with expertise in Microsoft technologies, including Azure, business applications, workplace modernisation, and Data and AI.

CAPIOT Software Pte Limited (a Singapore based wholly owned subsidiary of CAPIOT Software Inc) has been dissolved w.e.f. April 6, 2023 and the same has not been considered for the purpose of consolidation.

Persistent Systems SRL (a Italy based wholly owned subsidiary of Persistent Systems Inc.) has been dissolved w.e.f. February 26, 2024.

Software Corporation International LLC (a US based wholly owned subsidiary of Persistent Systems Inc) is specialized in payment solutions, integration, and support services for BFSI clients has been dissolved w.e.f. June 27, 2024.

SCI Fusion360 LLC (a US based wholly owned subsidiary of Persistent Systems Inc) has been dissolved w.e.f. May 31, 2023.

MediaAgility India Private Limited (an India based wholly owned subsidiary of PSL) is engaged in cloud-native application development and modernisation, analytics and AI, cloud engineering, migrations, and managed services.

MediaAgility Inc (a US based wholly owned subsidiary of Persistent Systems Inc) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

MediaAgility UK Limited (a UK based wholly owned subsidiary of MediaAgility, Inc) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

Digitalagility S. DE R.L.de C.V. (a Mexico based wholly owned subsidiary of MediaAgility, Inc) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

Media Agility Pte Ltd (a Singapore based wholly owned subsidiary of MediaAgility, Inc) (acquired with effect from May 4, 2022) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

Persistent Systems Poland sp z.o.o. is a subsidiary of Persistent Systems Inc. and is incorporated on April 5, 2023 is engaged in providing software products, services and technology innovation.

Persistent India Foundation was incorporated under Section 8 of the Companies Act, 2013 effective from May 1, 2024, as a wholly owned subsidiary of the company for carrying out CSR activities.

Starfish Associates, LLC, USA has become a wholly owned subsidiary of Persistent Systems Inc, USA (wholly owned subsidiary) effective from August 1, 2024. Starfish Associates is known for its intelligent integration hub and workflow engine that seamlessly connects an array of business applications and communication systems, significantly enhancing multi-vendor communication management.

Arrka Infosec Private Limited, India (a private company incorporated under the Companies Act, 1956) has become a wholly owned subsidiary of Persistent Systems Limited effective from October 28, 2024. The subsidiary specializes in data protection and privacy compliance services, strengthening PSL's market position in these domains.

The Group has assessed PSPL ESOP Management Trust to be a controlled entity and accordingly the same has been consolidated.

2. Basis of preparation

"The consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") and Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, defined benefit liability/(asset) which is recognised at the present value of defined benefit obligation less fair value of plan asset and equity settled employee stock options which have been measured at fair value. The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Amounts in the consolidated financial statements are presented in Indian Rupees in Millions as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

3. Basis of consolidation

The consolidated financial statements of the Parent Company, its subsidiaries and the controlled trust ("the Group") for the year ended March 31, 2025 are prepared in accordance with generally accepted accounting principles applicable in India, and the Indian Accounting Standard 110 (Ind AS 110) on 'Consolidated Financial Statements', notified by Companies (Accounting Standards) Rules, 2015, ("Indian Accounting Standards") by and to the extent possible in the same format as that adopted by the Parent Company for its separate financial statements.

The Parent Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries and its controlled trust as disclosed below. Control exists when the parent company has power over the entity, is exposed or has rights to variable returns from its involvement with the entity; and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The standalone financial statements of the Parent Company, its subsidiary companies and its controlled trust have been combined on line by line basis by adding together the book values of like items of assets and liabilities, income and expenses after eliminating intra group balances and intra group transactions except where cost cannot be recovered. The unrealised profits or losses resulting from the intra group transactions and balances have been eliminated.

The excess of the cost to the Parent Company of its investment in a subsidiary and the Parent Company's portion of equity of subsidiary on the date at which investment in the subsidiary is made, is described as goodwill and recognised separately as an asset in the consolidated financial statements. The excess of the Company's portion of equity of the acquired company over its cost is treated as gain on bargain purchase in the consolidated financial statements. Goodwill arising on consolidation is not amortised. It is tested for impairment on a periodic basis and written off if found impaired.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, are made in the consolidated financial statements. The consolidated financial statements are presented in the same manner as the Parent Company's separate financial statements.

The consolidated financial statements of the subsidiary companies and controlled trust used in the consolidation are drawn up to the same reporting date as of the Parent Company.

The subsidiary companies and controlled trust considered in the consolidated financial statements are as follows:

Name of the subsidiary or controlled trust	Ownership Percentage as at		Country of incorporation
	March 31, 2025	March 31, 2024	
Persistent Systems, Inc.	100%	100%	USA
Persistent Systems Pte Ltd.	100%	100%	Singapore
Persistent Systems France SAS	100%	100%	France
Persistent Telecom Solutions Inc.	100%	100%	USA
Persistent Systems Malaysia Sdn. Bhd.	100%	100%	Malaysia
Aepona Group Limited	100%	100%	Ireland
Persistent Systems UK Limited (formerly known as Aepona Limited)	100%	100%	UK
Persistent Systems Lanka (Private) Limited	100%	100%	Sri Lanka
Persistent Systems Mexico, S.A. de C.V.	100%	100%	Mexico
Persistent Systems Israel Ltd.	100%	100%	Israel
Persistent Systems Germany GmbH	100%	100%	Germany
Persistent Systems Switzerland AG (formerly known as PARX Werk AG)	100%	100%	Switzerland
PARX Consulting GmbH (Dissolved w.e.f. August 25, 2023)	-	-	Germany
Youperience GmbH (Dissolved w.e.f. August 21, 2023)	-	-	Germany
Youperience Limited (Dissolved w.e.f. June 27, 2023)	-	-	United Kingdom
CAPIOT Software Private Limited	100%	100%	India
CAPIOT Software Inc. (Dissolved w.e.f. December 29, 2023)	-	-	USA
Persistent Systems Australia Pty Ltd (formerly known as CAPIOT Software Pty Ltd)	100%	100%	Australia
CAPIOT Software Pte Limited (Dissolved w.e.f. April 6, 2023)	-	-	Singapore
Persistent Systems S.R.L. (Dissolved w.e.f. February 26, 2024)	-	-	Italy
Software Corporation International LLC (Dissolved w.e.f. June 27, 2024)	-	100%	USA
SCI Fusion360 LLC (Dissolved w.e.f. May 31, 2023)	-	-	USA
Persistent Systems Costa Rica Limitada (formerly known as Data Glove IT Solutions Limitada)	100%	100%	Costa Rica
MediaAgility India Private Limited	100%	100%	India
MediaAgility Inc.	100%	100%	USA
Digitalagility S. DE R.L.de C.V.	100%	100%	Mexico
MediaAgility UK Limited	100%	100%	UK
Media Agility Pte Ltd	100%	100%	Singapore
Persistent Systems S.R.L. Romania	100%	100%	Romania
Persistent Systems Poland sp z.o.o. (Incorporated on April 5, 2023)	100%	100%	Poland
PSPL ESOP Management Trust	100%	100%	India
Persistent India Foundation (Incorporated on May 1, 2024)	100%	-	India
Starfish Associates LLC, USA (acquired on August 1, 2024)	100%	-	USA
Arrka Infosec Private Limited (acquired on October 28, 2024)	100%	-	India

The share of subsidiaries in the consolidated net assets, consolidated profit or loss and consolidated other comprehensive income is as follows for Financial Year 2024-25:

Name of the Company	Share in Net assets		Share in Profit or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount (₹ Million)	As a % of consolidated profit	Amount (₹ Million)	As a % of consolidated OCI	Amount (₹ Million)	As a % of consolidated Total Comprehensive Income	Amount (₹ Million)
Parent Company:								
Persistent Systems Limited	81.38%	59,740.08	90.57%	11,551.41	104.12%	121.93	90.69%	11,673.34
Subsidiaries:								
Persistent Systems, Inc.	13.01%	9,548.85	4.68%	597.32	0.00%	-	4.64%	597.32
Persistent Systems Pte. Ltd.	0.06%	41.89	0.02%	3.12	0.00%	-	0.02%	3.12
Persistent Systems France SAS	(0.14%)	(103.62)	(0.72%)	(91.23)	0.00%	-	(0.71%)	(91.23)
Persistent Telecom Solutions Inc.	0.39%	289.60	0.00%	(0.55)	0.00%	-	0.00%	(0.55)
Persistent Systems Malaysia Sdn. Bhd.	0.36%	266.71	(0.04%)	(5.01)	0.00%	-	(0.04%)	(5.01)
Aepona Group Limited	1.70%	1,246.70	3.14%	401.05	0.00%	-	3.12%	401.05
Persistent Systems UK Limited	(0.16%)	(115.76)	1.38%	176.54	0.00%	-	1.37%	176.54
Persistent Systems Lanka (Private) Limited	0.41%	301.12	0.04%	5.61	(4.12%)	(4.83)	0.01%	0.78
Persistent Systems Israel Ltd.	0.24%	174.23	0.08%	10.63	0.00%	-	0.08%	10.63
Persistent Systems Mexico, S.A. de C.V.	0.17%	127.73	0.23%	29.44	0.00%	-	0.23%	29.44
Persistent Systems Germany GmbH	0.18%	133.06	(1.09%)	(138.80)	0.00%	-	(1.08%)	(138.80)
Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.26%	189.17	(0.09%)	(11.50)	0.00%	-	(0.09%)	(11.50)
PARX Consulting GmbH	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Youperience Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Youperience GmbH	0.00%	-	0.00%	-	0.00%	-	0.00%	-
CAPIOT Software Private Limited	0.07%	51.21	(0.04%)	(4.64)	0.00%	-	(0.04%)	(4.64)
CAPIOT Software Inc.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Persistent Systems Australia Pty Ltd	(0.09%)	(68.48)	0.21%	27.31	0.00%	-	0.21%	27.31
CAPIOT Software Pte Limited (refer note 1)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Persistent Systems S.R.L.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Software Corporation International	0.00%	-	0.00%	-	0.00%	-	0.00%	-
SCI Fusion360 LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Persistent Systems Costa Rica Limitada	0.28%	203.67	0.57%	72.27	0.00%	-	0.56%	72.27
MediaAgility India Private Limited	0.69%	507.10	0.89%	113.82	0.00%	-	0.88%	113.82
MediaAgility Inc.	1.21%	886.76	(0.17%)	(22.02)	0.00%	-	(0.17%)	(22.02)
MediaAgility UK LTD	(0.03%)	(19.05)	(0.03%)	(3.91)	0.00%	-	(0.03%)	(3.91)
DIGITALAGILITY S DE RL DE CV	(0.09%)	(69.55)	(0.08%)	(9.86)	0.00%	-	(0.08%)	(9.86)
MediaAgility Pte Ltd	0.01%	10.14	(0.05%)	(6.89)	0.00%	-	(0.05%)	(6.89)
Persistent Systems S.R.L.- Romania	0.07%	53.56	0.10%	12.91	0.00%	-	0.10%	12.91
Persistent Systems Poland sp z.o.o.	0.04%	30.98	0.13%	16.54	0.00%	-	0.13%	16.54
PSPL ESOP Management Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Persistent India Foundation	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Starfish Associates LLC, USA	(0.02%)	(15.11)	0.30%	38.17	0.00%	-	0.30%	38.17
Arrka Infosec Private Limited	0.00%	(1.62)	(0.06%)	(7.53)	0.00%	-	(0.06%)	(7.53)
Subtotal	100.00%	73,409.37	100.00%	12,754.19	100.00%	117.10	100.00%	12,871.29
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	81.19	-	81.19
Consolidation adjustments	-	(10,218.72)	-	-	-	-	-	-
Amortisation of Intangibles recognised on Business Combination	-	-	-	(525.83)	-	-	-	(525.83)
DTA on items recognised on consolidation	-	-	-	(4.77)	-	-	-	(4.77)
Dividend from subsidiaries	-	-	-	(111.37)	-	-	-	(111.37)
Others	-	-	-	1,889.39	-	-	-	1,889.39
Total		63,190.65		14,001.61		198.29		14,199.90

Note 1: CAPIOT Software Pte Limited has been dissolved w.e.f. April 6, 2023 and the same has not been considered for the purpose of consolidation.

The share of subsidiaries in the consolidated net assets, consolidated profit or loss and consolidated other comprehensive income is as follows for Financial Year 2023-24:

Name of the Company	Share in Net assets		Share in Profit or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount (₹ Million)	As a % of consolidated profit	Amount (₹ Million)	As a % of consolidated OCI	Amount (₹ Million)	As a % of consolidated Total Comprehensive Income	Amount (₹ Million)
Parent Company:								
Persistent Systems Limited	79.08%	47,786.51	81.97%	9,856.65	71.20%	(33.74)	82.02%	9,822.91
Subsidiaries:								
Persistent Systems, Inc.	14.53%	8,777.68	13.25%	1,593.77	0.00%	-	13.31%	1,593.77
Persistent Systems Pte. Ltd.	0.06%	37.50	0.03%	3.35	0.00%	-	0.03%	3.35
Persistent Systems France SAS	(0.02%)	(9.23)	(0.93%)	(11.62)	0.00%	-	(0.93%)	(11.62)
Persistent Telecom Solutions Inc.	0.47%	283.66	0.90%	108.41	0.00%	-	0.91%	108.41
Persistent Systems Malaysia Sdn. Bhd.	0.41%	249.82	0.03%	3.31	0.00%	-	0.03%	3.31
Aepona Group Limited	1.36%	819.69	6.41%	771.14	0.00%	-	6.44%	771.14
Persistent Systems UK Limited	0.09%	52.33	0.39%	46.67	0.00%	-	0.39%	46.67
Persistent Systems Lanka (Private) Limited	0.48%	288.02	0.21%	25.64	28.80%	(13.65)	0.10%	11.99
Persistent Systems Israel Ltd.	0.27%	160.33	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
Persistent Systems Mexico, S.A. de C.V.	0.18%	111.03	0.38%	46.00	0.00%	-	0.38%	46.00
Persistent Systems Germany GmbH	0.44%	268.45	0.43%	51.77	0.00%	-	0.43%	51.77
Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.50%	304.69	2.82%	339.56	0.00%	-	2.84%	339.56
PARX Consulting GmbH	0.00%	-	(0.31%)	(36.85)	0.00%	-	(0.31%)	(36.85)
Youperience Limited	0.00%	-	0.00%	0.43	0.00%	-	0.00%	0.43
Youperience GmbH	0.00%	-	(0.14%)	(17.35)	0.00%	-	(0.14%)	(17.35)
CAPIOT Software Private Limited	0.09%	55.85	(0.01%)	(1.70)	0.00%	-	(0.01%)	(1.70)
CAPIOT Software Inc.	0.00%	-	0.05%	5.82	0.00%	-	0.05%	5.82
Persistent Systems Australia Pty Ltd	(0.16%)	(95.63)	(0.28%)	(34.06)	0.00%	-	(0.28%)	(34.06)
CAPIOT Software Pte Limited (refer note 1)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Persistent Systems S.R.L	0.00%	-	0.03%	3.41	0.00%	-	0.03%	3.41
Software Corporation International	0.04%	21.64	(0.19%)	(22.29)	0.00%	-	(0.19%)	(22.29)
SCI Fusion360 LLC	0.00%	-	(0.12%)	(14.57)	0.00%	-	(0.12%)	(14.57)
Persistent Systems Costa Rica Limitada	0.21%	124.87	0.46%	54.74	0.00%	-	0.46%	54.74
MediaAgility India Private Limited	0.65%	393.28	1.31%	157.39	0.00%	-	1.31%	157.39
MediaAgility Inc.	1.47%	886.15	(0.54%)	(64.68)	0.00%	-	(0.54%)	(64.68)
MediaAgility UK LTD	(0.02%)	(14.38)	0.01%	0.61	0.00%	-	0.01%	0.61
DIGITALAGILITY S DE RL DE CV	(0.12%)	(71.10)	(0.16%)	(18.83)	0.00%	-	(0.16%)	(18.83)
MediaAgility Pte Ltd	0.03%	16.90	0.03%	3.15	0.00%	-	0.03%	3.15
Persistent Systems S.R.L.- Romania	0.07%	39.40	0.25%	30.52	0.00%	-	0.25%	30.52
Persistent Systems Poland sp z.o.o.	0.02%	13.12	0.11%	12.63	0.00%	-	0.11%	12.63
PSPL ESOP Management Trust	(0.12%)	(74.61)	(6.39%)	(768.92)	0.00%	-	(6.42%)	(768.92)
Subtotal	100.00%	60,425.97	100.00%	12,023.97	100.00%	(47.39)	100.00%	11,976.58
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	104.82	-	104.82
Consolidation adjustments	-	(10,848.90)	-	-	-	-	-	-
Amortisation of Intangibles recognised on Business Combination	-	-	-	(1,010.58)	-	-	-	(1,010.58)
DTA on items recognised on consolidation	-	-	-	7.66	-	-	-	7.66
Dividend from subsidiaries	-	-	-	(995.82)	-	-	-	(995.82)
Others	-	-	-	909.68	-	-	-	909.68
Total	100.00%	49,577.07		10,934.91	100.00%	57.43		10,992.34

Note 1: CAPIOT Software Pte Limited has been dissolved w.e.f. April 6, 2023 and the same has not been considered for the purpose of consolidation.

4. Material accounting policy information

4.1 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period / year. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed appropriately. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

4.2 Critical accounting estimates and judgements

a. Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

Revenue from fixed price maintenance type contracts is recognised rateably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed-price project is recognised rateably using a percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of a method to recognise such revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Group uses the percentage-of-completion method in accounting for its other fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Further, the Group uses significant judgement while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

In respect of the contracts where the transaction price is payable as revenue share at pre-defined percentage of customer revenue and bearing in mind, the time gap between the close of the accounting period and availability of the revenue report from the customer, the Group is required to use its judgement to ascertain the income from revenue share on the basis of historical trends of customer revenue.

The Group receives advance payments from customers for the sale of software products, services and technology innovation including complete product life cycle services after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and rendering of services as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised services and the payment is one year or less.

b. Income taxes

The Group's two major tax jurisdictions are India and the United States, though the Group also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits are available against which deductible temporary differences & tax losses can be utilised. The Management evaluates if the deferred tax assets will be realised in future considering the historical taxable income, scheduled reversals of deferred tax liabilities, projected future taxable income and tax-planning strategies. While the Management believes that the Group Company will realise the deferred tax assets, the amount of deferred tax asset realisable, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

c. Business combination

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the acquirer to recognise the identifiable intangible assets and contingent consideration at fair value. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These valuations are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management.

d. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

e. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease periods relating to the existing lease contracts.

As noted above, the Group enters into leases with third-party landlords and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Group uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available.

f. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to assess contingent liabilities.

g. Defined benefits and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

h. Share based payments

The share based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

i. Impairment of assets

Investments in subsidiaries, goodwill and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.

4.3 Summary of material accounting policies

a. Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III of the Act. Operating cycle is the time between the acquisition of resources / assets for processing their realisation in cash and cash equivalents and based on the nature of products / services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months.

b. Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress includes cost of property, plant and equipment that are not ready to be put to use and is stated at cost. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use, cost of replacing part of the Property, plant and equipment, cost of asset retirement obligations and borrowing costs for long term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its original cost only if it is probable that future economic benefits associated with the item will flow to the Group. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the consolidated financial statement of profit and loss for the period / year during which such expenses are incurred.

Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated financial statement of profit and loss when the asset is disposed.

c. Intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation which is recognised from the date they are available for use and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable costs of preparing the asset for its intended use.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated financial statement of profit and loss when the asset is disposed.

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Group can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Such development expenditure, until capitalisation, is reflected as intangible assets under development.

Following the initial recognition, internally generated intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation of internally generated intangible asset begins when the development is complete and the asset is available for use.

d. Depreciation and amortisation

Depreciation on property, plant and equipment is provided from the date the asset is made available for use using the Straight Line Method ('SLM') over the useful lives of the assets.

The estimated useful lives for the property, plant and equipment, except for leasehold improvements, are as follows:

Assets	Useful lives
Buildings*	25 years
Computers	3 to 5 years
Computers - Servers and networks*	3 to 5 years
Office equipments	5 years
Plant and equipment*	5 years
Plant and equipment (Windmill)*	20 years
Plant and equipment (Solar Energy System) *	10 years
Furniture and fixtures*	5 years
Vehicles*	5 years

*For these classes of assets, based on a technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Thus useful lives of these assets are different from useful lives as prescribed under Part C of Schedule II of the Act.

Individual assets whose cost does not exceed ₹ 5,000 are fully depreciated in the year of acquisition. Leasehold improvements are amortised over the period of lease or useful life, whichever is lower.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Intangible assets are amortised on a straight-line basis over their estimated useful lives ranging from 3 to 7 years from the day the asset is made available for use.

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically.

e. Borrowing costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

f. Leases

The Group assesses at the inception of contract whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Group has the right to direct the use of the asset

Where the Group is a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated financial statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or consolidated statement of profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease expenses associated with these leases are recognised in the consolidated statement of profit and loss on a straight line basis.

g. Impairment of Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded groups or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. To estimate cash flow projections covered by the most recent budgets / forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the consolidated statement of profit and loss, except for assets previously revalued with the revaluation surplus taken to OCI. For such assets, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for the internal management purposes. If recoverable amount cannot be determined for an individual asset, an entity identifies the lowest aggregation of assets that generate largely independent cash inflows. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which the Management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent the Management's best estimate about future developments.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The synergy benefits derived from Goodwill are enjoyed interchangeably among segments and the Group is of the view that it is not practical to reasonably allocate the same and an ad-hoc allocation will not be meaningful.

Impairment losses relating to goodwill cannot be reversed in future periods. Intangible assets with indefinite useful lives are tested for impairment annually as at reporting date at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

h. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group's business model refers to how it manages its financial assets to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Subsequent measurement

Non-derivative financial instruments

Financial assets

Financial assets at amortised cost

Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortised cost using the effective interest rate method. The change in measurements are recognised as finance income in the consolidated statement of profit and loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognised in OCI.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset which does not meet the criteria for categorisation as financial asset at amortised cost or at FVTOCI, is classified as financial asset at FVTPL. Financial assets except derivative contracts included within the FVTPL category are subsequently measured at fair value with all changes recognised in the consolidated statement of profit and loss.

Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprises of cash at bank, cash in hand and short term deposits with an original maturity period of three months or less.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments

The Group uses derivatives for economic hedging purposes. At the inception of hedging relationship, the Group documents the hedging relationship between the hedging instrument and hedged item including whether the changes in cash flows of the hedging instruments are expected to offset the changes in cash flows of the hedged items. The Group documents its objective and strategy for undertaking its hedging transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently re-measured at fair value at each reporting date.

For cash flow hedges that qualify for hedge accounting, the effective portion of fair value of derivatives are recognised in cash flow hedging reserve within equity through OCI.

Gains or losses relating to the ineffective portion is immediately recognised in consolidated statement of profit and loss.

Amounts accumulated in equity are reclassified to consolidated statement of profit and loss in the period when the hedged item affects profit and loss or hedged future cash flows are no longer expected to occur.

Derivatives which do not qualify for hedge accounting are accounted as FVTPL.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109 ("Financial Instrument"). A financial liability (or a part of a financial liability) is derecognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in the consolidated statement of profit and loss, except in case of equity instruments classified as FVTOCI, where such cumulative gain or loss is not recycled to the consolidated statement of profit and loss.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 ("Financial Instrument") and the amount recognised less cumulative amortisation.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, dealer quotes.

For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Group recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

All methods of assessing fair value result in general approximation of value, and such value may never actually be realised. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at FVTOCI. ECL is the difference between contractual cash flows that are due and the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For trade receivables, the Group recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

i. Revenue recognition

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services (“performance obligations”) to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Group allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Group estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Group’s contracts may include variable consideration including rebates, volume discounts and penalties. The Group includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Income from software services and licences

The Group derives revenues primarily from IT services comprising of software development and related services and from the licensing of software products.

Arrangements with customers for software related services are either on a time-and-material or a fixed-price basis.

Revenue on time-and-material contracts are recognised as and when the related services are performed.

Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

When support services are provided in conjunction with the licensing arrangement and the license and the support services have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. Maintenance revenue is recognised proportionately over the period in which the services are rendered.

Revenue from revenue share is recognised in accordance with the terms of the relevant agreements.

Unbilled revenue represents revenue recognised in relation to work done until the balance sheet date for which billing has not taken place.

Unearned revenue represents the billing in respect of contracts for which the revenue is not recognised.

The Group collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the carrying amount and the effective interest rate.

Dividend

Dividend income is recognised when the Group's right to receive dividend is established. Dividend income is included under the head 'Other income' in the consolidated statement of profit and loss.

Contract balances

Contract assets

Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Contract liabilities

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

j. Foreign currency translation

Foreign currency

The functional currency of the Group and its Indian subsidiaries is Indian Rupees (₹) whereas the functional currency of foreign subsidiaries is the currency of their primary economic environment.

Initial recognition

Foreign currency transactions are recorded in the functional currency of the entities, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined. For foreign currency transactions recognised in the consolidated statement of profit and loss of the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Exchange differences

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to property, plant and equipment acquisition are recognised as income or expenses in the period in which they arise.

Translation of foreign operations

The Group presents the consolidated financial statements in ₹. For the purpose of these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on translation are recognised in other comprehensive income and accumulated in equity.

k. Employee benefits

Defined contribution plan

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Group and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the eligible salary of the entitled employees as per the scheme. The contributions to the provident fund by the group are charged to the consolidated statement of profit and loss for the period / year when the contributions are due. The Group has no obligation, other than the contribution payable to the provident fund.

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the consolidated statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Defined benefit plan

Gratuity

Gratuity is a defined benefit obligation plan operated by the Group for its employees of Indian and Sri Lankan operations covered under respective Company's Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date and are charged to the consolidated statement of profit and loss, except for the remeasurements, comprising of actuarial gains and losses which are recognised in full in the statement of other comprehensive income in the reporting period / year in which they occur. Remeasurements are not reclassified to profit and loss subsequently.

Compensated absences and long service awards

Leave encashment

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the consolidated financial statement of profit and loss. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The Group presents the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating leave encashment is recognised in the period in which the absences occur.

Long service awards

Long service awards are other long term benefits to all eligible employees, as per the Group's policy. The cost of providing benefit under long service awards scheme is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the consolidated statement of profit and loss.

During the year, the group has discontinued the said policy.

Other employee benefits

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for services rendered by employees, are recognised in the consolidated statement of profit and loss during the period when the employee renders the service.

l. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit and loss.

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit / loss at the time of transaction. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit / loss at the time of transaction. Deferred tax assets are recognised only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the period in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside the consolidated statement of profit and loss is recognised in correlation to the underlying transaction either in OCI or directly in equity.

m. Segment reporting

i. Identification of segment

The Group's operations predominantly relate to providing software products, services and technology innovation covering full life cycle of product to its customers.

The components of the Group that engage in business activities from which they earn revenue and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker, are identified as operating segments.

ii. Allocation of income and direct expenses

Income and direct expenses allocable to segments are classified based on items that are individually identifiable to that segment such as salaries, project related travel expenses etc. The remainder is considered as un-allocable expense and is charged against the total income.

iii. Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segregation of assets, liabilities, depreciation and amortisation and other non-cash expenses into various reportable segments have not been presented except for trade receivables and unbilled revenue as these items are used interchangeably among segments and the Group is of the view that it is not practical to reasonably allocate these items to individual segments and an ad-hoc allocation will not be meaningful.

iv. Inter-segment transfers

There are no inter-segments transactions.

v. Segment accounting policies

The Group prepares its segment information in conformity with accounting policies for preparing and presenting the consolidated financial statements of the Group as a whole.

n. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders of the parent company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders of parent company and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

o. Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate of the amount required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p. Contingent liabilities and commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

q. Share based payments

Employees of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments granted (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value of the options at the date of the grant and recognised as employee compensation cost over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revisions to the original estimates, if any, in the consolidated statement of profit and loss with a corresponding adjustment to equity

The expense or credit recognised in the consolidated statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense with a corresponding increase in stock options outstanding reserve in equity. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

r. Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognised as a deduction from equity, net of any tax effects

s. Treasury shares

The group has created a PSPL ESOP Management Trust (hereinafter referred as 'ESOP Trust') for providing share-based payment to its employees. The group uses ESOP Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP Trust buys shares of the parent company from the market, for giving shares to employees. The group treats ESOP Trust as its extension and shares held by trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Securities premium. Share options exercised during the reporting period are satisfied with treasury shares.

t. Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

u. Business combination

The acquisition method of accounting is used to recognise all business combinations, when the acquired set of activities and assets meet the definition of business and control is transferred regardless of whether equity instruments or other assets are acquired. The acquisition cost is measured as the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree at fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- Consideration transferred and including fair value of contingent consideration payable;
- Amount of any non-controlling interest in the acquired business, and
- Acquisition-date fair value of any previous equity interest in the acquired business

over the fair value of the net identifiable assets acquired is recognised as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in OCI and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase is recognised directly in equity as capital reserve.

Business combinations between entities under common control is accounted for using pooling of interest method. The identity of the reserves is preserved as they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to business transfer reserve.

v. Goodwill / Gain on bargain purchase

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognised in the other comprehensive income as gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

w Cashflow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

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5.1. Property, plant and equipment

(In ₹ Million)

	Land - Freehold	Buildings (refer note 1)	Computers (refer note 2)	Office Equipment	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (At cost)									
As at April 1, 2024	1,007.27	2,896.21	4,861.81	242.25	2,074.95	85.57	1,171.16	14.84	12,354.06
Additions	-	10.34	680.77	14.22	229.80	5.23	67.42	0.87	1,008.65
Additions on account of acquisition (refer note 45)	-	-	20.37	0.01	4.22	-	4.15	-	28.75
Other adjustments	-	-	(1.07)	(159.76)	159.67	-	-	-	(1.16)
Disposals	-	14.90	366.57	6.71	92.05	13.23	68.50	0.33	562.29
Effect of foreign currency translation from functional currency to reporting currency	0.42	1.92	29.85	(2.36)	5.87	(3.75)	6.58	0.01	38.54
As at March 31, 2025	1,007.69	2,893.57	5,225.16	87.65	2,382.46	73.82	1,180.81	15.39	12,866.55
Accumulated Depreciation									
As at April 1, 2024	-	1,517.33	4,003.61	112.65	1,414.13	59.26	818.90	8.15	7,934.03
Charge for the year	-	123.61	434.41	6.48	239.50	6.43	108.30	1.92	920.65
Additions on account of acquisition (refer note 45)	-	-	20.24	0.01	4.22	-	4.15	-	28.62
Other adjustments	-	-	-	(44.30)	44.45	-	-	-	0.15
Disposals	-	11.65	245.06	6.71	88.56	13.23	60.40	0.33	425.94
Effect of foreign currency translation from functional currency to reporting currency	-	1.03	48.12	(2.21)	3.45	(4.36)	12.08	0.05	58.16
As at March 31, 2025	-	1,630.32	4,261.32	65.92	1,617.19	48.10	883.03	9.79	8,515.67
Net block as at March 31, 2025	1,007.69	1,263.25	963.84	21.73	765.27	25.72	297.78	5.60	4,350.88

5.1. Property, plant and equipment (continued)

(In ₹ Million)

	Land - Freehold	Buildings (refer note 1)	Computers	Office Equipment	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (At cost)									
As at April 1, 2023	1,007.14	2,880.89	4,773.83	130.79	1,960.91	67.18	1,099.50	15.88	11,936.12
Additions	-	15.13	375.92	115.10	159.74	15.39	81.74	0.22	763.24
Acquisition through merger (refer note 40 and 41)	-	-	28.24	-	5.28	-	8.66	-	42.18
Disposals	-	0.32	340.14	5.35	51.67	-	23.38	1.26	422.12
Effect of foreign currency translation from functional currency to reporting currency	0.13	0.51	23.96	1.71	0.69	3.00	4.64	-	34.64
As at March 31, 2024	1,007.27	2,896.21	4,861.81	242.25	2,074.95	85.57	1,171.16	14.84	12,354.06
Accumulated Depreciation									
As at April 1, 2023	-	1,393.29	3,493.89	101.64	1,285.82	52.55	741.70	7.28	7,076.17
Acquisition through merger (refer note 40 and 41)	-	-	24.15	-	4.92	-	7.88	-	36.95
Charge for the year	-	124.11	780.31	15.25	174.00	4.01	87.70	2.13	1,187.51
Disposals	-	0.32	313.86	4.76	50.41	-	22.16	1.26	392.77
Effect of foreign currency translation from functional currency to reporting currency	-	0.25	19.12	0.52	(0.20)	2.70	3.78	-	26.17
As at March 31, 2024	-	1,517.33	4,003.61	112.65	1,414.13	59.26	818.90	8.15	7,934.03
Net block as at March 31, 2024	1,007.27	1,378.88	858.20	129.60	660.82	26.31	352.26	6.69	4,420.03

Note 1: Buildings include those constructed on leasehold land:

- Gross block as on March 31, 2025, ₹ 1,460.20 Million (Previous year: ₹ 1,460.40 Million)
- Depreciation charge for the period ₹ 58.04 Million (Previous year ₹ 59.30 Million)
- Accumulated depreciation as on March 31, 2025, ₹ 793.47 Million (Previous year ₹ 735.52 Million)
- Net block value as on March 31, 2025, ₹ 666.73 Million (Previous year ₹ 724.88 Million)

Note 2: The management has revised the estimated useful life of computers and networking equipment prospectively (refer note 51 for details).

5.2.Capital work-in-progress

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Balance at beginning of year	218.73	161.38
Additions	831.76	820.59
Capitalised during the year	1,008.65	763.24
Balance at end of year	41.84	218.73

5.2.Capital work in progress (CWIP) ageing schedule

(In ₹ Million)

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	41.84	-	-	-	41.84
As at March 31, 2025	41.84	-	-	-	41.84

(In ₹ Million)

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	139.92	78.81	-	-	218.73
As at March 31, 2024	139.92	78.81	-	-	218.73

There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year

5.3.Right-of-use assets

(In ₹ Million)

	Leasehold Land	Office premises	Other assets	Total
Gross block (At cost)				
As at April 1, 2024	131.97	3,640.10	-	3,772.07
Additions during the year	835.59	1,503.26	276.80	2,615.65
Disposals	-	546.22	-	546.22
Lease Modifications	-	142.32	-	142.32
Other Adjustments	5.80	(49.54)	-	(43.74)
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	35.06	-	35.06
As at March 31, 2025	973.36	4,440.34	276.80	5,690.50
Accumulated Depreciation				
As at April 1, 2024	4.76	1,460.13	-	1,464.89
Charge for the year	12.76	894.30	14.09	921.15
Disposals	-	352.92	-	352.92
Lease Modifications	-	119.31	-	119.31
Other Adjustments	-	(39.71)	-	(39.71)
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	17.73	-	17.73
As at March 31, 2025	17.52	1,860.22	14.09	1,891.83
Net block as at March 31, 2025	955.84	2,580.12	262.71	3,798.67

(In ₹ Million)

	Leasehold Land	Office premises	Other assets	Total
Gross block (At cost)				
As at April 1, 2023	131.97	2,994.30	-	3,126.27
Additions during the year	-	1,123.90	-	1,123.90
Disposals	-	520.17	-	520.17
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	42.07	-	42.07
As at March 31, 2024	131.97	3,640.10	-	3,772.07
Accumulated Depreciation				
As at April 1, 2023	3.22	924.84	-	928.06
Acquisition through merger (Refer note 40 and 41)	-	112.12	-	112.12
Charge for the year	1.54	649.96	-	651.50
Disposals	-	238.18	-	238.18
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	11.39	-	11.39
As at March 31, 2024	4.76	1,460.13	-	1,464.89
Net block as at March 31, 2024	127.21	2,179.97		2,307.18

5.4. Goodwill

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Cost		
Balance at beginning of the year	10,912.56	7,183.71
Addition on purchase price allocation of business combination (refer note 45)	1,160.02	3,322.19
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	265.36	406.66
Balance at end of year	12,337.94	10,912.56

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGUs or groups of CGUs.

The allocation of goodwill to operating segments is as follows:

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Segment		
a. Banking, Financial Services and Insurance (BFSI)	2,498.49	2,437.97
b. Healthcare & Life Sciences	-	-
c. Software, Hi-Tech and Emerging Industries	9,839.46	8,474.59
	12,337.95	10,912.56
Operating segments without significant goodwill	-	-
Total	12,337.95	10,912.56

The recoverable amount of a CGU is determined based on its value-in-use. Value-in-use is determined based on discounted future cash flows.

The key assumptions used for the calculations are as follows:

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Long-term growth rate	4.86%	4.20%
Operating margins	13% to 23%	10% to 25%
Discount rate	15% to 19%	14% to 17%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Group. As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount. Operating margin and long term growth rate are in line with company's current operations.

Based on testing, no impairment loss was identified during current year and previous year.

5.5 Other Intangible assets

(In ₹ Million)

	Software	Acquired contractual rights	Total
Gross block			
As at April 1, 2024	3,476.27	12,212.59	15,688.86
Additions	323.38	1,560.86	1,884.24
Disposals	528.05	-	528.05
Effect of foreign currency translation from functional currency to reporting currency	61.18	445.16	506.34
As at March 31, 2025	3,332.78	14,218.61	17,551.39
Accumulated Amortisation			
As at April 1, 2024	3,021.23	8,092.68	11,113.91
Charge for the year	270.97	956.33	1,227.30
Disposals	305.10	-	305.10
Effect of foreign currency translation from functional currency to reporting currency	56.11	535.84	591.95
As at March 31, 2025	3,043.21	9,584.85	12,628.06
Net block as at March 31, 2025	289.57	4,633.76	4,923.33

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(In ₹ Million)

	Software	Acquired contractual rights	Provisional intangible assets	Total
Gross block				
As at April 1, 2023	3,312.14	10,093.33	5,239.19	18,644.66
Additions	127.90	-	-	127.90
Disposals	0.03	-	-	0.03
Reclassification on purchase price allocation of business combination (refer note 45 (C))	-	1,548.49	(4,870.68)	(3,322.19)
Effect of foreign currency translation from functional currency to reporting currency	36.26	570.77	(368.51)	238.52
As at March 31, 2024	3,476.27	12,212.59	-	15,688.86
Accumulated amortisation				
As at April 1, 2023	2,744.90	6,506.21	222.13	9,473.24
Charge for the year	244.14	1,010.58	-	1,254.72
Disposals	0.03	-	-	0.03
Reclassification on purchase price allocation of business combination (refer note 45 (C))	-	523.67	(523.67)	-
Effect of foreign currency translation from functional currency to reporting currency	32.22	52.22	301.54	385.98
As at March 31, 2024	3,021.23	8,092.68	-	11,113.91
Net block as at March 31, 2024	455.04	4,119.91	-	4,574.95

Acquired contractual rights having carrying amount of ₹ 4,633.76 Million have remaining amortisation period between 4-7 years.

5.6. Intangible Assets under Development

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Balance at beginning of year	116.53	-
Additions	703.96	116.53
Capitalised during the year	88.72	-
Balance at end of year	731.77	116.53

Intangible Assets under Development Ageing Schedule

(In ₹ Million)

	Amount in Intangible Asset under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	703.96	27.81	-	-	731.77
As at March 31, 2025	703.96	27.81	-	-	731.77

(In ₹ Million)

	Amount in Intangible Asset under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	116.53	-	-	-	116.53
As at March 31, 2024	116.53	-	-	-	116.53

There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year

5.7. Depreciation and amortisation

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
On Property, plant and equipment	920.65	1,187.51
On Right of Use assets	921.15	651.50
On Other Intangible assets	1,227.30	1,254.72
Total	3,069.10	3,093.73

6. Non-current financial assets: Investments

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Investments carried at amortised cost		
Quoted Investments		
In bonds	2,916.91	2,916.91
Add: Interest accrued on bonds	78.66	78.70
Total investments carried at amortised cost (A)	2,995.57	2,995.61
Investments carried at fair value through profit and loss		
Unquoted Investments		
- Investments in mutual funds		
Fair value of long term mutual funds (refer Note 6a)	2,823.98	2,386.71
	2,823.98	2,386.71
Others*		
Investments in Common Stocks / Preferred Stocks		
Ciqua Limited [Holding 2.38% (Previous year 2.38%)]		
0.04 Million (Previous year: 0.04 Million) shares of GBP 0.01 each, fully paid up	17.25	16.72
Less: Change in fair value of investment	(17.25)	(16.72)
	-	-
Altizon Systems Private Limited	6.00	6.00
0.004 Million equity shares (Previous year: 0.004 Million equity shares) of ₹ 10 each, fully paid up		
	6.00	6.00
Hygenx Inc.	17.09	16.68
0.25 Million (Previous year: 0.25 Million) Preferred stock of \$ 0.001 each, fully paid up		
Less: Change in fair value of investment	(17.09)	(16.68)
	-	-

6. Non-current financial assets: Investments (continued)

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Trunomi Inc.	21.37	20.85
0.28 Million (Previous year: 0.28 Million) Preferred stock of \$ 0.0002 each, fully paid up		
Less: Change in fair value of investment	(21.37)	(20.85)
	-	-
Monument Bank	139.39	136.02
0.024 Million (Previous year: 0.024 Million) Stock of GBP 50 each), fully paid up		
Monument Technology Ltd.	221.26	-
1.33 Million (Previous year: Nil) Ordinary Shares of GBP 0.000001 each), fully paid up		
DxNow	-	10.43
0.17 Million Preferred Shares of \$ 0.0001 each (Previous year: 0.17 Million Preferred Shares of \$ 0.0001)		
Less: Change in fair value of investment	-	(10.43)
	-	-
Akumina Inc.	15.17	14.80
0.40 Million Preference shares of \$ 0.443 each (Previous year: 0.40 Million Preference shares of \$ 0.443 each)		
SwanAI	213.67	-
0.08 Million (Previous year - Nil) Preferred Shares of \$ 0.00001 each, fully paid up		
Total Investments carried at Fair Value (B)	3,419.47	2,543.53
Total investments (A) + (B)	6,415.04	5,539.14
Aggregate amount of change in fair value of investments	55.71	64.68
Aggregate amount of quoted investments	2,995.57	2,995.61
Aggregate amount of unquoted investments (gross)	3,475.18	2,608.21
Aggregate market value of quoted investments	2,703.72	2,758.25

* Investments, where the Group did not have joint-control or significant influence including situations where such joint-control or significant influence was intended to be temporary, were classified as “investments in others”.

6a. Details of fair value of investment in long term mutual funds

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	479.34	651.08
Axis Mutual Fund	672.09	526.58
Kotak Mutual Fund	208.87	152.75
Aditya Birla Sun Life Mutual Fund	165.55	152.53
HDFC Mutual Fund	201.26	185.54
DSP Mutual Fund	168.52	155.66
HSBC Mutual Fund	168.43	155.43
ICICI Prudential Mutual Fund	324.15	152.57
SBI Mutual Fund	166.05	152.65
Nippon Mutual Fund	269.72	101.92
	2,823.98	2,386.71

7. Non-current financial assets: Loans

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Carried at amortised cost		
Other loans		
Unsecured, credit impaired	0.58	0.58
	0.58	0.58
Less: Impairment allowance	0.58	0.58
	-	-

The Group has not granted any loans repayable on demand or without specifying any terms or period of repayment to promoters, directors, KMPs and the related parties as at 31 March 2025, and 31 March 2024.

8. Other non-current financial assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Considered good		
Carried at amortised cost		
Deposits with banks (refer note 14)*	48.29	3.99
Add: Interest accrued but not due on bank deposits (refer note 14)	0.70	0.24
Deposits with banks	48.99	4.23
Deposit with financial institutions	-	100.00
Add: Interest accrued but not due on deposit with financial institutions	-	10.18
Deposits with financial institutions	-	110.18
Security deposits	392.07	410.90
Simple Agreement for Future Equity (SAFE)	332.75	165.75
Credit impaired		
Deposit with financial institutions-credit impaired	408.88	430.00
Add: Interest accrued but not due on deposit with financial institutions-credit impaired	0.30	0.98
Less: Credit impaired (refer note 47)	(409.18)	(430.98)
Deposits with financial institutions	-	-
	773.81	691.06

* Out of the balance, fixed deposits of ₹ 3.00 Million (Previous year: ₹ 3.60 Million) have been earmarked against credit facilities and bank guarantees availed by the Group.

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9. Deferred tax asset / liabilities

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Deferred tax assets		
Provision for leave encashment	388.74	386.00
Provision for bonus and commission	94.66	189.18
Allowance for expected credit loss	198.48	93.21
Provision for gratuity	-	14.72
Differences in book values and tax base values of block of property, plant and equipment and intangible assets	163.42	147.62
Brought forward and current year losses	245.01	226.71
Tax credits	163.91	80.96
ROU asset and lease liability	52.94	61.55
Provision for shared based payments to employees	590.07	144.01
Provisions for doubtful investment	113.33	117.28
Cashflow on hedges	0.78	-
Others	12.90	1.56
	2,024.24	1,462.80
Deferred tax liabilities		
Differences in book values and tax base values of block of property, plant and equipment and intangible assets	11.32	27.33
Cashflow on hedges	-	8.02
ROU asset and lease liability	-	0.68
Brought forward and current year losses	-	26.26
Capital gains	122.74	44.14
Unrealised exchange gain / loss	16.16	8.17
Unbilled revenue	-	5.92
Others	0.27	1.40
	150.49	121.92
	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Deferred income tax assets after set-off	2,024.24	1,462.80
Deferred income tax liabilities after set-off	(150.49)	(121.92)
	1,873.75	1,340.88

* Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. In all other cases the same have been separately disclosed.

Certain subsidiaries of the group have undistributed earnings which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from these subsidiaries. These subsidiaries are not expected to distribute these profits in the foreseeable future.

10. Other non-current assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Capital advances (Unsecured, considered good)	33.53	826.67
Prepayments	223.49	420.61
	257.02	1,247.28

Movement in deferred tax assets (net) during the year ended March 31, 2025

	As at April 1, 2024	Charge / (Credit) in statement of Profit or loss	Credit / (Charge) in other comprehensive income	As at March 31, 2025
Deferred tax liabilities				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	27.33	(16.01)	-	11.32
Gain on fair valuation of financial assets	44.14	78.60	-	122.74
Cash flow hedges	8.02	-	(8.02)	-
Brought forward and current year losses	26.26	(26.26)	-	-
Unrealised exchange gain / loss	8.17	8.00	-	16.17
Unbilled Revenue	5.92	(5.92)	-	-
Others	1.40	(1.14)	-	0.26
	121.24	37.27	(8.02)	150.49
Deferred tax assets				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	147.61	15.81	-	163.42
Provision for leave encashment	386.00	2.74	-	388.74
Provision for Bonus and Commission	-	94.66	-	94.66
Provision for long service awards	189.18	(189.18)	-	-
Provision for Gratuity	14.72	(14.72)	-	-
Allowance for expected credit loss	93.21	105.27	-	198.48
Tax credit	80.94	82.97	-	163.91
Right of use asset and lease liability	60.90	(7.96)	-	52.94
Brought forward and current year losses	226.71	18.30	-	245.01
Provision for shared based payments to employees	144.01	446.06	-	590.07
Cashflow on hedges	-	-	0.78	0.78
Provisions for doubtful investment	117.28	(3.95)	-	113.33
Unbilled / Deferred Revenue	-	6.16	-	6.16
Others	1.56	5.18	-	6.74
	1,462.12	561.34	0.78	2,024.24
Effect of foreign currency translation of foreign operations from functional currency to reporting currency		23.56		
	1,340.88	500.51	8.80	1,873.75

Movement in deferred tax assets (net) during the year ended March 31, 2024

	As at April 1, 2023	Charge / (Credit) in statement of Profit or loss	Credit / (Charge) in other comprehensive income	As at March 31, 2024
Deferred tax liabilities				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	75.28	(47.95)	-	27.33
Gain on fair valuation of financial assets	22.82	21.32	-	44.14
Cash flow hedges	(9.96)	9.96	8.02	8.02
Brought forward and current year losses	47.21	(20.95)	-	26.26
Unrealised exchange gain / loss	10.49	(2.32)	-	8.17
Unbilled Revenue	(1.28)	7.20	-	5.92
Others	1.63	0.45	-	2.08
	146.19	(32.29)	8.02	121.92
Deferred tax assets				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	176.31	(28.69)	-	147.62
Provision for leave encashment	270.80	115.20	-	386.00
Provision for long service awards	222.45	(33.27)	-	189.18
Provision for Gratuity	-	14.72	-	14.72
Allowance for expected credit loss	36.85	56.36	-	93.21
Tax credit	135.40	(54.44)	-	80.96
Right of use asset and lease liability	42.68	18.87	-	61.55
Brought forward and current year losses	208.91	17.80	-	226.71
Provision for shared based payments to employees	68.94	75.07	-	144.01
Provisions for doubtful investment	119.77	(2.49)	-	117.28
Others	1.39	0.17	-	1.56
	1,283.50	179.30	-	1,462.80
	1,137.31	211.59	(8.02)	1,340.88

11. Current financial assets: Investments

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Investments carried at fair value through profit and loss		
- Unquoted investments		
Investments in mutual funds		
Fair value of current mutual funds (refer Note 11a)	3,388.17	2,726.54
	3,388.17	2,726.54
Total carrying amount of investments	3,388.17	2,726.54
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	3,388.17	2,726.54

11a. Details of fair value of current investment in mutual funds

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Aditya Birla Sun Life Mutual Fund	438.79	502.35
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	525.65	261.00
UTI Mutual Fund	383.48	364.27
Axis Mutual Fund	275.99	173.71
Tata Mutual Fund	195.10	234.14
Nippon India Mutual Fund (formerly known as Reliance Mutual Fund)	195.40	150.60
HDFC Mutual Fund	118.00	303.47
HSBC Mutual Fund	-	40.05
ICICI Prudential Mutual Fund	70.03	30.02
Mirae Asset Mutual Fund	195.64	50.06
SBI Mutual Fund	70.03	50.03
DSP Mutual Fund	-	195.10
Sundaram Mutual Fund	115.28	40.05
Kotak Mutual Fund	609.18	311.66
Invesco Mutual Fund	195.60	20.03
	3,388.17	2,726.54

12. Trade receivables

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
- Non Current		
Unsecured, considered good	664.40	730.18
	664.40	730.18
- Current		
Unsecured, considered good	18,477.95	16,761.13
Unsecured, credit impaired	916.03	398.64
	19,393.98	17,159.77
Less: Allowance for expected credit loss	(916.03)	(398.64)
	18,477.95	16,761.13
	19,142.35	17,491.31

Trade receivables ageing schedule

(In ₹ Million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	14,502.10	3,662.88	414.35	150.50	234.11	178.41	19,142.35
Undisputed Trade receivable - credit impaired	-	53.05	496.15	186.67	123.38	56.78	916.03
	14,502.10	3,715.93	910.50	337.17	357.49	235.19	20,058.38
Less: Allowance for expected credit loss	-	(15.71)	(292.26)	(257.91)	(200.22)	(149.93)	(916.03)
As at March 31, 2025	14,502.10	3,700.22	618.24	79.26	157.27	85.26	19,142.35
Expected loss rate (Refer note 32 b)	0.00%	0.42%	32.10%	76.49%	56.01%	63.75%	

(In ₹ Million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	13,443.71	3,900.00	147.60	-	-	-	17,491.31
Undisputed Trade receivable – credit impaired	-	34.98	244.65	84.54	5.93	28.54	398.64
	13,443.71	3,934.98	392.25	84.54	5.93	28.54	17,889.95
Less: Allowance for expected credit loss	-	(34.98)	(244.65)	(84.54)	(5.93)	(28.54)	(398.64)
As at March 31, 2024	13,443.71	3,900.00	147.60	-	-	-	17,491.31
Expected loss rate (Refer note 32 b)	0.00%	0.89%	62.37%	100.00%	100.00%	100.00%	

13. Cash and cash equivalents

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Cash in hand	0.20	0.11
Balances with banks		
On current accounts #	4,392.63	4,819.66
On saving accounts	27.50	23.48
On exchange earner's foreign currency accounts	1,488.57	1,401.87
On deposit accounts with original maturity less than three months	835.16	380.03
	6,744.06	6,625.15

Of the cash and cash equivalent balance as at March 31, 2025, the Group can utilise ₹ 0.02 Million (Previous year: ₹ 65.10 Million) only towards certain predefined activities specified in the government grant agreement.

14. Bank balances other than cash and cash equivalents

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Deposits with banks*	3,435.77	3,497.98
Add: Interest accrued but not due on deposits with banks	103.64	107.04
Deposits with banks (carried at amortised cost)	3,539.41	3,605.02
Less: Deposits with maturity more than twelve months from the balance sheet date disclosed under other non-current financial assets (refer note 8)	(48.29)	(3.99)
Less: Interest accrued but not due on non-current deposits with banks (refer note 8)	(0.70)	(0.24)
	3,490.42	3,600.79
Balances with banks on unpaid dividend accounts**	20.23	2.92
	3,510.65	3,603.71

* Out of the balance:

- Fixed deposits of ₹ 2,367.54 Million (Previous year: ₹ 2,365.78 Million) have been earmarked against credit facilities and bank guarantees availed by the Group.
- Fixed deposits of ₹ 91.10 Million (Previous year: Nil) have been kept as earmarked funds in Persistent India Foundation

**The Group can utilise these balances only towards settlement of the respective unpaid dividend.

15. Current financial assets: Loans

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Loan to others (Unsecured, credit impaired)		
LHS Solution Inc.	25.61	25.00
Interest accrued but not due at amortised cost	2.02	1.96
Less: Impairment	(27.63)	(26.96)
	-	-

16. Other current financial assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts (refer note 32)	-	42.54
Carried at amortised cost (considered good)		
Security deposits	116.44	57.95
Unbilled revenue	9,258.72	6,521.34
	9,375.16	6,621.83

17. Other current assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Unsecured, considered good		
Advances to suppliers		
Advances recoverable in cash or kind or for value to be received	1,152.83	1,573.38
Prepayments	2,609.16	854.25
Deferred finance costs	5.72	61.82
Other advances		
VAT receivable (net)	69.58	9.72
Service tax and GST receivable (net) (refer note 43)	4,926.25	2,731.32
	4,995.83	2,741.04
	8,763.54	5,230.49

18(a) Share capital

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Authorised shares (No. in Million) 400 (Previous year: 400) equity shares of ₹ 5 each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid-up shares (No. in Million) 155.85 (Previous year: 154.05) equity shares of ₹ 5 each	779.25	770.25
Issued, subscribed and fully paid-up share capital	779.25	770.25

The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through operating cash flows generated, borrowings and equity. The Group is not subject to any externally imposed capital requirements.

The Board of Directors of the Parent Company at its meeting held on January 20, 2024, recommended the sub-division / split of 1 (One) fully paid-up equity share having a face value of ₹10 each into 2 (Two) fully paid-up equity shares having a face value of ₹ 5 each by alteration of capital clause of the Memorandum of Association (MOA) subject to the approval of Members of the Parent Company. The Members of the Parent Company approved the sub-division / Split of 1 (One) fully paid up equity share of ₹ 10 each into 2 (Two) fully paid up equity shares of ₹ 5 each through a postal ballot with a requisite majority and the voting results were declared on March 11, 2024.

Further, the Board of Directors at its meeting held on March 13, 2024, approved the Record Date for Split / Sub-division of Equity Shares as April 1, 2024. Consequent to this, the authorised share capital comprises 400 Million equity shares having a face value of ₹ 5 each aggregating to ₹ 2,000 Million, and the paid-up capital comprises 154.05 Million equity shares having a face value of ₹ 5 each aggregating to ₹ 770.25 Million. The impact of this has been considered in the financial statement.

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

(In Million)

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	In ₹ Million	No. of shares	In ₹ Million
Number of shares at the beginning of the year	154.05	770.25	152.85	764.25
Add / Less: Changes during the year	1.80	9.00	1.20	6.00
Number of shares at the beginning of the year	155.85	779.25	154.05	770.25

b. Terms / rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors of Parent Company declared interim dividend of ₹ 20 per share on January 22, 2025 on the face value of ₹ 5 each; for the Financial Year 2024-25.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. However, no such preferential amounts exist currently.

Dividend distribution made and proposed:

(In ₹ Million)

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Final dividend for the year ended on 31 March 2024: ₹ 10 per share (31 March 2023: ₹ 11 per share)	1,540.50	1,692.35
Interim dividend for the year ended on 31 March 2025: ₹ 20 per share (31 March 2024: ₹ 16 per share)	3,117.00	2,461.60
	4,657.50	4,153.95
Proposed dividends on Equity shares: Proposed dividend for the year ended on 31 March 2025: ₹ 15 per share (31 March 2024: ₹ 10 per share)	2,337.75	1,540.50
	2,337.75	1,540.50

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2025. Dividend per equity share disclosed in above note represents dividends declared previously, retrospectively adjusted for the April 2024 share split.

c. Aggregate number of shares bought back during the period of five years immediately preceding the reporting date

In the period of five years immediately preceding March 31, 2025, the Parent Company has not done any buy-back of shares.

d. Details of shareholders holding more than 5% shares in the Group

Name of the shareholder*	As at March 31, 2025		As at March 31, 2024	
	No. in Million	% Holding	No. in Million	% Holding
Dr. Anand Deshpande	45.75	29.35	45.75	29.70

*The shareholding information is based on legal ownership of shares and has been extracted from the records of the Parent Company including register of shareholders / members.

e. Details of shares held by promoters

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande	4,57,45,680	2,000	4,57,47,680	29.35%	0.00%
Mrs. Chitra Hemadri Buzruk	9,38,800	-	9,38,800	0.60%	-
Dr. Mukund Suresh Deshpande	8,00,050	-	8,00,050	0.51%	-
Mrs. Sonali Anand Deshpande	2,24,000	-	2,24,000	0.14%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	1,760	-	1,760	0.00%	-
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande	4,57,43,680	2,000	4,57,45,680	29.70%	0.00%
Mrs. Chitra Hemadri Buzruk	9,38,800	-	9,38,800	0.61%	-
Dr. Mukund Suresh Deshpande	8,00,050	-	8,00,050	0.52%	-
Mrs. Sonali Anand Deshpande	2,24,000	-	2,24,000	0.15%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	-	1,760	1,760	0.00%	100.00%
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-

18(b) Other equity

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Reserves and Surplus		
Securities premium	3,438.70	1,601.80
General reserve	27,730.15	25,842.99
Share options outstanding reserve	3,432.38	2,227.71
Gain on bargain purchase	65.19	63.61
Capital redemption reserve	35.75	35.75
Retained earnings	28,833.47	19,346.09
Treasury shares	(2,994.10)	(2,085.84)
PSL ESOP Trust reserve	180.77	140.64
Items of other comprehensive income		
Effective portion of cash flow hedges	(2.32)	23.85
Exchange differences on translating the financial statements of foreign operations	1,691.41	1,610.22
	62,411.40	48,806.82

(i) Securities premium

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	1,601.80	-
Premium on fresh issue of equity shares	1,836.90	1,601.80
	3,438.70	1,601.80

(ii) General reserve

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	25,842.99	20,824.45
Transfer to general reserve	-	3,965.23
Adjustments towards employees stock options	1,887.16	1,087.56
Other changes during the year	-	(34.25)
	27,730.15	25,842.99

(iii) Share options outstanding reserve

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	2,227.71	2,222.02
Adjustments towards employees stock options	(1,887.16)	(1,087.56)
Employee stock compensation expenses	3,095.27	1,091.75
Other changes during the year	(3.44)	1.50
	3,432.38	2,227.71

(iv) Gain on bargain purchase

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	63.61	62.67
Other changes during the year	1.58	0.94
	65.19	63.61

(v) Capital redemption reserve

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	35.75	35.75
Other changes during the year	-	-
	35.75	35.75

(vi) Retained earnings

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	19,346.09	16,607.36
Profit for the year	14,001.61	10,934.91
Items recognised in / from other comprehensive income for the year	193.08	(98.29)
Income tax effect on above	(49.81)	21.29
Dividend	(4,657.50)	(4,153.95)
Transfer to general reserve	-	(3,965.23)
	28,833.47	19,346.09

(vii) Treasury shares

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	(2,085.84)	(2,435.67)
Shares held by ESOP trust	(908.26)	349.83
	(2,994.10)	(2,085.84)

(viii) PSL ESOP Trust reserve

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	140.64	70.31
Dividend Paid to ESOP trust	40.13	70.33
	180.77	140.64

(ix) Effective portion of cash flow hedges

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	23.85	(5.76)
Items recognised in / from other comprehensive income for the year (net of tax)	(26.17)	29.61
	(2.32)	23.85

(x) Exchange differences on translating the financial statements of foreign operations

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	1,610.22	1,505.40
Items recognised in / from other comprehensive income for the year	81.19	104.82
	1,691.41	1,610.22

19. Financial liabilities: Borrowings

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Unsecured Borrowings carried at amortised cost		
- Non Current		
- Term loans		
Indian rupee loan from others (refer note 1)	-	1.85
Interest accrued but not due on above loan	-	0.02
Foreign currency loan from bank (refer note 2)	-	2,059.50
Interest accrued but not due on above loan	-	11.84
Less: Current maturity of long-term borrowings	-	(1,974.04)
	-	99.15
- Current		
Current maturity of long-term borrowings	-	1,962.22
Current maturity of interest accrued but not due on term loan	-	11.82
	-	1,974.04
	-	2,073.19

1. Indian rupee loan from Government department ₹ Nil (Previous year: ₹ 1.85 Million) having interest @ 3% p.a. which was repayable in ten equal annual installments over a period of ten years commencing from October 2015 has been repaid.
2. Foreign currency loan ₹ Nil (Previous year: ₹ 2,059.52 Million). The Parent Company has provided the Letters of Comfort to the Lender.

Key terms of loan are as below:

Repayment terms	As at March 31, 2025	As at March 31, 2024
Loan 1: Repayable over a period of 3 years in equal monthly instalments commencing from November 2021 (SOFR + 155 bps)	-	405.42
Loan 2: Repayable over a period of 3 years in equal monthly instalments commencing from April 2022 (SOFR + 155 bps)	-	973.00
Loan 3: Repayable over a period of 3 years in equal monthly instalments commencing from May 2022 (SOFR + 155 bps)	-	681.10
	-	2,059.52

The table below shows change in the Group's borrowing including both cash and non-cash changes:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Opening	2,073.19	4,306.95
Addition	-	-
Repayment	(2073.19)	(2251.80)
Translation Differences	-	18.04
Closing	-	2,073.19

20. Financial liabilities: Lease Liabilities

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
- Non-Current		
Lease Liabilities (refer note 36)	3,108.97	2,438.10
Less: Current portion of lease liabilities	(952.30)	(830.01)
	2,156.67	1,608.09
- Current		
Lease Liabilities (refer note 36)	952.30	830.01
	952.30	830.01

The table below shows change in the Group's lease liability including both cash and non-cash changes:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Opening balance	2,438.10	2,268.59
Additions	1,775.80	753.59
Deletions	(255.63)	-
Lease Modification	(45.32)	
Add: Interest recognised during the year	254.23	180.02
Less: Payments made during the year	(1,093.66)	(760.18)
Translation differences	35.45	(3.92)
Closing balance	3,108.97	2,438.10

21. Non current liabilities: Provisions

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Provision for employee benefits		
- Gratuity (refer note 31)	66.95	74.24
- Long service awards (refer note 56)	-	472.72
	66.95	546.96

22. Trade payables

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Trade payables		
- Total outstanding dues of small enterprises and micro enterprises*	40.77	49.63
- Total outstanding dues of creditors other than small enterprises and micro enterprises	8,845.40	8,088.99
	8,886.17	8,138.62

*Disclosure of trade payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Parent Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Parent Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the period or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the period or on balance brought forward from previous year.

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Company.

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Amount remaining unpaid:		
Principal	40.77	49.63
Interest	-	-
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act 2006	-	-

Trade payables ageing schedule

(In ₹ Million)

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	34.32	6.45	-	-	-	40.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,387.88	1,533.58	2,776.03	97.55	17.13	33.23	8,845.40
As at March 31, 2025	4,387.88	1,567.90	2,782.48	97.55	17.13	33.23	8,886.17

(In ₹ Million)

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	45.71	3.92	-	-	-	49.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	3280.36	1827.96	2,904.67	34.19	25.77	16.04	8,088.99
As at March 31, 2024	3,280.36	1,873.67	2,908.59	34.19	25.77	16.04	8,138.62

23. Other financial liabilities

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
- Non-current		
Carried at amortised cost		
Security Deposits	15.70	-
At fair value through profit & loss		
Liability towards contingent consideration	410.20	-
	425.90	-

- Current		
Carried at amortised cost		
Capital creditors	59.66	79.97
Accrued employee liabilities	999.37	1,092.42
Unpaid dividend*	20.23	2.92
Other liabilities_Financial	38.99	78.41
Payable to selling shareholders	283.71	-
At fair value through profit & loss		-
Liability towards contingent consideration	1,409.82	2,464.55
Less: Non-current portion of liability towards contingent consideration	(410.20)	-
	999.62	2,464.55
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts (refer note 32)	36.82	-
	2,438.40	3,718.27

*Unpaid dividend is transferred to Investor Education and Protection Fund as and when due.

24. Other liabilities

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
- Non-Current		
Other Liabilities	47.63	44.44
	47.63	44.44
- Current		
Unearned revenue	2,777.08	1,935.26
Advance from customers	492.04	262.89
Other payables		
- Statutory liabilities	977.49	1,241.91
- Other Liabilities*	269.86	199.76
	4,516.47	3,639.82
	4,564.10	3,684.26

*Includes balance of ₹ 0.02 Million (Previous year: ₹ 65.10 Million) to be utilised against certain predefined activities specified in the government grant agreement. There are no unfulfilled conditions or contingencies attached to these grants.

25. Current liabilities: Provisions

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Provision for employee benefits		
- Gratuity (refer note 31)	24.78	0.13
- Leave encashment	1,716.12	1,651.87
- Long service awards (refer note 56)	-	34.02
- Other employee benefits	2,287.64	1,644.64
	4,028.54	3,330.66

26. Revenue from operations

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Software services	1,15,433.57	94,181.78
Software licenses	3,953.60	4,034.09
	1,19,387.17	98,215.87

Software service revenue is recognised as and when the related services are performed i.e. over the time basis. Software licenses revenue is recognised on point in time basis.

The table below presents disaggregated revenues from contracts with customers by segments, geography and type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Revenue by industry segments		
BFSI	37,709.68	31,385.58
Healthcare & Life Sciences	32,551.45	20,880.32
Technology Companies and Emerging Verticals	49,126.04	45,949.97
Total	1,19,387.17	98,215.87
Geographical disclosure		
India	11,201.08	9,747.39
North America	96,317.16	77,087.28
Rest of the World	11,868.93	11,381.20
Total	1,19,387.17	98,215.87
Customers' Industry wise disclosure		
IP Led	5,976.56	7,009.74
Offshore	70,037.08	58,230.11
Onsite	43,373.53	32,976.02
Total	1,19,387.17	98,215.87

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognised corresponds directly with the value transferred to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material and unit of work-based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustment for revenue that has not materialised and adjustments for currency. The normal credit term is 30 to 90 days.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Revenue as per contract price	1,19,387.17	98,215.87
Discount	-	-
Revenue from contract with customers	1,19,387.17	98,215.87

Changes in contract assets (unbilled revenue) are as follows:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Balance at the beginning of the year	6,521.34	4,671.23
Invoices raised that were included in the contract assets balance at the beginning of the year	(6,538.00)	(4,688.21)
Increase due to revenue recognised during the year, excluding amounts billed during the year	9,258.72	6,521.34
Translation exchange difference	16.66	16.98
Balance at the end of the year	9,258.72	6,521.34

Changes in unearned and deferred revenue are as follows:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Balance at the beginning of the year	1,935.26	1,078.58
Revenue recognised that was included in the unearned revenue balance at the beginning of the year	(1,978.01)	(981.16)
Increase due to revenue recognised during the year, excluding amounts billed during the year	2,777.08	1,791.38
Translation exchange difference	42.75	46.46
Balance at the end of the year	2,777.08	1,935.26

27. Other income

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Interest income		
- On deposits carried at amortised cost	274.81	294.98
- On Others	281.61	267.47
Other non operating income		
Foreign exchange gain	89.18	84.97
Profit on sale of property, plant and equipment (net)	76.84	22.64
Profit on account of lease modification	28.15	-
Net profit on sale / fair valuation of financial assets designated as FVTPL	492.76	289.11
Excess provision in respect of earlier years written back	29.37	27.76
Miscellaneous income	108.82	293.27
	1,381.54	1,280.20

28. Personnel expenses

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
28.1 Employee benefits expense		
Salaries, wages and bonus (refer note 56)	59,665.42	53,155.41
Contribution to provident and other funds* (refer note 31)	4,308.74	3,781.21
Staff welfare expenses	1,667.74	1,581.33
Share based payments to employees (refer note 35)	3,095.27	1,091.75
	68,737.17	59,609.70
28.2 Cost of professionals	17,491.65	11,492.70
	86,228.82	71,102.40

*Includes contribution towards gratuity.

29. Other expenses

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Travelling and conveyance	1,710.77	1,533.72
Electricity expenses (net)	131.47	140.95
Internet link expenses	152.98	132.44
Communication expenses	46.82	80.81
Recruitment expenses	210.86	250.38
Training and seminars	158.20	169.86
Royalty expenses	71.32	59.55
Purchase of software licenses	7,479.33	5,608.16
Bad debts	-	63.36
Allowance for expected credit loss (net)	422.18	103.57
Rent (refer note 36)	143.41	145.93
Insurance	146.44	91.96
Rates and taxes	205.91	141.78
Legal and professional fees	1,647.81	1,063.96
Repairs and maintenance		
- Plant and Machinery	185.94	187.75
- Buildings	46.18	35.19
- Others	43.90	32.42
Selling and marketing expenses	13.67	7.98
Changes in contingent consideration payable on business combination (refer note 55)	(1,461.82)	(743.03)
Advertisement, conference, and sponsorship fees	194.61	185.09
Computer consumables	18.69	21.11
Auditors' remuneration (refer note 39)	15.89	14.31
Corporate social responsibility expenditure (refer note 44)	223.78	175.45
Books, memberships, subscriptions	32.25	33.15
Directors' sitting fees	9.10	8.20
Directors' commission	35.55	34.11
Loss / Impairment of non current investments	-	20.58
Miscellaneous expenses	691.18	757.87
	12,576.42	10,356.61

30. Earnings per share

(In ₹ Million)

		For the year ended	
		March 31, 2025	March 31, 2024
Numerator for Basic and Diluted EPS			
Net Profit after tax (In ₹ Million)	(A)	14,001.61	10,934.91
Denominator for Basic EPS			
Weighted average number of equity shares	(B)	15,34,87,571	15,09,52,418
Denominator for Diluted EPS			
Number of equity shares	(C)	15,51,66,164	15,38,71,858
Basic Earnings per share of face value of ₹ 5 each (In ₹)	(A/B)	91.22	72.44
Diluted Earnings per share of face value of ₹ 5 each (In ₹)	(A/C)	90.24	71.07

	For the year ended	
	March 31, 2025	March 31, 2024
Outstanding weighted average number of equity shares considered for diluted EPS	15,51,66,164	15,38,71,858
Less: Weighted average number of treasury shares	16,78,593	29,19,440
Outstanding weighted average number of equity shares considered for basic EPS	15,34,87,571	15,09,52,418

31. Defined benefits and contribution obligation**a) Defined benefits - Gratuity**

Persistent Systems Limited and Persistent Systems Lanka (Private) Limited have defined benefit (gratuity) plans. Each employee in these companies is eligible for gratuity on completion of minimum five years of service at 15 days basic salary (last drawn basic salary) for each completed year of service. In Persistent Systems Limited the scheme is funded with an Insurance Company in the form of a qualifying insurance policy.

The following tables summarise the amount recognised in the statement of profit and loss and other comprehensive income, the funded status and amounts recognised in the Balance Sheet for the plan.

Statement of profit & loss and other comprehensive income

The amount recognised in the statement of profit and loss are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Current service cost	487.06	305.69
Interest cost on benefit obligation	115.28	94.48
Expected return on plan assets	(111.43)	(99.74)
Total Expense	490.91	300.43

The amount recognised in the statement of other comprehensive income are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Net actuarial loss :		
- Due to changes in financial assumptions	(70.03)	50.06
-Due to Experience assumptions	(102.91)	40.46
Return on Plan Assets	(20.14)	7.77
Total (Income)/ Expense	(193.08)	98.29

Balance sheet

Changes in the fair value of plan assets (recognised in the Balance Sheet) are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Opening fair value of plan assets	1,543.32	1,331.70
Expected return	111.43	99.74
Return on Plan Assets	20.17	(7.74)
Contribution by employer	281.04	274.93
Benefits paid	(221.06)	(155.31)
Acquisitions*	31.09	-
Closing fair value of plan assets	1,765.99	1,543.32
Actual return on plan assets - Persistent Systems Limited	162.69	92.00

*An amount of ₹ 31.09 Million has been shown as a transfer-in in liability and asset towards acquisition of an entity during the year.

Changes in the present value of the defined benefit obligation (recognised in Balance Sheet) are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Opening defined benefit obligation	1,617.69	1,281.99
Current service cost	486.86	305.69
Interest cost	115.06	94.48
Benefits paid	(221.06)	(155.31)
Acquisitions (refer note above)	31.09	-
Actuarial losses on obligation	(172.54)	90.52
Exchange difference	0.62	0.32
Closing defined benefit obligation	1,857.72	1,617.69

Net Defined Benefit Asset / (Liability)

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Fair value of plan assets	1,765.99	1,543.32
Less: Defined benefit obligations	(1,857.72)	(1,617.69)
Total	(91.73)	(74.37)
Below is the entity wise breakup -		
Net Defined Benefit Asset / (Liability)* - Persistent Systems Limited (Funded)	(69.06)	(70.76)
Net Defined Benefit Asset / (Liability) - Persistent Systems Lanka (Private) Limited (Unfunded)	(22.69)	(3.61)

*This has been classified as non-current in the balance sheet

The major categories of plan assets as a percentage of the fair value of total plan assets:

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Investments with insurer including accrued interest	100%	100%

The principal assumptions used in determining gratuity for the Group's plans are shown below:

Persistent Systems Limited

	As at	
	March 31, 2025	March 31, 2024
Discount rate	6.82%	7.22%
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Attrition rate	PS: 0 to 1 : 17% PS: 1 to 3 : 15% PS: 3 to 4 : 10% PS: 4 to 5 : 5% PS: 5 to 7 : 6% PS: 7 to 10 : 4% PS:10 to 50 : 2%	PS: 0 to 1 : 17% PS: 1 to 3 : 15% PS: 3 to 4 : 10% PS: 4 to 5 : 5% PS: 5 to 7 : 6% PS: 7 to 10 : 4% PS:10 to 50 : 2%"
Increment rate	5.00%	6.00%
Weighted average duration of the defined benefit obligation (Years)	13.74	13.53

Persistent Systems Lanka (Private) Limited

	As at	
	March 31, 2025	March 31, 2024
Discount rate	11.83%	13.40%
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Attrition rate	Service Based: Below 1 year: 17% 1 to 3 years: 15% 3 to 4 years: 10% 4 to 5 years: 5% 5 to 7 years: 6% 7 to 10 years: 4% Above 10 years: 2%	Service based : 0 to 1 - 18.67% 1 to 3 - 12.74% 3 to 4 - 4.00% 4 to 7 - 2.00% 7 to 10 - 0.00% 10 and above - 0.00%
Increment rate	7.00%	7.00%
Weighted average duration of the defined benefit obligation (Years)	20.75	20.20

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and increase in compensation levels. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

As at March 31, 2025, every percentage point increase / decrease in discount rate will change the defined benefit obligation (gratuity) obligation to approximately ₹ 1,640.87 Million / ₹ 2,073.06 Million (previous year: ₹ 1,824.04 Million / ₹ 1,445.62 Million) respectively.

As at March 31, 2025, every percentage point increase / decrease in compensation levels will change the the defined benefit obligation (gratuity) obligation to approximately ₹ 2,001.13 Million / ₹ 1,698.76 Million (previous year: ₹ 1,758.09 Million / ₹ 1,499.68 Million) respectively.

Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes.

The Mortality and Attrition does not have a significant impact on the Liability, hence are not considered a significant actuarial assumption for the purpose of Sensitivity analysis.

The assumptions used in preparing the sensitivity analysis is

Discount rate at +1% and – 1%

Salary assumption at +1 % and -1%

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed.

There is no change in the method from the previous period and the points / percentage by which the assumptions are stressed are same to that in the previous year.

Amounts for the current and previous year are as follows:

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Plan assets	1,765.99	1,543.32
Defined benefit obligation	(1,857.72)	(1,617.69)
Deficit	(91.73)	(74.37)
Experience adjustments on plan liabilities - loss / (gain)	(102.91)	40.46

Maturity Profile of defined benefit obligations:

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Within 1 year	72.04	71.54
1-2 years	80.59	67.91
2-3 years	130.92	74.22
3-4 years	108.49	118.43
4-5 years	113.71	97.15
5-10 years	612.68	520.64
Above 10 years	3,771.17	2,893.73

Expected contributions to the gratuity plan for the next annual reporting period are ₹ 71.89 Million.

Risk Characteristics of the Defined Benefit Plan

Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Market Risk (Interest Rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

b) Defined contribution plan - Superannuation Fund

The Group contributed ₹ 89.39 Million and ₹ 89.42 Million to superannuation fund during the years ended March 31, 2025 and March 31, 2024 respectively, and the same is recognised in the Statement of profit and loss under the head employee benefit expenses.

c) Defined contribution plan - Provident Fund

The Parent Company has certain defined contribution plans. Contributions are made to provident fund for its employees @ 12% of Basic salary as per regulation. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Parent Company is limited to the amount contributed, and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan (provident fund) is ₹ 1,418.48 Million (Previous year ₹ 1,383.67 Million).

32a. Financial assets and liabilities

The carrying values of financial instruments by categories are as follows:

(In ₹ Million)

Financial assets / financial liabilities	March 31, 2025			March 31, 2024			Fair value hierarchy*
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	
Financial Assets:							
Investments in equity instruments, preferred stock and convertible notes	595.49	-	-	156.82	-	-	Level 3
Investments in bonds#	-	-	2,995.57	-	-	2,995.61	
Investments in mutual funds	6,212.15	-	-	5,113.25	-	-	Level 2
Deposit with banks and financial institutions (net)	-	-	3,539.41	-	-	3,715.20	
Cash and cash equivalents (including unpaid dividend)	-	-	6,764.29	-	-	6,628.07	
Trade receivables (net)	-	-	19,142.35	-	-	17,491.31	
Foreign exchange forward contracts	-	-	-	-	42.54	-	Level 2
Unbilled revenue	-	-	9,258.72	-	-	6,521.34	
Other financial assets	-	-	841.26	-	-	634.60	
Total Financial Assets	6,807.64	-	42,541.60	5,270.07	42.54	37,986.13	
Financial Liabilities:							
Borrowings (including accrued interest)	-	-	-	-	-	2,073.19	
Trade payables	-	-	8,886.17	-	-	8,138.62	
Lease liabilities	-	-	3,108.97	-	-	2,438.10	
Forward contracts payable	-	36.82	-	-	-	-	Level 2
Payable to selling shareholders	-	-	283.71	-	-	-	
Liability towards contingent consideration	1,409.82	-	-	2,464.55	-	-	Level 3
Other financial liabilities (excluding borrowings)	-	-	1,133.95	-	-	1,253.72	
Total Financial Liabilities	1,409.82	36.82	13,412.80	2,464.55	-	13,903.63	

*** Fair value hierarchy:**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. In respect of equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Group recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

Fair Value of Financial Instruments

Financial Instruments at FVTPL & FVTOCI

The financial instruments being carried at FVTPL and FVTOCI is at their respective fair value.

Financial Instruments at Amortised Cost

The Management assessed that fair value of Trade receivables, Unbilled revenue, Other financial assets, Borrowings, Lease liabilities, Trade payables and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of Investment in Bonds is as per the table below:

(In ₹ Million)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carried Value	Fair Value	Carried Value	Fair Value
Bonds carried at amortised cost	2,916.91	2,703.72	2,916.91	2,758.25
Interest accrued on Bonds	78.66	-	78.70	-
Total investments carried at amortised cost	2,995.57	2,703.72	2,995.61	2,758.25

The following methods and assumptions were used to estimate the fair values:

- i) The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date.
- ii) Mark to market on forward covers and embedded derivative instruments is based on forward exchange rates at the end of reporting period and discounted using G-sec rate plus applicable spread.
- iii) For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Company recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.
- iv) The fair value of contingent consideration related to the acquisition of subsidiaries / business unit (Refer Note 45 (a) and 45 (b)) is estimated using a present value technique. The ₹ 1,404.22 Million fair value is estimated by probability-weighting the estimated future cash outflows adjusting for risk and discounting at 3% - 9.37%. The probability-weighted cash outflows before discounting are ₹ 1,509.58 Million and reflect management's estimate of a 90% probability that the contract's target level will be achieved. The discount rate used is 3% - 9.37%, based on the Company's estimated incremental borrowing rate for unsecured liabilities at the reporting date, and therefore reflects the Company's credit position. The effects on the fair value of risk and uncertainty in the future cash flows are dealt with by adjusting the estimated cash flows rather than adjusting the discount rate.

Level 3 fair value measurements

The reconciliation of the carrying amounts of financial instruments classified within Level 3 is as follows:

(In ₹ Million)

	Investments in other equity instruments	Liability towards contingent consideration
Balance at April 1, 2023	181.13	5,305.83
Change in fair value of investment	-	-
Acquired during the year	-	-
Disposed during the year	(20.54)	(2,073.64)
Gain / (loss) recognised in profit and loss in other income	-	(743.03)
Effect of foreign currency translation from functional currency to reporting currency	(3.77)	(24.61)
Balance at March 31, 2024	156.82	2,464.55
Balance at April 1, 2024	156.82	2,464.55
Acquired during the year	434.93	882.06
Disposed during the year	-	(489.64)
Gain / (loss) recognised in profit and loss in other income	-	(1,461.82)
Effect of foreign currency translation from functional currency to reporting currency	3.74	14.67
Balance at 31 March 2025	595.49	1,409.82

Total amount included in profit and loss account for unrealised gains / losses on Level 3 instruments.

32b. Financial risk management**Financial risk factors and risk management objectives**

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors which provide written principles on foreign exchange hedging. The Group's exposure to credit risk is mainly for receivables that are overdue for more than 90 days. The Credit Task Force is responsible for credit risk management. Investment of excess liquidity is governed by the Investment policy of the Group. The Group's Risk Management Committee monitors risks and policies implemented to mitigate risk exposures.

Market risk

The Group operates globally with its operations spread across various geographies and consequently the Group is exposed to foreign exchange risk. Around 80% to 90% of the Group's foreign currency exposure is in USD. The Group holds plain vanilla forward contracts against expected future receivables in USD to mitigate the risk of changes in exchange rates.

The following table analyses unhedged foreign currency risk from financial instruments as at March 31, 2025:

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	17,184.60	577.88	783.28	418.05	18,963.81
Cash and cash equivalents and bank balances	2,297.61	108.39	128.97	163.63	2,698.60
Trade and other payables	5,217.08	245.26	255.73	606.61	6,324.68

The following table analyses unhedged foreign currency risk from financial instruments as at March 31, 2024:

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	8,346.86	505.68	979.78	360.84	10,193.16
Cash and cash equivalents and bank balances	1,851.71	13.77	94.62	117.06	2,077.16
Trade and other payables	51.88	107.04	93.52	50.15	302.59

Foreign currency sensitivity analysis

For the year ended March 31, 2025 and March 31, 2024, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies, would affect the Group's profit before tax margin (PBT) by approximately 0.13% and 0.12% respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting year and the current reporting year.

Derivative financial instruments

The Group holds derivative foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Group has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast sales transactions.

The following table gives details in respect of outstanding foreign currency forward contracts:

	As at March 31, 2025			As at March 31, 2024		
	Foreign currency (Million)	Average rate	₹ (Million)	Foreign currency (Million)	Average rate	₹ (Million)
Derivatives designated as cash flow hedges						
Forward contracts						
USD	300.00	86.33	25,899.47	260.00	84.16	21,881.33

The foreign exchange forward contracts mature within a maximum period of twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

	As at March 31, 2025			As at March 31, 2024		
	Foreign currency (Million)	Average rate	₹ (Million)	Foreign currency (Million)	Average rate	₹ (Million)
Not later than 3 months	75.00	84.95	6,371.15	64.00	80.82	5,357.97
Later than 3 months and not later than 6 months	76.00	85.50	6,497.96	70.00	82.60	5,882.04
Later than 6 months and not later than 9 months	75.00	86.38	6,478.19	63.00	83.95	5,326.58
Later than 9 months and not later than 12 months	74.00	88.54	6,552.17	63.00	83.96	5,314.74
Total	300.00		25,899.47	260.00		21,881.33

Price Risk

The Group exposure to price risk arises for investment in mutual funds held by the Group. To manage its price risk arising from investments in mutual funds, the Group diversified its portfolio.

Sensitivity: The sensitivity of profit or loss to change in Net assets value (NAV) as at year end for investment in mutual funds:

Particulars	As at March 31, 2025	As at March 31, 2024
NAV increase by 5%	310.61	255.66
NAV decrease by 5%	(310.61)	(255.66)

Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 19,142.35 Million and ₹ 17,491.31 Million as at March 31, 2025 and March 31, 2024, respectively.

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in the United States. Credit risk is managed by the Group by Credit Task Force through credit approvals, establishing credit limits and continuously monitoring the recovery status of customers to which the Group grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Group uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Group's historical experience for customers.

Credit risk is perceived mainly in case of receivables overdue for more than 90 days. The following table gives details of risk concentration in respect of percentage of receivables overdue for more than 90 days:

	As at	
	March 31, 2025	March 31, 2024
Receivables overdue for more than 90 days *	2,442.63	553.19
Total receivables (gross)	20,058.38	17,889.95
Overdue for more than 90 days as a % of total receivables	12.2%	3.1%

* Out of this amount, ₹ 916.03 Million (March 31, 2024: ₹ 398.64 Million) have been provided for.

Ageing of trade receivables

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Within the credit period	14,502.10	13,810.70
1 to 30 days past due	1,979.16	2,111.36
31 to 60 days past due	770.67	925.83
61 to 90 days past due	363.82	488.87
91 to 120 days past due	226.18	151.40
121 and above past due	2,216.45	401.79
Less: Expected credit loss	(916.03)	(398.64)
Net trade receivables	19,142.35	17,491.31

Movement in expected credit loss allowance

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Opening balance	398.64	188.96
Movement in expected credit loss allowance	422.18	103.57
Pre-acquisition ECL adjusted against contingent consideration	84.20	96.44
Translation differences	11.01	9.67
Closing balance	916.03	398.64

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings. Investments primarily include investment in debts mutual funds, quoted bonds.

Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The investment of surplus funds is governed by the Group's investment policy approved by the Board of Directors. The Group believes that the working capital is sufficient to meet its current fund requirements including repayment of borrowings. Accordingly, no liquidity risk is perceived.

As at March 31, 2025, the Group had a working capital of ₹ 28,931.80 Million including cash and cash equivalents and current fixed deposits of ₹ 10,179.73 Million and current investments of ₹ 3,388.17 Million.

As at March 31, 2024, the Group had a working capital of ₹ 19,390.14 million including cash and cash equivalents and current fixed deposits of ₹ 10,223.14 million and current investments of ₹ 2,726.54 million.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

(In ₹ Million)

	March 31, 2025		March 31, 2024	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings (including accrued interest)	-	-	1,974.04	99.15
Trade payables	8,886.17	-	8,138.62	-
Lease Liabilities	952.30	2,156.67	830.01	1,608.09
Other financial liabilities (excluding borrowings)	2,438.40	410.20	1,744.23	-

Capital management risk

The Groups's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Groups's capital management aims to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and current and non-current borrowings.

Gearing Ratio

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	-	2,073.19
Other financial liabilities	2,864.30	3,718.27
Total Debt:	2,864.30	5,791.46
Less: Cash and cash equivalents and bank balances	10,254.71	10,228.86
Net Debt #	(7,390.41)	(4,437.40)
Total equity	63,190.65	49,577.07
Total Capital	63,190.65	49,577.07
Gearing Ratio (in %)	-11.70%	-8.95%

Net debt for the above purpose includes borrowings, interest accrued on borrowings and amount payable for letter of credit net of cash and cash equivalents and bank balances other than cash and cash equivalents.

32c. Derivative instruments and un-hedged foreign currency exposures**i. Forward contracts outstanding at the end of the year:**

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Forward contracts to sell USD: Hedging of expected receivables of USD 300 Million (Previous year USD 260 Million)	25,899.47	21,881.33

ii. Details of un-hedged foreign currency exposures at the end of the year:

	As at March 31, 2025			As at March 31, 2024		
	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)
Bank balances	22.80	JPY 39.81	0.57	23.48	JPY 42.62	0.55
	2,297.61	USD 26.88	85.47	1851.71	USD 22.20	83.40
	128.97	GBP 1.17	110.63	94.62	GBP 0.90	105.27
	94.01	CAD 1.58	59.56	80.31	CAD 1.31	61.38
	108.39	EUR 1.17	92.46	13.77	EUR 0.15	90.01
	37.44	AUD 0.7	53.43	1.46	AUD 0.27	54.17
	-	-	-	11.81	RON 0.65	18.08
	9.38	ZAR 2.02	4.64	-	-	-
Trade and other payables	5,217.08	USD 61.04	85.47	51.88	USD 0.62	83.40
	255.73	GBP 2.31	110.63	93.52	GBP 0.89	105.27
	245.26	EUR 2.65	92.46	107.04	EUR 1.19	90.01
	12.74	SGD 0.2	63.69	0.99	SGD 0.02	61.75
	88.43	CAD 1.48	59.56	32.49	CAD 0.52	61.38
	141.58	AUD 2.65	53.43	1.13	AUD 0.02	54.17
	80.08	MXN 19.15	4.18	-	-	-
	135.11	MYR 7.01	19.27	-	-	-
	57.18	LKR 197.65	0.29	-	-	-
	31.33	CRC 182.88	0.17	-	-	-
	32.80	PLN 1.48	22.16	-	-	-
	13.78	RON 0.74	18.62	-	-	-
	4.85	ILS 0.21	23.10	14.09	ILS 0.62	22.64
	-	-	-	0.04	ZAR 0.01	4.37
	-	-	-	1.00	JPY 1.82	0.55
	8.73	CHF 0.09	97.00	0.41	CHF 0.004	92.11
Trade receivables	577.88	EUR 6.25	92.46	505.68	EUR 5.62	90.01
	17,184.60	USD 201.06	85.47	8,346.86	USD 100.08	83.40
	783.28	GBP 7.08	110.63	979.78	GBP 9.31	105.27
	84.57	CAD 1.42	59.56	183.45	CAD 2.99	61.38
	242.03	AUD 4.53	53.43	139.36	AUD 2.57	54.17
	12.90	ZAR 2.78	4.64	12.38	ZAR 2.83	4.37
	10.19	SGD 0.16	63.69	15.71	SGD 0.25	61.75
	61.11	CHF 0.63	97.00	0.01	CHF 0.01	92.11
	0.12	JPY 0.21	0.57	4.06	JPY 7.36	0.55
	7.13	MYR 0.37	19.27	5.87	MYR 0.33	17.63

33. Income taxes

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Profit before tax	18,223.08	14,476.06
Enacted tax rate in India	25.17%	25.17%
Computed tax expense at enacted tax rate	4,586.38	3,643.33
Income exempt from tax	(355.69)	(282.50)
Non-deductible expenses	805.07	110.19
Effect of concessions (R&D Allowance)	-	57.95
concessions (Tax Holidays)	-	(6.16)
Different tax rates of subsidiaries operating in other jurisdictions (Net)	-	2.64
Different tax rates for different heads of income	(409.14)	120.23
Change in tax rates	(7.91)	1.87
Short Tax Provision of earlier years(Net)	62.96	-
Reversal of Deferred tax asset created in earlier years	(20.62)	76.58
Tax benefit on set-off of carry-forward losses	(10.75)	5.77
Unused tax losses not recognised as deferred tax assets	-	(11.62)
Excess tax benefits on stock-based compensation	-	141.26
Others (Net)	(428.84)	(318.39)
Income tax expense	4,221.46	3,541.15

Following subsidiary Companies have cumulative unutilised corporate income tax losses as of March 31, 2025. These tax losses are available for future utilisation to offset future taxable profits of these Companies, subject to the applicable tax laws and regulations. As at the balance sheet date, these Companies have not recognised deferred tax asset with respect to the aforesaid unutilised corporate income tax losses. The details are provided in below table -

Entity Name	Category	Country	Currency	Carry forward losses		Unrecognised Deferred Tax	
				March 31, 2025 In Million	March 31, 2024 In ₹ Million	March 31, 2025 In Million	March 31, 2024 In ₹ Million
Persistent Systems UK Ltd.	Pre April 1, 2017	UK	GBP	22.71	2,449.44	5.68	612.36
	Post April 1, 2017			1.46	157.10	0.36	39.28
Persistent Systems Germany GmbH	-	Germany	EURO	11.10	1,007.04	2.36	214.41w

34. Segment 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 & Managing Director.

The operating segments of the Group are:

- a. Banking, Financial Services and Insurance (BFSI).
- b. Healthcare & Life Sciences
- c. Software, Hi-Tech and Emerging Industries

(In ₹ Million)

Particulars			BFSI	Healthcare & Life Sciences	Technology Companies & Emerging Verticals	Total
Revenue	Year ended	March 31, 2025	37,709.68	32,551.45	49,126.04	1,19,387.17
	Year ended	March 31, 2024	31,385.58	20,880.32	45,949.97	98,215.87
Identifiable expense	Year ended	March 31, 2025	24,223.22	19,783.06	34,805.51	78,811.79
	Year ended	March 31, 2024	19,861.72	12,209.10	34,145.31	66,216.13
Segmental result	Year ended	March 31, 2025	13,486.46	12,768.39	14,320.53	40,575.38
	Year ended	March 31, 2024	11,523.86	8,671.22	11,804.66	31,999.74
Unallocable expenses	Year ended	March 31, 2025	-	-	-	23,733.84
	Year ended	March 31, 2024	-	-	-	18,803.88
Operating income	Year ended	March 31, 2025	-	-	-	16,841.54
	Year ended	March 31, 2024	-	-	-	13,195.86
Other income (net of expenses)	Year ended	March 31, 2025	-	-	-	1,381.54
	Year ended	March 31, 2024	-	-	-	1,280.20
Profit before taxes	Year ended	March 31, 2025	-	-	-	18,223.08
	Year ended	March 31, 2024	-	-	-	14,476.06
Tax expense	Year ended	March 31, 2025	-	-	-	4,221.47
	Year ended	March 31, 2024	-	-	-	3,541.15
Profit after tax	Year ended	March 31, 2025	-	-	-	14,001.61
	Year ended	March 31, 2024	-	-	-	10,934.91

*This balance includes material items in the nature of cost of professionals and employee benefit expenses. Segregation of such expenses into various reportable segments have not been presented as it is not practically possible to allocate such expenses to individual segments.

(In ₹ Million)

Particulars			BFSI	Healthcare & Life Sciences	Technology Companies & Emerging Verticals	Total
Segmental trade receivables (net)	As at	March 31, 2025	5,354.72	4,859.65	8,927.98	19,142.35
	As at	March 31, 2024	4,657.36	3,106.66	9,727.29	17,491.31
Segmental Unbilled revenue	As at	March 31, 2025	1,652.47	2,303.61	5,302.64	9,258.72
	As at	March 31, 2024	1,471.00	1,129.58	3,920.76	6,521.34
Unallocated assets	As at	March 31, 2025	-	-	-	58,964.95
	As at	March 31, 2024	-	-	-	50,163.69
Unallocated liabilities	As at	March 31, 2025	-	-	-	24,175.37
	As at	March 31, 2024	-	-	-	24,599.27

Segregation of assets (other than trade receivables and unbilled revenue), liabilities, depreciation and amortisation and other non-cash expenses into various reportable segments have not been presented as the assets are used interchangeably among 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.

Geographical Information

The following table shows the distribution of the Group's consolidated sales by geographical market regardless of from where the services were rendered.

(In ₹ Million)

Particulars			India	North America	Rest of the World	Total
Revenue	Year ended	March 31, 2025	11,201.08	96,317.16	11,868.93	1,19,387.17
	Year ended	March 31, 2024	9,747.39	77,087.28	11,381.20	98,215.87

The revenue from an individual customer in excess of ten percent of total revenue of the Group is ₹ INR 12,593.77 Million for the year ended March 31, 2025 (Previous year: ₹ 9,248.88 Million). The customer belongs to Healthcare and Life Sciences segment (Previous year: Software, Hi-Tech and Emerging Industries)

The following table shows the information regarding geographical non-current assets.

(In ₹ Million)

Particulars			India	North America	Rest of the World	Total
Non-current assets	As at	March 31, 2025	27,789.82	5,486.62	1,018.27	34,294.71
	As at	March 31, 2024	23,453.42	6,575.97	728.25	30,757.64

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35. Employees stock option plans (ESOP)

Certain information in this note relating to number of shares, options and per share / option price has been disclosed in full and is not rounded off.

a. Details of Employee stock option plans

The Parent Company has framed various share-based payment schemes for its employees. The details of various equity-settled employee stock option plan ('ESOP') schemes adopted by the Board of Directors are as follows:

ESOP scheme	No. of options granted #	Date of adoption by the Board / Members	Initial Grant date	Exercise period
Scheme I	9,121,000	11-Dec-99	11-Dec-99	*
Scheme II	1,506,400	23-Apr-04	23-Apr-04	10 Years
Scheme III	5,066,600	23-Apr-04	23-Apr-04	*
Scheme IV	13,916,500	23-Apr-06	23-Apr-06	10 Years
Scheme V	3,781,050	23-Apr-06	23-Apr-06	*
Scheme VI	2,432,500	31-Oct-06	31-Oct-06	10 Years
Scheme VII	3,569,950	30-Apr-07	30-Apr-07	10 Years
Scheme VIII	84,000	24-Jul-07	24-Jul-07	3 Years
Scheme IX	2,748,924	29-Jun-09	29-Jun-09	10 Years
Scheme X	6,124,544	10-Jun-10	29-Oct-10	2-3 Years
Scheme XI **	6,391,210	26-Jul-14	03-Nov-14	4-5 Years
Scheme XII ***	134,600	04-Feb-16	08-Apr-16	2.5 Months
Scheme XIII	17,069,990	27-Jul-17	01-Aug-19	4-5 Years
Scheme XIV	160,000	27-Jul-17	01-May-19	3 Years

*No contractual life is defined in the scheme.

**The options under Scheme XI, which is a performance based ESOP scheme will vest after 1-4 years in proportion of credit points earned by the employees every quarter based on performance. The maximum options which can be granted under this scheme are 2,800,000.

***The options under Scheme XII, ESOP scheme would vest after 1 year. The maximum options which are granted under this scheme are 100 per employee.

The vesting period and conditions of the above ESOP schemes is as follows:

All the above ESOP schemes have service condition (other than Grant Category 1 of scheme XI which is based on performance criteria), which require the employee to complete a specified period of service, as a vesting condition. The vesting pattern of various schemes has been provided below:

i. Scheme I to V, VII, VIII, X and XIV

Service period from the date of grant	% of Options vesting			
	Scheme I to V & X	Scheme VII	Scheme VIII	Scheme XIV
12 Months	10%	20%	25%	0%
24 Months	30%	40%	50%	33.33%
36 Months	60%	60%	75%	66.66%
48 Months	100%	80%	100%	100%
60 Months	NA	100%	NA	NA

ii. Scheme VI

Service period from the date of grant	% of Options vesting
18 Months	30%
Every quarter thereafter	5%

iii. Scheme IX

Service period from the date of grant	% of Options vesting
30 – 60 Months varying from employee to employee	100%

iv. Scheme XI

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 Months	Based on credit points earned which varies from employee to employee	25%	40%
24 Months		50%	30%
36 Months		75%	30%
48 Months	NA	100%	NA
60 Months	NA	NA	NA

v. Scheme XII

Service period from the date of grant	% of Options vesting
1 Year	100%

vi. Scheme XIII

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 – 20 Months	25%	40%	33.33%
24 – 32 Months	50%	30%	66.66%
36 – 44 Months	75%	30%	100%
48 Months	100%	NA	NA
60 Months	NA	NA	NA

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b. Details of activity of the ESOP schemes

Movement for the year ended March 31, 2025 and March 31, 2024:

ESOP Scheme	Particulars	Year Ended	Outstanding at the beginning of the Year	Granted during the Year	Forfeited during the Year	Exercised during the Year	Outstanding at the end of the Year	Exercisable at the end of the Year
Scheme III	Number of Options	31-Mar-24	124,002	-	51,532	2,000	70,470	70,470
	Weighted Average Price	31-Mar-24	16.39	-	15.47	15.34	17.67	17.67
	Number of Options	31-Mar-25	70,470	-	70,470	-	-	-
	Weighted Average Price	31-Mar-25	17.67	-	17.67	-	-	-
Scheme IV	Number of Options	31-Mar-24	211,200	-	16,600	160,400	34,200	34,200
	Weighted Average Price	31-Mar-24	27.79	-	20.47	30.56	25.33	25.33
	Number of Options	31-Mar-25	34,200	-	16,200	18,000	-	-
	Weighted Average Price	31-Mar-25	25.33	-	18.31	11.12	-	-
Scheme V	Number of Options	31-Mar-24	96,554	-	-	26,486	70,068	70,068
	Weighted Average Price	31-Mar-24	13.30	-	-	15.57	12.41	12.41
	Number of Options	31-Mar-25	70,068	-	68,002	2,066	-	-
	Weighted Average Price	31-Mar-25	12.41	-	12.64	5.00	-	-
Scheme IX	Number of Options	31-Mar-24	103,032	-	90,232	12,800	-	-
	Weighted Average Price	31-Mar-24	27.37	-	27.37	27.37	-	-
	Number of Options	31-Mar-25	-	-	-	-	-	-
	Weighted Average Price	31-Mar-25	-	-	-	-	-	-
Scheme X	Number of Options	31-Mar-24	-	-	14,000	14,000	-	-
	Weighted Average Price	31-Mar-24	-	-	95.68	95.68	-	-
	Number of Options	31-Mar-25	-	-	-	-	-	-
	Weighted Average Price	31-Mar-25	-	-	-	-	-	-
Scheme XI	Number of Options	31-Mar-24	1,009,914	443,400	82,510	482,034	888,770	48,734
	Weighted Average Price	31-Mar-24	5.00	5.00	5.00	5.00	5.00	5.00
	Number of Options	31-Mar-25	888,770	1,972,610	35,094	602,106	2,224,180	7,176
	Weighted Average Price	31-Mar-25	5.00	5.00	5.00	5.00	5.00	5.00
Scheme XIII	Number of Options	31-Mar-24	6,760,330	3,764,950	894,394	1,940,838	7,690,048	861,540
	Weighted Average Price	31-Mar-24	1,259.85	3,261.15	1,449.31	967.64	2,286.26	1,497.72
	Number of Options	31-Mar-25	7,690,048	115,800	1,394,790	1,929,162	4,481,896	194,871
	Weighted Average Price	31-Mar-25	2,286.26	4,332.79	2,484.74	1,234.24	2,730.19	1,443.30
Total	Number of Options	31-Mar-24	8,305,032	4,208,350	1,149,268	2,638,558	8,753,556	1,085,012
	Number of Options	31-Mar-25	8,753,556	2,088,410	1,584,556	2,551,334	6,706,076	202,047

The weighted average share price for the period over which stock options were exercised was ₹ 4,984.34 (previous year ₹ 3,013.10).

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c. Details of exercise price for stock option outstanding at the end of the year

Scheme	Range of exercise price	As at March 31, 2025		As at March 31, 2024	
		No. of Options outstanding*	Weighted average remaining contractual life (in years)	No. of Options outstanding	Weighted average remaining contractual life (in years)
Scheme III	0.00 – 24.105	-	-	70,470	Note (i)
Scheme IV	11.115 – 30.56	-	-	34,200	1.31
Scheme V	11.115 – 22.07	-	-	70,068	Note (i)
Scheme XI	10	2,224,180	4.09	888,770	3.72
Scheme XIII	100.00 – 5446.00	4,481,896	4.03	7,690,048	3.80

Note (i) - No contractual life is defined in the scheme.

*The weighted average contractual life disclosed above has been computed only for the unexpired options.

d. Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position

Compensation expense arising from equity-settled employee share-based payment plans for the year ended March 31, 2025 amounted to ₹ 3,095.27 Million (Previous year ₹ 1,091.75 Million). The liability for employee stock options outstanding as at March 31, 2025 is ₹ 3,432.38 Million (Previous year ₹ 2,227.72 Million).

e. Weighted average exercise prices and weighted average fair values of options

The Black-Scholes valuation models have been used for computing the weighted average fair value of the stock options granted during the financial year 2024-25:

Particulars	March 31, 2025		March 31, 2024	
	RSU Scheme XI	ESOP Scheme XIII	RSU Scheme XI	ESOP Scheme XIII
Weighted average share price (Rs.)	3,614.30	5,096.48	3,108.77	3,835.9
Weighted Exercise Price (Rs.)	5	4,332.79	5	3,335.42
Weighted Average Fair Value (Rs.)	3,550.15	1,722.81	3,063.06	1,341.98
Expected Volatility	22.87% – 27.14%	26.55% – 27.38%	21.99% – 30.69%	27.44% – 31.15%
Life of the options granted ** (Vesting and exercise period)	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs
Dividend Yield	30.00	30.00	44.00	44.00
Average risk-free interest rate	7.15%	7.18%	7.12%	7.16%

** 1. The expected life of the RSU / ESOP is estimated based on the vesting term and contractual term of the RSU / ESOP, as well as expected exercise behavior of the employee who receives the RSU / ESOP

2. The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options.

Note: The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares and has been modelled based on historical movements in the market prices of the publicly traded equity shares during a larger period after excluding outliers to smoothen the fluctuations .

36. Leases

The Group has lease contracts for various items of computers, buildings and other assets being used in its operations. Lease terms generally ranges between 4 to 5 years. The Group has certain lease contracts that includes extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at March 31, 2025 (In ₹ Million)	As at March 31, 2024 (In ₹ Million)
Less than one year	952.30	842.62
One to five years	1,833.51	1,861.62
More than five years	-	58.33

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 143.41 Million for the year ended March 31, 2025.
(Previous year ₹ 145.93 Million).

The Group has Recognised interest on lease liabilities of ₹ 254.23 Million under finance costs.
(Previous year ₹ 180.02 Million).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer note 5.7).

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37. Related Party Disclosures

(i). Names of related parties and related party relationship

Related parties with whom transactions have taken place	
Key management personnel	Dr. Anand Deshpande, Chairman and Managing Director
	Mr Sandeep Kalra, Executive Director and Chief Executive Officer
	Mr. Sunil Sapre, Chief Financial Officer (retired w.e.f. May 15, 2024) and Executive Director (retired w.e.f. December 31, 2024)
	Mr. Vinit Teredesai, Chief Financial Officer (w.e.f. May 15, 2024) and Executive Director (w.e.f. April 23, 2025)
	Mr. Amit Atre, Company Secretary
	Ms. Roshini Bakshi, Independent Director (retired w.e.f. July 16, 2024)
	Ms. Anjali Joshi, Independent Director (w.e.f. June 12, 2024)
	Dr. Deepak Phatak, Independent Director (retired w.e.f. April 2, 2023)
	Ms. Avani Davda, Independent Director
	Mr. Praveen Kadle, Independent Director
	Mr. Arvind Goel, Independent Director
	Mr. Ambuj Goel, Independent Director
	Mr. Dan'l Lewin, Independent Director
	Mr. Ajit Ranade, Independent Director (w.e.f. June 6, 2023)
	Mr. Pradeep Bhargava, Independent Director
Relatives of Key management personnel	Mr. Suresh Deshpande, (Father of the Chairman and Managing Director)
	Mrs. Sulabha Suresh Deshpande, (Mother of the Chairman and Managing Director)
	Mrs. Sonali Anand Deshpande, (Wife of the Chairman and Managing Director)
	Dr. Mukund Deshpande, (Brother of the Chairman and Managing Director)
	Mrs. Chitra Buzruk, (Sister of the Chairman and Managing Director)
	Mr. Arul Deshpande, (Son of the Chairman and Managing Director)
	Dr. Asha Sapre, (upto December 31, 2024) (Wife of Executive Director)
	Mr. Hemant Bakshi (Husband of Independent Director)
	Ms. Alpana Ajit Ranade (Wife of Independent Director)
Members of Promoter Group	Rama Purushottam Foundation
Entities over which a key management personnel have significant influence	Persistent Foundation, India Persistent India Foundation Persistent Systems Foundation Inc.
Controlled Trust	PSPL ESOP Management Trust

37 (ii). Related party transactions

(in ₹ Million)

	Name of the related party and nature of relationship	For the year ended		
		March 31, 2025	March 31, 2024	
CSR Expenditure	Entity over which a key management personnel has significant influence			
	Persistent Foundation	-	175.45	
		-	175.45	
Remuneration # (Salaries, bonus and contribution to other funds)	Key Management Personnel			
	Dr. Anand Deshpande	39.78	37.68	
	Mr. Sunil Sapre (including fair value of perquisites for stock options exercised ₹ Nil during the year (Previous year: ₹ 143.52 Million))	20.18	163.98	
	Mr. Vinit Teredesai	23.74	-	
	Mr. Amit Atre (including fair value of perquisites for stock options exercised ₹ 19.44 Million during the year (Previous year: ₹ 11.52 Million))	25.94	17.00	
	Mr. Sandeep Kalra (including fair value of perquisites for stock options exercised ₹ 1,356.46 Million during the year (Previous year: ₹ 637.70 Million))	1,502.02	765.89	
	Independent directors:			
	Ms. Roshini Bakshi	2.15	6.48	
	Mr. Praveen Kadle	6.70	6.65	
	Ms. Avani Davda	6.55	6.58	
	Mr. Arvind Goel	6.15	6.15	
	Dr. Ambuj Goyal	6.30	6.08	
	Mr. Dan'l Lewin	5.90	5.65	
	Dr. Ajit Ranade	6.45	4.73	
	Ms. Anjali Joshi	4.64	-	
	Relatives of Key Management Personnel			
	Mr. Arul Deshpande	-	0.02	
	Total	1,656.50	1,026.89	
	Dividend paid	Key Management Personnel		
		Dr. Anand Deshpande	1,372.41	1,235.11
		Mr. Sunil Sapre	1.44	3.67
Mr Sandeep Kalra		3.60	2.69	
Mr. Amit Atre		0.19	0.13	
Independent directors:				
Mr. Pradeep Bhargava		-	0.23	
Relatives of Key Management Personnel				
Mr. Suresh Deshpande		0.03	0.03	
Mrs. Chitra Buzruk		28.16	25.35	
Dr. Mukund Deshpande		-	21.60	
Mrs. Sonali Anand Deshpande		6.72	6.05	
Mrs. Sulabha Suresh Deshpande		0.03	0.03	
Mr. Arul Deshpande		0.60	0.54	
Mr. Hemant Bakshi		-	0.27	
Ms. Alpana Ajit Ranade		0.01	0.01	
Mr. Arvind Goel		0.02	-	
Total		1,413.21	1,295.71	
Other payments		Key Management Personnel		
		Mr. Sunil Sapre	0.26	0.33
		Relatives of Key Management Personnel		
	Mrs. Asha Sapre	0.26	0.33	
	Total	0.52	0.66	

Letters of comfort

Letters of comfort issued by the Parent Company of USD Nil: ₹ Nil (March 31, 2024: USD 24.69 Million: ₹. 2,059.15 Million) to bank for loans availed by Persistent Systems Inc.

Notes:

The remuneration to the key managerial personnel does not include the provisions made for gratuity, long service awards and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

38. Capital and other commitments

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	326.88	396.29
For commitments relating to lease agreements, please refer note 36.		

39. Auditors' remuneration

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Audit fee	14.25	13.42
Certifications	0.45	0.50
Reimbursement of expenses	1.19	0.39
	15.89	14.31

40. Research and development expenditure

The particulars of expenditure incurred on in-house research and development are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Capital	-	-
Revenue	214.70	282.75
Revenue	214.70	282.75

41. Net dividend remitted in foreign exchange

(In ₹ Million)

Particulars	No. of non-resident shareholders		No. of equity shares held on which dividend was due (in Million)		For the year ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Interim dividend	25	11	0.07	0.38	1.42
Final dividend	11	9	0.03	0.39	0.30	8.55

42. Other statutory information

- a. The Parent Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- b. The Parent Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.
- c. The Parent Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- d. The Parent Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- e. The Parent Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f. The Parent Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- g. There are no proceeding initiated or pending against the Parent Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

43. Contingent liabilities

(In ₹ Million)

Sr. No.		As at March 31, 2025	As at March 31, 2024
a.	Claims against the Group not acknowledged as debt*		
1	Indirect tax matters	173.78	173.78
	i. In respect to the order passed by the Learned Principal Commissioner of Service Tax, Pune, for Service tax under import of services on reverse charge basis for the Financial Year 2014-15, the Parent Company has filed an appeal against the order passed by Learned Principal Commissioner of Service Tax, Pune with the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT) on September 23, 2017. The Parent Company has paid ₹ 165.58 Million under protest towards the demand and the same forms part of the GST receivable balance. If the appeal filed as mentioned above results in a demand, there will be no impact on the profitability as the Parent Company will be eligible to claim credit / refund for the amount paid.		
	ii. Other Pending litigations in respect of Indirect taxes.	723.33	7.77
2	Income tax demands disputed in appellate proceedings	1,054.78	1,102.72
b.	Letter of Comfort on behalf of Subsidiaries		
	Letters of comfort on behalf of subsidiary USD Nil (Previous year: USD 24.69 Million)	-	2,059.15
c.	Performance Guarantee given by a Subsidiary of USD 3 Million (Previous year: USD 3 Million) to USCC Services and its affiliates towards trade payable of Aepona Limited (step down subsidiary)	256.41	250.20

*The Parent Company, based on independent legal opinions and judgments in favour of the Parent Company in the earlier periods / years, believes that the liabilities with respect to the above matters is not likely to arise and therefore, no provision is considered necessary in the financial statements.

44. Details of Corporate Social Responsibility expenditure

(In ₹ Million)

		For the year ended	
		March 31, 2025	March 31, 2024
a.	Gross amount required to be spent by the Company during the year	218.67	175.45
b.	Amount of Expenditure incurred		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than (i) above	221.70	175.45
c.	Shortfall / Excess at the end of year *	-	-
d.	Total of previous year shortfall	-	-
e.	Reason for shortfall	-	-
f.	Nature of CSR Activity	1. Community Development 2. Health Care 3. Education	1. Community Development 2. Health Care 3. Education
g.	Details of related party transactions	-	-
h.	Details of provision made for liability incurred by entering into a contractual obligation	-	-
i.	CSR Expenditure outside India	2.08	-

*The Company spent a total of INR 221.70 Million during FY 2024-25. As per Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Company was required to spend INR 218.67 Million as CSR expenditure during FY 2024-25. Thus, the excess amount spent by the Company i.e., INR 3.03 Million is available for a set-off till the end of FY 2027-28, being the third (last) year to avail the set-off.

45. (A) Business Combinations

The acquisition of the following businesses is accounted for using the acquisition method of accounting under Ind AS 103 Business Combinations.

In case of acquisitions, the Goodwill is comprised of expected synergy benefit from combining operations and value of assembled work force which do not qualify for separate recognition. Deferred purchase consideration in form of Earnouts is payable upon achievement of revenue and gross margin thresholds as specified in the agreements. The estimated range of outcome of payment of the same is assumed at 90%.

Business acquisitions**Arrka Infosec Private Limited**

Arrka Infosec Private Limited was acquired by Persistent Systems Limited (PSL) through a Share Purchase Agreement (SPA). The acquisition aligns strategically with PSL's goal of expanding its cybersecurity and data privacy capabilities. Arrka specializes in data protection and privacy compliance services, strengthening PSL's market position in these domains.

Acquisition-date fair values of total purchase consideration:

Particulars	In ₹ Million
Upfront consideration	103.4
Contingent consideration	30.90
Total purchase consideration	133.94

Acquisition-date fair values of assets acquired and liabilities assumed:

Particulars	In ₹ Million
Assets	
Current Assets	
Cash & cash equivalents	0.08
Other current assets	4.07
Non-current assets	
Property, plant and equipment	0.14
Deferred tax assets (net)	1.63
Subtotal	5.92
Liabilities	
Current liabilities	
Trade payables	-
Other current financial liabilities	-
Subtotal	-
Net assets taken over	5.92

The goodwill of ₹ 107.68 Million (refer note 5.4) comprises the value of expected synergies arising from the acquisition and a customer list, which is not separately recognised. The customer list is separable and it meets the criteria for recognition as an intangible asset under Ind AS 38. The identified intangible assets of ₹ 19.72 Million has been recognised and amortised. Goodwill recognised is not expected to be deductible for income tax purposes.

Transaction costs of ₹ 1.14 Million have been expensed and are included in other expenses for the year ended March 31, 2025.

Revenue of ₹ 11.98 Million for the year ended March 31, 2025 is included in the financial statements. The loss after tax included for the year ended March 31, 2025 is ₹ 7.53 Million.

Analysis of cash flows on acquisition:

Particulars	In ₹ Million #
Transaction costs of the acquisition (included in cash flows from operating activities)*	(1.14)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	0.08
Payment made towards upfront consideration (included in cash flows from investing activities, net of tax)	(98.04)

* Represents the expenditure incurred over the period of time on acquisition.

Negative amount represents cash outflows

Contingent consideration

As part of the purchase agreement with the selling shareholders of Arrka Infosec Private Limited, a contingent consideration has been agreed. There will be additional cash payments to the selling shareholders of:

- ₹ 20.52 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 4 Million of target net revenue in a 12-month period within 90 days from the end of first earnout period,
- ₹ 20.52 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 6 Million of target net revenue in a 12-month period within 90 days from the end of second earnout period,

As at the acquisition date, the fair value of the contingent consideration was estimated to be ₹ 30.90 Million.

Significant unobservable valuation inputs are provided below:

Assumed probability	90.00%
Discount rate	9.37%

Significant increase / (decrease) in the probability would result in higher / (lower) fair value of the contingent consideration liability, while significant increase / (decrease) in the discount rate would result in lower / (higher) fair value of the liability.

As at March 31, 2025, the key performance indicators show that it is highly probable that the target will be achieved due to a significant expansion of the business and the synergies realised.

45. (B) Business Combinations

The acquisition of the following businesses is accounted for using the acquisition method of accounting under Ind AS 103 Business Combinations.

In case of acquisitions, the Goodwill is comprised of expected synergy benefit from combining operations and value of assembled work force which do not qualify for separate recognition. Deferred purchase consideration in form of Earnouts is payable upon achievement of revenue and gross margin thresholds as specified in the agreements. The estimated range of outcome of payment of the same is assumed at 90%.

Business acquisitions

Starfish Associates, LLC, USA

Starfish Associates, LLC, USA has become a wholly owned subsidiary of Persistent Systems Inc. effective from August 1, 2024, upon completion of the necessary customary closing condition. Post acquisition, Persistent Systems USA is 100% owner of equity interest amounting to USD 26,658.68. Starfish Associates, LLC provides communication management automation solution for multi-vendor unified communications (UC) and contact centers(CC) systems. Starfish Associates is known for its intelligent integration hub and workflow engine that seamlessly connects an array of business applications and communication systems, significantly enhancing multi-vendor communication management.

Acquisition-date fair values of total purchase consideration:

Particulars	In ₹ Million
Upfront consideration	1,287.8
Contingent consideration	372.91
Total purchase consideration	1,660.71

Acquisition-date fair values of assets acquired and liabilities assumed:

Particulars	In ₹ Million
Assets	
Current Assets	
Cash & cash equivalents	56.30
Trade receivables	1.24
Other current assets	90.27
Other current financial assets	8.84
Current tax assets (net)	15.05
Subtotal	171.70
Liabilities	
Current liabilities	
Trade payables	8.66
Other current financial liabilities	216.60
Subtotal	225.26
Net assets taken over	(53.56)

The goodwill of ₹ 1,052.35 Million (refer note 5.4) comprises the value of expected synergies arising from the acquisition and a customer list, which is not separately recognised. The customer list is separable and it meets the criteria for recognition as an intangible asset under Ind AS 38. The identified intangible assets of ₹ 638.17 Million has been recognised and amortised. Goodwill recognised is not expected to be deductible for income tax purposes.

Transaction costs of ₹ 7.22 Million have been expensed and are included in other expenses for the year ended March 31, 2025.

Revenue of ₹ 470.50 Million for the year ended March 31, 2025 is included in the financial statements. The profit included for the year ended March 31, 2025 is ₹ 38.17 Million.

Analysis of cash flows on acquisition:

Particulars	In ₹ Million #
Transaction costs of the acquisition (included in cash flows from operating activities)*	(7.22)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	56.30
Payment made towards upfront consideration (included in cash flows from investing activities, net of tax) ##	(1,095.38)

* Represents the expenditure incurred over the period of time on acquisition.

Negative amount represents cash outflows

Net of retention bonus payable and working capital adjustment

Contingent consideration

As part of the purchase agreement with the selling shareholders of Starfish Associates LLC, a contingent consideration has been agreed. There will be additional cash payments to the selling shareholders of:

- ₹ 219.02 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 11 Million of target net revenue in a 12-month period after the acquisition date,
- ₹ 219.02 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 16 Million of target net revenue in a 12-month period after the end of Year 1 from the acquisition date,

As at the acquisition date, the fair value of the contingent consideration was estimated to be ₹ 372.91 Million.

Significant unobservable valuation inputs are provided below:

Assumed probability	90.00%
Discount rate	5.60%

Significant increase / (decrease) in the probability would result in higher / (lower) fair value of the contingent consideration liability, while significant increase / (decrease) in the discount rate would result in lower / (higher) fair value of the liability.

As at March 31, 2025, the key performance indicators show that it is highly probable that the target will be achieved due to a significant expansion of the business and the synergies realised.

45. (C) Business Combinations

The acquisition of the following businesses is accounted for using the acquisition method of accounting under Ind AS 103 Business Combinations.

In case of acquisitions, the Goodwill is comprised of expected synergy benefit from combining operations and value of assembled work force which do not qualify for separate recognition. Deferred purchase consideration in form of Earnouts is payable upon achievement of revenue and gross margin thresholds as specified in the agreements. The estimated range of outcome of payment of the same is assumed at 90%.

Business acquisitions**MediaAgility India Private Limited and MediaAgility Inc.**

During the year ended March 31, 2023, the Company entered into agreements to acquire Companies which have been together referred to as “Media Agility” in the notes elsewhere. On April 29, 2022, the Parent Company acquired 100% voting equity interest in MediaAgility India Private Limited. Further, on May 4, 2022, Persistent Systems Inc. USA, a wholly-owned subsidiary of the Parent Company, acquired 100% voting equity interest in MediaAgility Inc., USA and its subsidiaries in the UK, Mexico, and Singapore. This business combination is accounted by applying acquisition method. During the year ended March 31, 2023, the same was accounted on provisional basis availing the exemption under Ind AS 103.

MediaAgility is a global cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner. It provides cloud-native application development and Modernisation, analytics and AI, cloud engineering, migrations, and managed services to its clients.

During the previous year, the purchase price allocation was completed. Accordingly, at the acquisition date, the identifiable assets acquired, the liabilities assumed including contingent consideration are recognised at their acquisition date fair values as follows:

Acquisition-date fair values of total purchase consideration:

Particulars	In ₹ Million
Upfront consideration	4,449.89
Contingent consideration	1,168.18
Total purchase consideration	5,618.07

Acquisition-date fair values of assets acquired and liabilities assumed:

Particulars	In ₹ Million
Assets	
Current Assets	
Cash & cash equivalents	842.41
Trade receivables	1,130.77
Other current assets	116.96
Other current financial assets	1.88
Current tax assets (net)	208.82
Non-current assets	
Property, plant and equipment	11.62
Customer relations	1,548.49
Goodwill	3,322.19
Subtotal	7,183.14
Liabilities	
Current liabilities	
Trade payables	1,058.40
Other current financial liabilities	226.64
Other current liabilities	280.03
Subtotal	1,565.07
Net assets taken over	5,618.07

The goodwill of ₹ 3,322.19 Million (refer note 5.4) comprises the value of expected synergies arising from the acquisition and a customer list, which is not separately recognised. The customer list is non separable therefore, it does not meet the criteria for recognition as an intangible asset under Ind AS 38. Goodwill recognised is not expected to be deductible for income tax purposes.

The fair value of the trade receivables amounted to ₹ 1,130.77 Million at the time of acquisition. The gross amount of trade receivables was ₹ 1,154.69 Million.

Transaction costs of ₹ 56.47 Million and ₹ 118.69 Million have been expensed and are included in other expenses for the year ended March 31, 2022 and March 31, 2023 respectively.

Analysis of cash flows on acquisition:

Particulars	In ₹ Million #
Transaction costs of the acquisition (included in cash flows from operating activities)*	(175.16)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	842.41
Payment made towards upfront consideration (included in cash flows from investing activities, net of tax)	(3,316.02)

* Represents the expenditure incurred over the period of time on acquisition.

Negative amount represents cash outflows

Contingent consideration

As part of the purchase agreement with the selling shareholders of Media Agility, a contingent consideration has been agreed.

There will be additional cash payments to the selling shareholders of:

- a) ₹ 678.34 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 39,998 Thousands of target net revenue in a 12-month period after the acquisition date,
- b) ₹ 678.34 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 54,393 Thousands of target net revenue in a 12-month period after the acquisition date.

As at the acquisition date, the fair value of the contingent consideration was estimated to be ₹ 1,168.18 Million.

Significant unobservable valuation inputs are provided below:

Assumed probability	90%
Discount rate	3%

Significant increase / (decrease) in the probability would result in higher / (lower) fair value of the contingent consideration liability, while significant increase / (decrease) in the discount rate would result in lower / (higher) fair value of the liability.

46. Ratio Analysis and its Elements

Ratio	Denomination	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance (If more than 25%)
(a) Current ratio	Number	Current Assets	Current Liabilities	2.36	1.87	26.20%	Refer Note 1
(b) Debt-Equity ratio	%	Debt	Shareholder's Equity	NA	4.18%	100.00%	Refer Note 2
(c) Debt Service Coverage ratio	Number	Earnings available for debt service**	Debt service within a year	NA	8.49	100.00%	Refer Note 2
(d) Return on Equity ratio	%	Net Profit after tax	Average Shareholder's Equity	25.18%	24.94%	0.96%	
(e) Trade Receivables turnover ratio	Number	Revenue from operations	Average Trade receivables	6.24	5.62	11.07%	
(f) Trade payables turnover ratio	Number	Cost of professionals and other expenses + non-cash adjustments	Average Trade payables	3.47	2.73	27.30%	Refer Note 1
(g) Net capital turnover ratio	Number	Revenue from operations	Working capital	4.13	5.07	(-18.53%)	
(h) Net profit ratio	%	Net Profit after tax	Revenue from operations	11.73%	11.13%	5.34%	
(i) Return on Capital employed	%	Profit before interest and tax	Capital employed	27.65%	26.39%	4.77%	
(j) Return on investment	%	Income generated from treasury investments	Average invested funds in treasury investments	5.74%	6.86%	(-16.33%)	

** Earnings available for debt service = Profit before exceptional items and tax + Finance cost + Depreciation & Amortisation - Other income - Lease payments

Note 1: Primarily on account of increase in current assets due to increase in business operations during the year.

Note 2: The Group has repaid the outstanding borrowings during the year.

47. The Parent Company has deposits of ₹ 408.88 Million (previous year: ₹ 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. These were due for maturity from January 2019 to June 2019. In view of the uncertainty prevailing with respect to recovery of outstanding balances from IL&FS Group, Management of the Parent Company has fully provided for these deposits along with interest accrued thereon till the date the deposits had become doubtful of recovery.

During the year, the Parent Company has received ₹ 21.12 Million from the IL&FS Group and the Management is hopeful of recovery of balance amount 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.

48. The Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks and / or financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and / or financial institutions and such returns / statements are in agreement with the books of account of the Company for the respective periods which were subject to audit, except for the following —

Name of the bank / financial institution	Working capital limit sanctioned (In INR Million)	Nature of current assets offered as security	Quarter	Information disclosed as per return (In INR Million)	Information as per books of accounts (In INR Million)	Difference (In INR Million)
Citi Bank	150	Book Debts	Q1	18,926.70	21,180.00	(2,253.30)
Citi Bank	150	Book Debts	Q2	27,077.00	20,842.00	6,235.00
Citi Bank	150	Book Debts	Q3	15,898.00	21,393.00	(5,495.00)
Citi Bank	150	Book Debts	Q4	12,946.34	12,946.34	-

*The difference is on account of exclusion of certain amounts while submitting the details of quarterly statements to the bank basis discussions with the bank.

49. The Hon'ble National Company Law Tribunal, Mumbai (“NCLT”) has sanctioned the merger of M/s. CAPIOT Software Private Limited (the Wholly Owned Subsidiary – Transferor Company) into Persistent Systems Limited (the Holding Company – Transferee Company) through absorption, as per its order dated April 9, 2025. The Company received the order on April 11, 2025.

However, the merger will take effect only upon the issuance of a Certified Copy of the order by the Hon'ble NCLT and its subsequent submission to the Registrar of Companies (“ROC”), Pune. The financial impact of this merger will be reflected in the Company's financial statements for the period following its submission to the ROC.

50. The Board of Directors of the Company at its meeting concluded on April 24, 2025 (IST), approved the proposal of Merger of M/s. Arrka Infosec Private Limited (Wholly Owned Subsidiary) into Persistent Systems Limited (Holding Company), subject to the receipt of necessary approvals in accordance with the provisions of the Companies Act, 2013.

51. During the year ended, based on review of method and estimated useful lives of property, plant and equipment, the management has revised the estimated useful lives of computers and networking equipment prospectively from 3 years to 4 years w.e.f. 1st April, 2024. The effect of this change on actual and expected depreciation expense is as follows:

(In ₹ Million)

Particulars	For the quarter ended	
	FY 2024 - 25	FY 2025 - 26
Decrease in depreciation expense	215.30	44.84

52. The Group has not advanced / loaned / invested funds to any entities, including foreign entities (Intermediaries), with the understanding that the Intermediary shall directly or indirectly lend or invest in other entities by or on behalf of the Group (Ultimate Beneficiaries). Further, the Group has not provided any guarantee, security to or on behalf of the Ultimate Beneficiaries.
53. The Group has not received funds from any entities, including foreign entities (Funding Parties), with the understanding that the Group shall directly or indirectly, lend or invest in other persons or entities by or on behalf of the Funding Party (Ultimate Beneficiaries). Further, the Group has not provided any guarantee, security on behalf of the Ultimate Beneficiaries.
54. The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from 1st April 2023, states that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.
- The Company uses a SaaS based ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at application as well as database level.
55. During the year ended March 31, 2025, the Group has recognised a gain on remeasurement of earnout payable towards acquisition of business to the erstwhile shareholders of Data Glove Incorporated, Media Agility, Software Corporation International & SCI Fusion 360, LLC amounting to ₹ 1,461.82 Million (Previous year: ₹ 743.03 Million) based on settlement agreement and expected payout assessed by management.
56. During the year ended March 31, 2025, the Group has discontinued the policy of Long-Term Service Award to employees which was to reward employees on reaching significant milestones in terms of number of years of their service. This is in the context of the coverage of a large number of employees under the Company's ESOP schemes over the last few years, providing employees an opportunity to participate in the Company's growth and value creation. Consequently, the accumulated provision amounting to ₹ 506.74 Million has been written back in the Statement of Profit and Loss, and has been reduced from Employee Benefit Expenses.
57. Previous year's figures have been regrouped where necessary to conform to current period's classification. The impact of this such regrouping is not material to the consolidated financial statements.

For Walker Chandlok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Shashi Tadwalkar

Partner

Membership No.: 101797

Place: USA

Date: April 23, 2025

For and on behalf of the Board of Directors of

Persistent Systems Limited

Dr. Anand Deshpande

Chairman and
Managing Director

DIN: 00005721

Place: USA

Date: April 23, 2025

Sandeep Kalra

Executive Director and
Chief Executive Officer

DIN: 02506494

Place: USA

Date: April 23, 2025

Praveen Kadle

Independent Director

DIN: 00016814

Place: USA

Date: April 23, 2025

Vinit Teredesai

Executive Director and
Chief Financial Officer

DIN: 03293917

Place: USA

Date: April 23, 2025

Amit Atre

Company Secretary

Membership No. A20507

Place: USA

April 23, 2025

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Form AOC-1

Statement pursuant to Section 129 (3) of the Companies Act, 2013
relating to subsidiaries

(In ₹ million unless stated otherwise)

Sr. No.	Name of the Subsidiary Company	Persistent Systems Inc.	Persistent Systems Pte. Ltd.	Persistent Systems France S.A.S	Persistent Systems Malaysia Sdn. Bhd.	Persistent Systems Germany GmbH	CAPIOT Software Private Limited	MediaAgility India Private Limited	Persistent Telecom Solutions Inc.	Persistent Systems Mexico, S.A. de C.V.	Persistent Systems Israel Ltd.	Persistent Systems Switzerland AG	Aepona Group Limited	Persistent Systems UK Limited	Persistent Systems Lanka (Private) Limited	Persistent Systems Australia Pty Limited	Persistent Systems Costa Rica Limitada	Persistent Systems S.r.l., Romania	MediaAgility Inc.	MediaAgility Pte. Ltd.	MediaAgility UK Ltd	Digitalagility S de RL de CV	Persistent Systems Poland sp. Zoo	Starfish Associates LLC, USA	Arrka Infosec Private Limited
1.	Reporting currency	USD	SGD	EUR	MYR	EUR	INR	INR	USD	MXN	ILS	CHF	EUR	GBP	LKR	AUD	CRC	RON	USD	SGD	GBP	MXN	PLN	USD	INR
2.	Exchange rate on the last date of the Financial year (₹)	85.4700	63.6933	92.4614	19.2739	92.4614	1.0000	1.0000	85.4700	4.1819	23.1156	97.0037	92.4614	110.6324	0.2893	53.4273	0.1713	18.6152	85.4700	63.6933	110.6324	4.1819	22.1591	85.4700	1.0000
3.	Financial Year Ending On	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
4.	Share capital	4,729.74	15.50	97.47	102.25	1,413.30	1.87	32.07	-	3.65	6.78	16.58	61.77	1,230.62	0.01	0.00	0.00	9.08	23.27	0.01	0.10	0.04	0.10	2.23	1.03
5.	Share application money pending allotment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	Reserves & Surplus	4,819.11	26.39	(201.09)	164.46	(1,280.24)	49.34	475.03	289.60	124.09	167.45	172.59	1,184.92	(1,346.38)	301.11	(68.48)	203.67	44.48	863.49	10.13	(19.15)	(69.59)	30.88	(17.34)	(2.65)
7.	Total assets	25,633.81	67.28	677.59	344.96	1,595.42	52.28	1,545.10	656.73	228.94	176.26	342.78	1,273.15	2,934.40	343.87	541.63	237.68	98.50	1,280.52	28.57	29.40	19.36	221.95	331.92	17.81
8.	Total Liabilities	16,084.96	25.39	781.21	78.25	1,462.37	1.06	1,038.00	367.13	101.21	2.03	153.61	26.45	3,050.16	42.75	610.11	34.01	44.95	393.76	18.43	48.45	88.91	190.98	347.03	19.43
9.	Investments %	7,239.01	-	-	-	1,043.09	-	-	-	-	-	-	0.01	-	-	-	-	-	0.78	-	-	-	-	-	-
10.	Turnover	25,704.22	52.95	559.58	355.39	457.44	-	368.48	343.22	581.13	-	681.90	115.70	3,852.61	196.66	1,201.64	542.78	212.04	317.05	8.91	8.57	8.00	258.44	470.50	11.98
11.	Profit / (Loss) before taxation	568.44	3.71	(125.37)	(4.45)	(124.36)	(6.20)	153.91	6.31	35.17	4.00	(17.33)	413.25	176.54	0.55	27.31	104.04	14.22	(29.94)	(8.25)	(2.06)	(9.52)	17.74	38.17	(7.53)
12.	Provision for taxation	(28.88)	0.59	(34.14)	0.55	14.44	(1.56)	40.09	6.86	5.73	(6.64)	(5.83)	12.20	-	(5.07)	-	31.78	1.31	(7.92)	(1.36)	1.85	0.34	1.20	-	-
13.	Profit / (Loss) after taxation	597.32	3.12	(91.23)	(5.01)	(138.80)	(4.64)	113.82	(0.55)	29.44	10.63	(11.50)	401.05	176.54	5.61	27.31	72.27	12.91	(22.02)	(6.89)	(3.91)	(9.86)	16.54	38.17	(7.53)
14.	Proposed dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15.	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%*	100%*	100%*	100%**	100%*	100%	100%****	100%*	100%**	100%**	100%*	100%&&	100%&&	100%&&	100%*	100%*	100%
16.	Period of Establishment / Acquisition	Oct-21	Apr-07	Apr-11	Sep-13	Dec-16	Nov-20	Apr-22	Jan-12	Mar-16	Feb-16	Aug-17	Oct-15	Oct-15	Oct-15	Nov-20	Mar-22	Jun-22	May-22	May-22	May-22	May-24	Apr-23	Aug-24	Oct-24

* Wholly owned subsidiaries of Persistent Systems, Inc., a wholly owned subsidiary of Persistent Systems Limited.

** Wholly owned subsidiaries of Persistent Systems Germany GmbH, a wholly owned subsidiary of Persistent Systems Limited.

&& Wholly owned subsidiary of MediaAgility Inc. which is a wholly owned subsidiary of Persistent Systems, Inc..

**** Wholly owned subsidiaries of Aepona Group Limited which is a wholly owned subsidiary of Persistent Systems Inc.

%% Investments are reported net of provision for impairment.

For and on behalf of the Board of Directors

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Praveen Kadle
Independent Director
DIN: 00016814

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Amit Atre
Company Secretary
Membership No. A20507

Place: India
Date: April 23, 2025



Standalone Financials

Independent Auditor's Report

To the Members of Persistent Systems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Persistent Systems Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter	How our audit addressed the key audit matter
1.	<p>Accuracy of revenues and onerous obligations in respect of fixed-price contracts</p> <p>Refer Note 3.2(a) to notes forming part of the standalone financial statements.</p> <p>The Company has entered into various fixed-price software development contracts, for which revenue is recognized by the Company using the percentage of completion computed as per the Input method prescribed under Ind AS 115 'Revenue from Contracts with Customers' ('Ind AS 115'). Revenue recognition in such contracts involves exercise of significant judgement by the management and the following factors requiring significant auditor attention:</p> <ul style="list-style-type: none"> • High inherent risk around accuracy of revenue, given the customized and complex nature of these contracts and significant involvement of information technology (IT) systems. • High estimation uncertainty relating to determination of the progress of each contract, costs incurred till date and additional costs required to complete the remaining contract. • Identification and determination of onerous contracts and related obligations. • Determination of unbilled revenue receivables and unearned revenue related to these contracts as at end of reporting period. <p>Considering the materiality of the amounts involved, and significant degree of judgement and subjectivity involved in the estimates as mentioned above, we have identified revenue recognition for fixed price contracts and determination of onerous contracts and related provisions, as a key audit matter for the current year audit.</p>	<p>Our audit procedures relating to accuracy of revenues and onerous obligations in respect of fixed-price contracts included but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the systems, processes and controls implemented by management for calculating and recording revenue, and the associated unbilled revenue, unearned and deferred revenue balances, and onerous contract obligations; • Evaluated the design and tested operating effectiveness of related internal financial manual controls and involved auditor's experts to: <ul style="list-style-type: none"> • Test key IT controls over IT environment in which the business systems operate, including access controls, segregation of duties, program change controls, program development controls and IT operation controls; • Test the IT controls over the completeness and accuracy of cost / efforts and revenue reports generated by the system; and • Test the access and application controls pertaining to allocation of resources and budgeting systems which prevents the unauthorized changes to recording of efforts incurred and controls relating to the estimation of contract efforts required to complete the project; • Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract; • Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations; • Performed analytical procedures for reasonableness of incurred and estimated efforts; • Evaluated management's identification of onerous contracts based on estimates tested as above; and • Evaluated the appropriateness of disclosures made in the standalone financial statements with respect to revenue recognized during the year as required by applicable Indian Accounting Standards.

Sr. No.	Key audit matter	How our audit addressed the key audit matter
2.	<p>Valuation of Employee Stock Option Plan ('ESOP')</p> <p>Refer note 3.3(q) and note 34 to the standalone financial statements.</p> <p>The Company has framed various ESOP schemes for its employees under which the Company pays remuneration to its employees for services received in the form of equity-settled share based payment transactions.</p> <p>In accordance with the principles of Ind AS 102 'Share Based Payments' ('Ind AS 102'), the fair value of aforesaid employee stock options determined as at the date of their grant is recognised as employee compensation cost by the Company over the vesting period of such options.</p> <p>The fair valuation of options granted to employees for the services rendered is performed by external valuation specialists using Black-Scholes valuation model which requires the management to make certain key estimates and assumptions including expected volatility, dividend yield, risk-free interest rate, performance factor, attrition rate and non-acceptance factors.</p> <p>Considering significant management judgment and materiality of amounts involved, valuation of ESOP reserve and expense is considered as a key audit matter for the current year audit.</p>	<p>Our audit procedures relating to valuation of ESOP included but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the terms and arrangements of Employee Stock Option Plans; • Evaluated the design and tested operating effectiveness of internal financial controls over the methodology, models and assumptions used by the management to determine the fair value of options granted during the year; • Evaluated competency and objectivity of valuation specialist hired by the management; • Reviewed the report from management's valuation specialist considered for valuation of options granted during the year; • Assessed the reasonableness of the management assumptions and estimates and verified the accuracy of inputs used for the valuation purpose on a sample basis; • Involved auditor's valuation expert to assist in validating the valuation assumptions, methodology and approach considered by the management's expert; and ascertained arithmetical accuracy of computation of share-based payment expense; and • Evaluated the appropriateness of disclosures made in the Standalone financial statements with respect to share based payments as required by applicable Indian Accounting Standards.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, 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.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 these standalone financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, 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. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place 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 management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone financial statements 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; and
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The standalone financial statements dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note 35 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 48 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year ended 31 March 2025 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 16(a) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As stated in in note 57 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 01 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013

Shashi Tadwalkar

Partner

Membership No. 101797

UDIN: 25101797BMMAKE2017

Place: USA

Date: 23 April, 2025

Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Persistent Systems Limited on the standalone financial statements for the year ended 31 March 2025.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.
B. The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- c. The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 4.1 to the standalone financial statements, are held in the name of the Company.
- d. The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- e. No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- ii. a. The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b. As disclosed in Note 46 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods which were subject to audit, except for the following:

(in ₹ Million)

Name of the Bank / financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Information disclosed as per return	Information as per books of accounts	Difference*
Citi Bank	150	Book Debts	Q1	18,927	21,180	(2,253)
Citi Bank	150	Book Debts	Q2	27,077	20,842	6,235
Citi Bank	150	Book Debts	Q3	15,898	21,393	(5,495)

- iii. The Company has not provided any guarantee or security or advances in the nature of loans to companies, firms, limited liability partnerships and any other parties during the year. Further, the Company has made investments in, and granted unsecured loans to other parties during the year, in respect of which:

- a. (a) The Company has provided loans to others during the year as per details given below:

(in ₹ Million)

Particulars	Loans
Aggregate amount provided / granted during the year: - Others (Loan to ESOP Trust)	3,075.71
Balance outstanding as at balance sheet date - Others (Loan to ESOP Trust)	3,694.86

- b. In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company.

- c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- d. There is no overdue amount in respect of loans granted to such other parties.
- e. The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.
- f. The Company has not granted any loan, which is repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products / services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. a. In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(in ₹ Million)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Income tax	116.61	1.50	FY/AY2008-09 to 2015-16	Honourable High Court	-
The Income Tax Act, 1961	Income tax	775.80	147.25	2013-14 to 2015-16 & 2017-18 to 2019-20	Commissioner (Appeals)	-
The Income Tax Act, 1961	Income tax	149.33	18.97	2017-18 & 2020-21	Income Tax Appellate Tribunal	-
Goods and Service Tax Act, 2017	Goods and Service Tax	255.61	-	2019-20	Joint Commissioner (Appeals)	-
Goods and Service Tax Act, 2017	Goods and Service Tax	458.17	-	2020-21	Dy. Commissioner	-
The Finance act, 1994	Service Tax	173.78	-	2014-15	Central Excise and Service Tax Appellate Tribunal	-
Maharashtra Value added Tax act, 2002	Sales Tax	5.83	-	2005-06 to 2008-09 and 2016-17	Customs, Excise and Service Tax Appellate Tribunal	-
Maharashtra Value added Tax act, 2002	Sales Tax	1.94	-	2014-15, 2016-17 and 2017-18	Jt. Commissioner Appeals	-
The Uttar Pradesh Value Added Act / Sales Tax Act	Sales Tax	1.77	-	2016-17	Additional Commissioner Appeals	-

- viii. According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- ix. a. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- c. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- d. In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- e. In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- x. a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- b. According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- c. According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. a. In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- b. We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

- xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013

Shashi Tadwalkar

Partner

Membership No. 101797

UDIN: 25101797BMMAKE2017

Place: USA

Date: 23 April, 2025

Annexure B Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Persistent Systems Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013

Shashi Tadwalkar

Partner

Membership No. 101797

UDIN: 25101797BMMAKE2017

Place: USA

Date: 23 April, 2025

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Balance Sheet as at March 31, 2025

	Notes	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
ASSETS			
Non-current assets			
Property, Plant and Equipment	4.1	3,868.36	3,872.54
Capital work-in-progress	4.2	38.12	210.12
Right of use assets	4.3	3,075.34	1,424.26
Goodwill	4.4	236.00	236.00
Other intangible assets	4.5	1,169.67	509.77
Intangible assets under development	4.6	731.77	116.53
		9,119.26	6,369.22
Financial assets			
- Investments	5	14,860.87	14,081.58
- Trade receivables	11	503.15	260.94
- Loans	6	3,694.86	2,760.00
- Other financial assets	7	709.87	617.45
Deferred tax assets (net)	8	361.91	493.80
Other non-current assets	9	542.40	951.27
		29,792.32	25,534.26
Current assets			
Financial assets			
- Investments	10	3,335.01	2,623.06
- Trade receivables	11	16,414.06	16,829.46
- Cash and cash equivalents	12	3,618.00	3,258.83
- Bank balances other than cash and cash equivalents	13	3,126.76	3,240.49
- Other financial assets	14	16,212.80	4,360.89
Current tax assets (net)		527.99	-
Other current assets	15	7,023.68	4,225.41
		50,258.30	34,538.14
TOTAL		80,050.62	60,072.40
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16(a)	779.25	770.25
Other equity	16(b)	58,960.83	47,016.26
		59,740.08	47,786.51
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	18	1,487.97	943.10
- Other financial liabilities	21	188.83	-
Other non-current liabilities	22	39.96	25.51
Provisions	19	69.06	531.21
		1,785.82	1,499.82
Current liabilities			
Financial liabilities			
- Borrowings	17	-	1.87
- Lease liabilities	18	834.49	560.87
- Trade payables	20		
-total outstanding dues of micro enterprises and small enterprises		40.77	49.63
-total outstanding dues of creditors other than micro enterprises and small enterprises		10,151.84	2,638.18
- Other financial liabilities	21	1,221.55	292.11
Other current liabilities	22	3,635.07	4,914.10
Provisions	23	2,641.00	2,037.42
Current tax liabilities (net)		-	291.89
		18,524.72	10,786.07
TOTAL		80,050.62	60,072.40
SummSummary of material accounting policy information	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Shashi Tadwalkar
Partner
Membership No.: 101797

Place: USA
Date: April 23, 2025

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: USA
Date: April 23, 2025

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Amit Atre
Company Secretary
Membership No. A20507

Place: USA
Date: April 23, 2025

Praveen Kadle
Independent Director
DIN: 00016814

Place: USA
Date: April 23, 2025

Statement of Profit and Loss for the year ended March 31, 2025

	Notes	For the year ended	
		March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Income			
Revenue from operations	24	1,17,280.21	65,142.17
Other income	25	1,808.25	1,644.86
Total income (A)		1,19,088.46	66,787.03
Expenses			
Employee benefits expense	26.1	48,762.27	38,345.78
Cost of professionals	26.2	36,527.73	5,987.60
Finance costs		474.66	169.84
Depreciation and amortisation expense	4.7	1,761.98	1,623.64
Other expenses	27	15,830.96	7,494.88
Total expenses (B)		1,03,357.60	53,621.74
Profit before exceptional item and tax (A - B)		15,730.86	13,165.29
Tax expense			
Current tax		4,038.76	3,414.63
Deferred tax charge / (credit)		140.69	(105.99)
Total tax expense (refer note 30)		4,179.45	3,308.64
Profit for the year (C)		11,551.41	9,856.65
Other comprehensive income			
Items that will not be reclassified to profit or loss (D)			
- Remeasurements of the defined benefit liabilities / asset		197.91	(84.64)
- Income tax effect on above		(49.81)	21.29
		148.10	(63.35)
Items that will be reclassified to profit or loss (E)			
- Effective portion of cash flow hedge		(34.97)	21.59
- Income tax effect on above		8.80	8.02
		(26.17)	29.61
Total other comprehensive income for the year (D) + (E)		121.93	(33.74)
Total comprehensive income for the year (C) + (D) + (E)		11,673.34	9,822.91
Earnings per equity share			
[Nominal value of share ₹5 (Previous year: ₹5)]	28		
Basic (In ₹)		74.45	64.06
Diluted (In ₹)		74.45	64.06
Summary of material accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Shashi Tadwalkar
Partner
Membership No.: 101797

Place: USA
Date: April 23, 2025

**For and on behalf of the Board of Directors of
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Amit Atre
Company Secretary
Membership No. A20507

Place: USA
Date: April 23, 2025

Praveen Kadle
Independent Director
DIN: 00016814

Place: USA
Date: April 23, 2025

Cash Flow Statement for the year ended March 31, 2025

	Notes	For the year ended	
		March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Cash flow from operating activities			
Profit before tax		15,730.86	13,165.29
Adjustments for:			
Interest income		(726.45)	(715.31)
Finance cost		255.97	22.34
Interest on lease liability		218.69	147.50
Dividend income		-	(249.99)
Depreciation and amortisation expense		1,761.98	1,623.64
Unrealised exchange loss gain/loss (net)		(717.40)	(211.55)
Exchange loss/(gain) on derivative contracts		44.39	(70.63)
Exchange loss/(gain) on translation of foreign currency cash and cash equivalents		5.36	(33.40)
Bad debts		-	59.66
Change in provision for expected credit loss/(gain) (net)		141.60	(15.95)
Employee stock compensation expenses		609.37	584.95
Excess provision in respect of earlier years written back		(32.29)	(0.14)
Profit on sale/fair valuation of financial assets designated as FVTPL		(444.99)	(293.35)
Provision towards employee benefits		(506.74)	-
Profit on sale of investments (net)		(336.02)	(36.45)
Profit on sale of Property, Plant and Equipment (net)		(78.06)	(22.95)
Profit on account of lease modification		(28.15)	-
Operating profit before working capital changes		15,898.12	13,953.66
Movements in working capital :			
(Increase) in other non current assets		(380.60)	(202.39)
Decrease in other non current financial assets		6.42	101.97
(Increase)/Decrease in other current financial assets		(9,546.78)	482.92
(Increase) in current assets		(2,816.29)	(1,870.60)
(Increase) in trade receivables		(272.77)	(6,444.32)
Increase in trade payables, current liabilities and non-current liabilities		8,230.45	3,042.04
Increase/(Decrease) in provisions		919.52	(474.30)
Operating profit after working capital changes		12,038.07	8,588.98
Direct taxes paid (net of refunds)		(4,908.45)	(3,122.05)
Net cash generated from operating activities	(A)	7,129.62	5,466.93
Cash flows from investing activities			
Payment towards capital expenditure (including property, plant and equipment, intangible assets, capital advances and capital creditors)		(1,709.35)	(1,113.95)
Proceeds from sale of Property, Plant and Equipment		172.87	28.17
Payment for acquisition of financial instruments		(53,993.34)	(50,636.82)
Payable to selling shareholders		-	(10.07)
Proceeds from transfer of business undertaking		969.99	116.25
Disbursement of loan to ESOP trust		(3,075.71)	(1,602.97)
Recovery of loan to ESOP trust		2,140.85	1,712.97
Proceeds from sale of financial instruments		52,154.93	49,267.03
Proceeds from maturity of bank deposits having original maturity over three months		89.33	938.84
Interest received		734.19	759.32
Dividend received		-	249.99
Net cash used in investing activities	(B)	(2,516.24)	(291.24)

Cash Flow Statement for the year ended March 31, 2025

			For the year ended	
			March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Cash flows from financing activities				
Proceeds from issue of share capital including securities premium			1,845.90	1,607.80
Repayment of long term borrowings		17	(1.85)	(1.84)
Payment towards lease liabilities		18	(813.90)	(520.39)
Dividend paid			(4,657.50)	(4,153.95)
Interest paid			(530.78)	(84.20)
Net cash used in financing activities		(C)	(4,158.13)	(3,152.58)
Net increase in cash and cash equivalents (A + B + C)			455.25	2,023.11
Cash and cash equivalents at the beginning of the year			3,258.83	1,236.45
Movement in cash and cash equivalent on account of transfer of business undertaking			(90.72)	(34.13)
Effect of exchange differences on translation of foreign currency cash and cash equivalents			(5.36)	33.40
Cash and cash equivalents at the end of the year			3,618.00	3,258.83
Components of cash and cash equivalents		12		
Cash on hand			0.19	0.08
Balances with banks				
On current accounts #			1,520.44	1,761.40
On saving accounts			22.80	23.48
On Exchange Earner's Foreign Currency accounts			1,488.57	1,401.87
On deposit account with maturity of less than three months			586.00	72.00
Cash and cash equivalents			3,618.00	3,258.83

Of the cash and cash equivalent balance as at March 31, 2025, the Company can utilise ₹ 0.02 Million (Previous year: ₹ 65.10 Million) only towards certain predefined activities specified in the government grant agreement.

The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Ind AS - 7 on "Statement of Cash Flows" notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Summary of material accounting policy information - Refer note 3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Shashi Tadwalkar
Partner
Membership No.: 101797

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Praveen Kadle
Independent Director
DIN: 00016814

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Amit Atre
Company Secretary
Membership No. A20507

Place: USA
Date : April 23, 2025

Place: USA
Date : April 23, 2025

Place: USA
Date : April 23, 2025

Place: USA
Date : April 23, 2025

Statement of Changes in Equity for the year ended March 31, 2025

A. Equity share capital

(Refer note 16(a))

(In ₹ Million)

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
770.25	9.00	779.25

(In ₹ Million)

Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
764.25	6.00	770.25

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Statement of Changes in Equity for the year ended March 31, 2025

B. Other equity

(In ₹ Million)

Particulars	Reserves and surplus					Items of other comprehensive income	Total
	General reserve	Share options outstanding reserve	Capital redemption reserve	Retained earnings	Securities premium	Effective portion of cash flow hedges	
Balance as at April 1, 2024	25,854.48	2,227.71	35.75	17,272.67	1,601.80	23.85	47,016.26
Profit for the year	-	-	-	11,551.41	-	-	11,551.41
Items recognised in / from other comprehensive income for the year	-	-	-	197.91	-	(34.97)	162.94
Income tax effect on above	-	-	-	(49.81)	-	8.80	(41.01)
Dividend	-	-	-	(4,657.50)	-	-	(4,657.50)
Transfer to general reserve	-	-	-	-	-	-	-
Adjustments towards employees stock options	1,887.16	(1,887.16)	-	-	-	-	-
Employee stock compensation expenses	-	609.37	-	-	-	-	609.37
Employee stock compensation expenses of subsidiaries	-	2,482.46	-	-	-	-	2,482.46
Premium on fresh issue of equity shares	-	-	-	-	1,836.90	-	1,836.90
Balance as at March 31, 2025	27,741.64	3,432.38	35.75	24,314.68	3,438.70	(2.32)	58,960.83

Statement of Changes in Equity for the year ended March 31, 2025

B. Other equity

(In ₹ Million)

Particulars	Reserves and surplus					Securities premium	Items of other comprehensive income Effective portion of cash flow hedges	Total
	General reserve	Share options outstanding reserve	Capital redemption reserve	Retained earnings				
Balance as at April 1, 2023	20,824.26	2,222.02	35.75	15,575.98	-	(5.76)	38,652.25	
Profit for the year	-	-	-	9,856.65	-	-	9,856.65	
Items recognised in / from other comprehensive income for the year	-	-	-	(84.64)	-	21.59	(63.05)	
Income tax effect on above	-	-	-	21.29	-	8.02	29.31	
Dividend	-	-	-	(4,153.95)	-	-	(4,153.95)	
Transfer to general reserve	3,942.66	-	-	(3,942.66)	-	-	-	
Adjustments towards employees stock options	1,087.56	(1,087.56)	-	-	-	-	-	
Employee stock compensation expenses	-	584.95	-	-	-	-	584.95	
Employee stock compensation expenses of subsidiaries	-	508.30	-	-	-	-	508.30	
Premium on fresh issue of equity shares	-	-	-	-	1,601.80	-	1,601.80	
Balance at March 31, 2024	25,854.48	2,227.71	35.75	17,272.67	1,601.80	23.85	47,016.26	
Summary of material accounting policy information - Refer note 3								

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Shashi Tadwalkar
Partner

Membership No.: 101797

Place: USA
Date : April 23, 2025

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Place: USA
Date: April 23, 2025

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: USA
Date: April 23, 2025

Praveen Kadle
Independent Director

DIN: 00016814

Place: USA
Date: April 23, 2025

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: USA
Date: April 23, 2025

Amit Atre
Company Secretary

Membership No. A20507

Place: USA
Date: April 23, 2025

Statement of Changes in Equity for the year ended March 31, 2025

Nature and purpose of reserves

a. General reserve

The general reserve is a free reserve created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of other comprehensive income (“OCI”). The same can be utilised in accordance with the provisions of the Companies Act, 2013.

b. Share options outstanding reserve

Share options outstanding reserve represents the cumulative expense recognised for equity-settled transactions at each reporting date until the employee share options are exercised / expired on which such amount is transferred to General reserve.

c. Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares bought back and is created and utilised in accordance with Section 69 of the Companies Act, 2013.

d. Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company which includes remeasurements of the defined benefit liabilities / asset.

e. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

f. Cash flow hedge reserve

When a derivative is designated as cashflow hedging instrument the effective portion of changes in the fair value of derivative is recognised in Other comprehensive income (OCI) and accumulated in cashflow hedge reserve. Cumulative gains or losses previously recognised in cashflow hedge reserve are recognised in the statement of profit and loss in the period in which such transaction occurs / hedging instruments are settled / cancelled.

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Notes forming part of financial statements

1. Company overview

Persistent Systems Limited (“the Company” or “PSL”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (“the 1956 Act”). The Company has its registered office at Bhageerath, 412 Senapati Bapat Road, Pune, Maharashtra, India. The shares of PSL are listed on Bombay Stock Exchange and National Stock Exchange. PSL is a global company specializing in software products, services and technology innovation. The company offers complete product life cycle services.

The Board of Directors approved the financial statements for the year ended March 31, 2025 and authorised for issue on April 23, 2025 (PDT) i.e., April 24, 2025 (IST).

2. Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 (“the Act”) and Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, defined benefit liability/(asset) which is recognised at the present value of defined benefit obligation less fair value of plan asset and equity settled employee stock options which have been measured at fair value. The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Amounts in the financial statements are presented in Indian Rupees in millions as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

3. Material accounting policy information

3.1 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed appropriately. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.2 Critical accounting estimates & judgement

a. Revenue recognition

The Company’s contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

Revenue from fixed price maintenance type contracts is recognised rateably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from other fixed-

price contracts is recognised rateably using a percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of a method to recognise such revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

When performance obligation is satisfied over the time, the Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Further, the Company uses significant judgement while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

In respect of the contracts where the transaction price is payable as revenue share at pre-defined percentage of customer revenue and bearing in mind, the time gap between the close of the accounting period and availability of the revenue report from the customer, the Company is required to use its judgement to ascertain the income from revenue share on the basis of historical trends of customer revenue.

The Company receives advance payments from customers for the sale of software products, services and technology innovation including complete product life cycle services after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and rendering of services as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised services and the payment is one year or less.

b. Income taxes

The Company's major tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits are available against which deductible temporary differences & tax losses can be utilised. Management evaluates if the deferred tax assets will be realised in future considering the historical taxable income, scheduled reversals of deferred tax liabilities, projected future taxable income and tax-planning strategies. While the Management believes that the Company will realise the deferred tax assets, the amount of deferred tax asset realisable, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

c. Business combination

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the the acquirer to recognise the identifiable assets and contingent consideration at fair value. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These valuations are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management.

d. Property, plant and equipment

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

e. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease periods relating to the existing lease contracts.

As noted above, the Company enters into leases with third-party landlords and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Company uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over similar terms which requires estimations when no observable rates are available.

f. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities.

g. Defined benefits and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

h. Share based payments

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

i. Impairment of assets

Investments in subsidiaries, goodwill and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.

3.3 Summary of material accounting policies**a. Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Act. Operating cycle is the time between the acquisition of resources / assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months.

b. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress includes cost of Property, plant and equipment that are not ready to be put to use and is stated at cost. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use, cost of replacing part of the Property, plant and equipment, cost of asset retirement obligations and borrowing costs for long term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of Property, plant and equipment is added to its original cost only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from disposal of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

c. Intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation which is recognised from the date they are available for use and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of preparing the asset for its intended use.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Such development expenditure, until capitalization, is reflected as intangible assets under development.

Following the initial recognition, internally generated intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation of internally generated intangible asset begins when the development is complete and the asset is available for use.

d. Depreciation and amortisation

Depreciation on Property, plant and equipment is provided from the date the asset is made available for use using the Straight Line Method ('SLM') over the useful lives of the assets.

The estimated useful lives for the Property, plant and equipment except for leasehold improvements are as follows:

Assets	Useful lives
Buildings*	25 years
Computers	3 to 5 years
Computers - Servers and networks*	3 to 5 years
Office equipments	5 years
Plant and equipment*	5 years
Plant and equipment (Windmill)*	20 years
Plant and equipment (Solar Energy System)*	10 years
Furniture and fixtures*	5 years
Vehicles*	5 years

*For these classes of assets, based on a technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Thus useful lives of these assets are different from useful lives as prescribed under Part C of Schedule II of the Act.

Leasehold improvements are amortised over the period of lease or useful life, whichever is lower.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Intangible assets are amortised on a straight-line basis over their estimated useful lives ranging from 3 to 7 years from the day the asset is made available for use.

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically.

e. Borrowing costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

f. Leases

The Company assesses at the inception of contract whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset

Where the Company is a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or statement of profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease expenses associated with these leases are recognised in the statement of profit and loss on a straight line basis.

g. Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the statement of profit and loss, except for assets previously revalued with the revaluation surplus taken to OCI. For such assets, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. If recoverable amount cannot be determined for an individual asset, an entity identifies the lowest aggregation of assets that generate largely independent cash inflows. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The synergy benefits derived from Goodwill are enjoyed interchangeably among segments and the company is of the view that it is not practical to reasonably allocate the same and an ad-hoc allocation will not be meaningful.

h. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company's business model refers to how it manages its financial assets to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Subsequent measurement**Non-derivative financial instruments****Financial assets****Financial assets at amortised cost**

Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortised cost using the effective interest rate method. The change in measurements are recognised as finance income in the statement of profit and loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognised in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset which does not meet the criteria for categorization as financial asset at amortised cost or at FVTOCI, is classified as financial asset at FVTPL. Financial assets except derivative contracts included within the FVTPL category are subsequently measured at fair value with all changes recognised in the statement of profit and loss.

Net gains or net losses on items at fair value through profit or loss include interest or dividend income received from these assets.

Investments in subsidiaries

Investment in subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprises of cash at bank, cash in hand and short term deposits with an original maturity period of three months or less.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments

The Company uses derivatives for economic hedging purposes. At the inception of hedging relationship, the Company documents the hedging relationship between the hedging instrument and hedged item including whether the changes in cash flows of the hedging instruments are expected to offset the changes in cash flows of the hedged items. The Company documents its objective and strategy for undertaking its hedging transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently re-measured at fair value at each reporting date.

For cash flow hedges that qualify for hedge accounting, the effective portion of fair value of derivatives are recognised in cash flow hedging reserve within equity through OCI.

Gains or losses relating to the ineffective portion is immediately recognised in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the period when the hedged item affects profit and loss or hedged future cash flows are no longer expected to occur.

Derivatives which do not qualify for hedge accounting are accounted classified as FVTPL.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss, except in case of equity instruments classified as FVOCI, where such cumulative gain or loss is not recycled to statement of profit and loss.

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, dealer quotes.

For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Company recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For trade receivables, the Company recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

i. Revenue recognition

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services (“performance obligations”) to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company’s contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Income from software services and licenses

The company derives revenues primarily from IT services comprising of software development and related services and from the licensing of software products.

Arrangements with customers for software related services are either on a time-and-material or a fixed-price basis.

Revenue on time-and-material contracts are recognised as and when the related services are performed. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

When support services are provided in conjunction with the licensing arrangement and the license and the support services have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. Maintenance revenue is recognised proportionately over the period in which the services are rendered.

Revenue from revenue share is recognised in accordance with the terms of the relevant agreements.

Unbilled revenue represents revenue recognised in relation to work done until the balance sheet date for which billing has not taken place.

Unearned revenue represents the billing in respect of contracts for which the revenue is not recognised.

The Company collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the carrying amount and the effective interest rate.

Dividend

Dividend income is recognised when the Company’s right to receive dividend is established. Dividend income is included under the head ‘Other income’ in the statement of profit and loss.

Contract balances

Contract assets

Contract assets are recognised when there are excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities

Unearned and deferred revenue (“contract liability”) is recognised when there are billings in excess of revenue.

j. Foreign currency translation

Foreign currency transactions and balances

The functional currency of the company is ₹ (INR).

Initial recognition

Foreign currency transactions are recorded in the functional currency of the Company, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined. For foreign currency transactions recognised in profit and loss statement the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Exchange differences

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to Property, Plant and Equipment acquisition are recognised as income or expenses in the period in which they arise.

Translation of foreign operations

The company presents the financial statements in INR. For the purpose of the financial statements, the assets and liabilities of the company’s foreign operations are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on translation are recognised in other comprehensive income and accumulated in equity.

k. Employee benefits

Defined contribution plan

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the eligible salary of the entitled employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the period / year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Defined benefit plan**Gratuity**

Gratuity is a defined benefit obligation plan operated by the Company for its employees covered under Company Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date and are charged to the statement of profit and loss, except for the remeasurements, comprising of actuarial gains and losses which are recognised in full in the statement of other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit and loss subsequently.

Compensated absences and long service awards**Leave encashment**

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the statement of profit and loss. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The company presents the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating leave encashment is recognised in the period in which the absences occur.

Long service awards

Long service awards are other long term benefits to all eligible employees, as per Company's policy. The cost of providing benefit under long service awards scheme is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the statement of profit and loss.

Other employee benefits

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for services rendered by employees, are recognised in the statement of profit and loss during the period when the employee renders the service.

I. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in statement of profit and loss.

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction.

Deferred tax assets are recognised only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the period in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised in co-relation to the underlying transaction either in other comprehensive income or directly in equity.

m. Segment reporting

In accordance with para 4 of Indian Accounting Standard 108 (Ind AS-108) "Operating Segments" the Company has disclosed segment information only in consolidated financial statements which are presented together with the standalone financial statements.

n. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

o. Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate of the amount required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p. Contingent liabilities and commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent assets are neither recognised nor disclosed in financial statements.

q. Share based payments

Employees of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments granted (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value of the options at the date of the grant and recognised as employee compensation cost over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revisions to the original estimates, if any, in profit or loss with a corresponding adjustment to equity.

The expense or credit recognised in the statement of profit and loss for the period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense with a corresponding increase in stock options outstanding reserve in equity. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

The employee stock option expenses in respect of the employees of the subsidiary are charged to the respective subsidiary.

r. Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognised as a deduction from equity, net of any tax effects.

s. Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

t. Business Combination

The acquisition method of accounting is used to recognised for all business combinations, when the acquired set of activities and assets meet the definition of business and control is transferred regardless of whether equity instruments or other assets are acquired. The acquisition cost is measured as the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree at fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- Consideration transferred;
- Amount of any non-controlling interest in the acquired business, and
- Acquisition-date fair value of any previous equity interest in the acquired business over the fair value of the net identifiable assets acquired is recognised as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase is recognised directly in equity as capital reserve.

Business combinations between entities under common control is accounted for using pooling of interest method. The identity of the reserves is preserved as they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to business transfer reserve.

u. Goodwill / Gain on bargain purchase

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognised in the other comprehensive income as gain on bargain purchase. Subsequent to initial recognition, Goodwill is measured at cost less accumulated impairment losses.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

v. Cashflow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents..

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4.1. Property, plant and equipment

(In ₹ Million)

	Land-Freehold	Buildings (Refer Note 1)	Computers (Refer Note 2)	Office Equipment	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (at cost)									
As at April 1, 2024	991.53	2,825.52	3,727.84	67.17	2,057.11	20.79	876.97	14.81	10,581.74
Additions	-	10.34	603.77	11.28	199.04	5.23	39.21	0.87	869.74
Disposals	-	14.90	295.66	6.71	91.57	13.23	67.73	0.33	490.13
Other Adjustments*	-	0.22	11.48	0.84	(12.55)	0.01	(0.02)	0.02	0.00
As at March 31, 2025	991.53	2,821.18	4,047.43	72.58	2,152.03	12.80	848.43	15.37	10,961.35
Accumulated depreciation									
As at April 1, 2024	-	1,481.62	3,132.32	54.36	1,400.79	20.79	611.18	8.14	6,709.20
Charge for the year	-	120.77	343.37	5.92	206.60	0.75	83.47	1.94	762.82
Disposals	-	11.65	198.55	6.71	88.54	13.23	59.99	0.33	379.00
Other Adjustments	-	-	10.97	0.09	(11.15)	-	0.03	0.03	(0.03)
As at March 31, 2025	-	1,590.74	3,288.11	53.66	1,507.70	8.31	634.69	9.78	7,092.99
Net block									
As at March 31, 2025	991.53	1,230.44	759.32	18.92	644.33	4.49	213.74	5.59	3,868.36

4.1. Property, plant and equipment

(In ₹ Million)

	Land-Freehold	Buildings (Refer Note 1)	Computers	Office Equipment	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (at cost)									
As at April 1, 2023	991.53	2,810.72	3,813.34	64.99	1,946.07	20.79	889.44	15.88	10,552.76
Additions	-	15.12	162.56	6.22	156.48	-	1.59	0.19	342.16
Disposals	-	0.32	248.06	4.04	45.44	-	14.06	1.26	313.18
As at March 31, 2024	991.53	2,825.52	3,727.84	67.17	2,057.11	20.79	876.97	14.81	10,581.74
Accumulated depreciation									
As at April 1, 2023	-	1,360.64	2,724.48	53.95	1,273.79	20.79	548.38	7.28	5,989.31
Charge for the year	-	121.30	649.40	4.43	172.24	-	76.72	2.12	1,026.21
Disposals	-	0.32	241.56	4.02	45.24	-	13.92	1.26	306.32
As at March 31, 2024	-	1,481.62	3,132.32	54.36	1,400.79	20.79	611.18	8.14	6,709.20
Net block									
As at March 31, 2024	991.53	1,343.90	595.52	12.81	656.32	-	265.79	6.67	3,872.54

*₹0.00 Million represents value less than ₹ 5,000

Note 1: Building includes those constructed on leasehold land:

- Gross block as on March 31, 2025, ₹ 1460.20 Million (Previous year: ₹ 1460.40 Million)
- Depreciation charge for the year ₹ 58.04 Million (Previous year: ₹ 59.30 Million)
- Accumulated depreciation as on March 31, 2025, ₹ 793.47 Million (Previous year: ₹ 735.52 Million)
- Net book value as on March 31, 2025, ₹ 666.73 Million (Previous year: ₹ 724.88 Million)

Note 2: The management has revised the estimated useful life of computers and networking equipment prospectively (refer note 54 for details).

4.2. Capital work in progress

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	210.12	156.31
Additions	697.74	395.97
Capitalised during the year	869.74	342.16
Balance at end of year	38.12	210.12

Capital work in progress ageing schedule*

(In Million)

Amount in capital work in progress for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	38.12	-	-	-	38.12
As at March 31, 2025	38.12	-	-	-	38.12

Amount in capital work in progress for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	131.31	78.81	-	-	210.12
As at March 31, 2024	131.31	78.81	-	-	210.12

*There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year.

4.3. Right of use assets

(In ₹ Million)

	Office premises	Leasehold land	Other Assets	Total
Gross block (at cost)				
As at April 1, 2024	2,150.19	131.97	-	2,282.16
Additions	1,284.80	835.59	276.80	2,397.19
Disposals	168.39	-	-	168.39
Lease Modification	142.32	-	-	142.32
Other Adjustments	-	5.80	-	5.80
As at March 31, 2025	3,124.28	973.36	276.80	4,374.44
Accumulated depreciation				
As at April 1, 2024	853.14	4.76	-	857.90
Charge for the year	650.51	6.95	14.09	671.55
Disposals	116.85	-	-	116.85
Lease Modification	119.31	-	-	119.31
Other Adjustments	-	5.81	-	5.81
As at March 31, 2025	1,267.49	17.52	14.09	1,299.10
Net block as at March 31, 2025	1,856.79	955.84	262.71	3,075.34

(In ₹ Million)

	Office premises	Leasehold land	Other Assets	Total
Gross block (at cost)				
As at April 1, 2023	1,828.92	131.97	-	1,960.89
Additions	321.27	-	-	321.27
As at March 31, 2024	2,150.19	131.97	-	2,282.16
Accumulated depreciation				
As at April 1, 2023	448.56	3.22	-	451.78
Charge for the year	404.58	1.54	-	406.12
As at March 31, 2024	853.14	4.76	-	857.90
Net block As at March 31, 2024	1,297.05	127.21	-	1,424.26

4.4. Goodwill

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	236.00	236.00
Balance at end of year	236.00	236.00

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGUs or groups of CGUs.

The recoverable amount of a CGU is determined based on its value-in-use. Value-in-use is determined based on discounted future cash flows.

The key assumptions used for the calculations are as follows:

	As at March 31, 2025	As at March 31, 2024
Long-term growth rate	4.86%	4.20%
Operating margins	13% to 23%	10% to 22%
Discount rate	15% to 18%	17%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. As at March 31, 2025, the estimated recoverable amount of the CGU exceeded its carrying amount. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount. Operating margin and long term growth rate are in line with company's current operations.

Based on testing, no impairment loss was identified during current year and previous year.

4.5. Other Intangible assets

(In ₹ Million)

	Software	Acquired Contractual Rights	Total
Gross block			
As at April 1, 2024	912.12	652.64	1,564.76
Additions	323.38	664.13	987.51
Other Adjustments	(0.03)	-	(0.03)
As at March 31, 2025	1,235.47	1,316.77	2,552.24
Accumulated amortisation			
As at April 1, 2024	674.15	380.84	1,054.99
Charge for the year	271.89	55.72	327.61
Other Adjustments	(0.03)	-	(0.03)
As at March 31, 2025	946.01	436.56	1,382.57
Net block as at March 31, 2025	289.46	880.21	1,169.67

(In ₹ Million)

	Software	Acquired Contractual Rights	Total
Gross block			
As at April 1, 2023	784.41	652.64	1,437.05
Additions	127.74	-	127.74
Disposals	0.03	-	0.03
As at March 31, 2024	912.12	652.64	1,564.76
Accumulated amortisation			
As at April 1, 2023	538.59	325.12	863.71
Charge for the year	135.59	55.72	191.31
Disposals	0.03	-	0.03
As at March 31, 2024	674.15	380.84	1,054.99
Net block as at March 31, 2024	237.97	271.80	509.77

Acquired contractual rights have remaining amortisation period between 3-4 years.

4.6. Intangible Assets Under Development

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	116.53	-
Additions	703.96	116.53
Capitalised during the year	(88.72)	-
Balance at end of year	731.77	116.53

Intangible Asset under Development Ageing Schedule*

(In Million)

Amount in Intangible Asset under Development for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	703.96	27.81	-	-	731.77
As at March 31, 2025	703.96	27.81	-	-	731.77

(In Million)

Amount in Intangible Asset under Development for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	116.53	-	-	-	116.53
As at March 31, 2024	116.53	-	-	-	116.53

*There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year.

4.7. Depreciation and amortisation expense

(In ₹ Million)

	For the year ended	
	As at March 31, 2025	As at March 31, 2024
On Property, plant and equipment	762.82	1,026.21
On Right of use assets	671.55	406.12
On Other intangible assets	327.61	191.31
	1,761.98	1,623.64

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5. Non-current financial assets: Investments

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Investments carried at cost		
Unquoted investments		
Investments in equity instruments		
- In wholly owned subsidiary companies (refer note 33)		
Persistent Systems, Inc. 702.00 Million (Previous year: 702.00 Million) shares of USD 0.10 each, fully paid up	4,729.74	4,729.74
Persistent Systems Pte Ltd. 0.50 Million (Previous year: 0.50 million) shares of SGD 1 each, fully paid up	15.50	15.50
Persistent Systems France SAS 1.50 Million (Previous year: 1.50 million) shares of EUR 1 each, fully paid up	97.47	97.47
Persistent Systems Malaysia Sdn. Bhd. 5.45 Million (Previous year: 5.45 million) shares of MYR 1 each, fully paid up	102.25	102.25
Persistent Systems Germany GmbH 16.73 Million (Previous year: 16.73 million) shares of EUR 1 each, fully paid up	1,719.40	1,719.40
CAPIOT Software Private Limited (refer note 50) 0.19 Million (Previous year: 0.19 Million) shares of Rs. 10 each, fully paid up	483.71	483.71
Media Agility India Private Limited 3.21 Million (Previous year: 3.21 Million) shares of Rs. 10 each, fully paid up	971.45	971.45
Persistent Systems UK Limited 12.39 Million (Previous year : 12.39 million) shares of EUR 1 each, fully paid up	782.01	782.01
Persistent India Foundation (refer note 53) 0.05 Million (Previous year : Nil) shares of INR 10 each, fully paid up	0.50	-
Arrka Infosec Private Limited (refer note 50) 0.103 Million (Previous year : Nil) shares of INR 10 each, fully paid up	133.31	-
Total investments carried at cost (A)	9,035.34	8,901.53
Investments carried at amortised cost		
Quoted Investments		
In bonds (refer note 31)	2,916.91	2,916.91
Add: Interest accrued on bonds	78.66	78.70
Total investments carried at amortised cost (B)	2,995.57	2,995.61
Investments carried at fair value through profit and loss		
Unquoted Investments		
- Investments in mutual funds		
Fair value of long term mutual funds (refer note 5 (a))	2,823.96	2,178.44
	2,823.96	2,178.44
-Others*		
Altizon Systems Private Limited		
3,766 equity shares (Previous year : 3,766 equity shares) of ₹ 10 each, fully paid	6.00	6.00
	6.00	6.00
Total investments carried at fair value (C)	2,829.96	2,184.44
Total investments (A) + (B) + (C)	14,860.87	14,081.58
Aggregate provision for diminution in value of investments	-	-
Aggregate amount of quoted investments	2,995.57	2,995.61
Aggregate amount of unquoted investments	11,865.30	11,085.97
Aggregate market value of quoted investments	2,703.72	2,758.25

* Investments, where the Company does not have joint-control or significant influence including situations where such joint-control or significant influence is intended to be temporary, are classified as "investments in others".

5a. Details of fair value of non current investment in mutual funds

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Axis Mutual Fund	672.09	526.58
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	479.34	442.81
HDFC Mutual Fund	201.26	185.54
DSP Mutual Fund	168.52	155.66
HSBC Mutual Fund	168.43	155.43
Kotak Mutual Fund	208.86	152.75
ICICI Prudential Mutual Fund	324.15	152.57
SBI Mutual Fund	166.04	152.65
Nippon India Mutual Fund (formerly known as Reliance Mutual Fund)	269.72	101.92
Aditya Birla Sun Life Mutual Fund	165.55	152.53
	2,823.96	2,178.44

6. Non-current financial assets: Loans

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Carried at amortised cost		
Other loans		
Unsecured, considered good		
Loan to ESOP trust (refer note 39a)	3,694.86	2,760.00
	3,694.86	2,760.00
Unsecured, credit impaired		
Inter-corporate deposit	0.58	0.58
Less: Impairment	(0.58)	(0.58)
	-	-
	3,694.86	2,760.00

The Company has not granted any loans repayable on demand or without specifying any terms or period of repayment to promoters, directors, KMPs and the related parties as at 31 March 2025 and 31 March 2024.

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7. Other non-current financial assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Considered good		
Carried at amortised cost		
Deposits with Bank (refer note 13)*	48.29	3.99
Add: Interest accrued but not due on deposits with Bank (refer note 13)	0.70	0.24
	48.99	4.23
Deposit with financial institutions	-	100.00
Add: Interest accrued but not due on deposit with financial institutions	-	10.18
	-	110.18
Security deposits	328.02	337.29
Simple Agreement for Future Equity (SAFE)	332.75	165.75
Considered good (A)	709.76	617.45
Credit impaired		
Deposit with financial institutions (refer note 45)	408.88	430.00
Add: Interest accrued but not due on deposit with financial institutions	0.30	0.98
Less: Credit impaired	(409.18)	(430.98)
Credit impaired (B)	-	-
Other financial assets	0.11	-
Total (A+B)	709.87	617.45

* Out of the balance, fixed deposits of ₹ 3.00 Million (Previous year : ₹ 3.60 million) have been earmarked against credit facilities and bank guarantees availed by the Company.

8. Deferred tax asset (net)

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Deferred tax liabilities		
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	-	16.73
Capital gains (net)	122.73	44.15
Cash flow hedges	-	8.02
	122.73	68.90
Deferred tax assets		
Provision for leave encashment	252.79	223.08
Provision for long service awards	-	127.54
Allowance for expected credit loss	54.29	18.95
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	12.42	-
Provision for Gratuity	-	14.72
Right of use asset and lease liability	51.08	61.13
Cash flow hedges	0.78	-
Provisions for doubtful investment	113.28	117.28
	484.64	562.70
Deferred tax assets (net)	361.91	493.80

Movement in deferred tax assets (net) during the year ended March 31, 2025

(In ₹ Million)

	As at April 1, 2024	Charge / (Credit) in statement of Profit or loss	Credit / (Charge) in other comprehensive income	As at March 31, 2025
Deferred tax liabilities				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	16.73	(16.73)	-	-
Capital gains (net)	44.15	78.58	-	122.73
Cash flow hedges	8.02	-	(8.02)	-
	68.90	61.85	(8.02)	122.73
Deferred tax assets				
Provision for leave encashment	223.08	(29.71)	-	252.79
Provision for long service awards	127.54	127.54	-	-
Allowance for expected credit loss	18.95	(35.34)	-	54.29
Provision for Gratuity	14.72	14.72	-	-
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	-	(12.42)	-	12.42
Tax credit	-	-	-	-
Cash flow hedges	-	-	(0.78)	0.78
Right of use asset and lease liability	61.13	10.05	-	51.08
Provisions for doubtful investment	117.28	4.00	-	113.28
	562.70	78.84	(0.78)	484.64
	493.80	140.69	(8.80)	361.91

Movement in deferred tax assets (net) during the year ended March 31, 2024

(In ₹ Million)

	As at April 1, 2023	Charge / (Credit) in statement of Profit or loss	Credit / (Charge) in other comprehensive income	As at March 31, 2024
Deferred tax liabilities				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	68.53	(51.80)	-	16.73
Capital gains (net)	22.82	21.33	-	44.15
Cash flow hedges	-	-	8.02	8.02
	91.35	(30.47)	8.02	68.90
Deferred tax assets				
Provision for leave encashment	147.86	(75.22)	-	223.08
Provision for long service awards	101.60	(25.94)	-	127.54
Allowance for expected credit loss	19.83	0.88	-	18.95
Provision for gratuity	-	(14.72)	-	14.72
Tax credit	57.95	57.95	-	-
Right of use asset and lease liability	42.66	(18.47)	-	61.13
Provisions for doubtful investment	117.28	-	-	117.28
	487.18	(75.52)	-	562.70
	395.83	(105.99)	8.02	493.80

9. Other non-current assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Capital advances (Unsecured, considered good)	33.53	823.00
Prepayments	508.87	128.27
	542.40	951.27

10. Current financial assets: Investments

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Investments carried at fair value through profit and loss		
- Unquoted investments		
Investments in mutual funds		
Fair value of current mutual funds (refer note 10(a))	3,335.01	2,623.06
Total carrying amount of investments	3,335.01	2,623.06
Aggregate amount of unquoted investments	3,335.01	2,623.06

10a. Details of fair value of current investment in mutual funds

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Aditya Birla Sun Life Mutual Fund	438.79	502.35
UTI Mutual Fund	383.48	364.28
Kotak Mutual Fund	609.18	311.66
HDFC Mutual Fund	118.00	303.47
Tata Mutual Fund	195.10	234.14
DSP Mutual Fund	-	195.10
Axis Mutual Fund	275.99	173.71
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	472.47	157.51
Nippon India Mutual Fund (formerly known as Reliance Mutual Fund)	195.40	150.60
Mirae Asset Mutual Fund	195.64	50.06
SBI Mutual Fund	70.03	50.03
Sundaram mutual fund	115.28	40.05
HSBC Mutual Fund	-	40.05
ICICI Prudential Mutual Fund	70.04	30.02
Invesco Mutual Fund	195.61	20.03
	3,335.01	2,623.06

11. Trade receivables

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
-Non Current		
Unsecured, considered good	503.15	260.94
	503.15	260.94
-Current		
Unsecured, considered good*	15,798.11	16,622.68
Unsecured, credit impaired	831.67	270.36
	16,629.78	16,893.04
Less: Allowance for expected credit loss	(215.72)	(63.58)
	16,414.06	16,829.46
	16,917.21	17,090.40

*Includes dues from related parties (refer note 33)

Trade receivables ageing schedule

(In ₹ Million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	4,049.84	12,251.42	-	-	-	-	16,301.26
Undisputed Trade receivable – credit impaired	-	-	526.66	184.60	74.71	45.70	831.67
	4,049.84	12,251.42	526.66	184.60	74.71	45.70	17,132.93
Less: Allowance for expected credit loss	-	-	(80.56)	(21.26)	(68.20)	(45.70)	(215.72)
As at March 31, 2025	4,049.84	12,251.42	446.10	163.34	6.51	-	16,917.21
Expected loss rate (Refer note 31)	0.00%	0.00%	15.30%	11.52%	91.29%	100.00%	

(In ₹ Million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	7,672.09	9,211.53	-	-	-	-	16,883.62
Undisputed Trade receivable – credit impaired	-	-	161.86	63.07	5.00	40.43	270.36
	7,672.09	9,211.53	161.86	63.07	5.00	40.43	17,153.98
Less: Allowance for expected credit loss	-	-	(16.48)	(36.60)	(1.52)	(8.98)	(63.58)
As at March 31, 2024	7,672.09	9,211.53	145.38	26.47	3.48	31.45	17,090.40
Expected loss rate (Refer note 31)	0.00%	0.00%	10.18%	58.03%	30.40%	22.21%	

12. Cash and cash equivalents

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Cash and cash equivalents		
Cash on hand	0.19	0.08
Balances with banks		
On current accounts#	1,520.44	1,761.40
On saving accounts	22.80	23.48
On Exchange Earner's Foreign Currency accounts	1,488.57	1,401.87
On Deposit accounts with original maturity less than three months	586.00	72.00
	3,618.00	3,258.83

#Of the cash and cash equivalent balance as at March 31, 2025, the Company can utilise ₹ 0.02 Million (Previous year: ₹ 65.10 million) only towards certain predefined activities specified in the government grant agreement.

13. Bank balances other than cash and cash equivalents

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Deposits with banks*	3,054.13	3,143.46
Add: Interest accrued but not due on deposits with banks	101.39	98.34
Deposits with banks (carried at amortised cost)	3,155.52	3,241.80
Less: Deposit with maturity more than twelve months from the Balance Sheet date disclosed under non-current financial assets (refer note 7)	(48.29)	(3.99)
Less: Interest accrued but not due on non-current deposits with banks (refer note 7)	(0.70)	(0.24)
	3,106.53	3,237.57
Balances with banks on unpaid dividend accounts**	20.23	2.92
	3,126.76	3,240.49

* Out of the balance, fixed deposits of ₹ 2,367.54 Million (Previous year : ₹ 2,365.78 million) have been earmarked against credit facilities and bank guarantees availed by the Company.

** The Company can utilise these balances only towards settlement of the respective unpaid dividend.

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14. Other current financial assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts	-	42.54
Carried at amortised cost		
Advances to related parties (Unsecured, considered good) (refer note 33)		
Persistent Systems, Inc.	-	101.25
Persistent Systems France SAS	0.81	0.80
Persistent Telecom Solutions Inc.	0.26	0.64
Persistent Systems Malaysia Sdn. Bhd.	0.13	0.13
Persistent Systems Lanka (Private) Limited	-	0.30
Persistent Systems UK Limited (Formerly known as Aepona Limited)	137.05	17.28
Persistent Systems Australia Pty Limited	0.45	0.30
CAPIOT Software Private Limited	0.02	0.02
Persistent Systems Mexico, S.A. de C.V	2.18	1.64
Youperience GmbH	-	0.04
Persistent Systems Pte. Ltd.	-	0.41
Persistent Systems Germany GmbH	0.86	0.71
Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.20	0.20
Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	1.28	1.25
MediaAgility India Private Limited	-	0.01
MediaAgility UK Limited	-	2.56
	143.24	127.54
Unbilled revenue*	9,744.02	4,190.71
Security deposits	85.35	0.10
Other receivables**	6,240.19	-
	16,212.80	4,360.89

*Includes dues from related parties (refer note 33).

**Includes amounts received in subsidiaries on behalf of the company of ₹ 6,240.19 Million (previous year - NIL) (refer note 33).

15. Other current assets

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Advances to suppliers (Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	1,173.59	1,045.55
Prepayments	913.65	649.98
Deferred finance cost	5.72	61.82
Other advances (Unsecured, considered good)		
VAT receivable (net)	55.25	20.97
Service tax and GST receivable (net) (refer note 35)	4,875.47	2,447.09
	4,930.72	2,468.06
	7,023.68	4,225.41

16 (a). Share capital

(In ₹ Million)

	As at March 31, 2025	As at March 31, 2024
Authorised shares (No. in Million) 400 (Previous year:400) equity shares of ₹5 each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid-up shares (No. in million) 155.85 (Previous year: 154.05) equity shares of ₹5 each	779.25	770.25
Issued, subscribed and fully paid-up share capital	779.25	770.25

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and longterm and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The Board of Directors of the Company at its meeting held on January 20, 2024, recommended the sub-division/ split of 1 (One) fully paid-up equity share having a face value of ₹10 each into 2 (Two) fully paid-up equity shares having a face value of ₹ 5 each by alteration of capital clause of the Memorandum of Association (MOA) subject to the approval of Members of the Company. The Members of the Company approved the sub-division / Split of 1 (One) fully paid up equity share of ₹ 10 each into 2 (Two) fully paid up equity shares of ₹ 5 each through a postal ballot with a requisite majority and the voting results were declared on March 11, 2024.

Further, the Board of Directors at its meeting held on March 13, 2024, approved the Record Date for Split / Sub-division of Equity Shares as April 1, 2024.

Consequent to this, the authorised share capital comprises 400 Million equity shares having a face value of ₹ 5 each aggregating to ₹ 2,000 Million, and the paid-up capital comprises 154.05 Million equity shares having a face value of ₹ 5 each aggregating to ₹ 770.25 Million. The impact of this has been considered in the financial statement.

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

(In Million)

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount ₹	No. of shares	Amount ₹
Number of shares at the beginning of the year	154.05	770.25	152.85	764.25
Add / Less: Changes during the year	1.80	9.00	1.20	6.00
Number of shares at the end of the year	155.85	779.25	154.05	770.25

b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors of Persistent Systems Limited, at its meeting held on January 22, 2025, declared an interim dividend of ₹ 20 per equity share of face value of ₹ 5 each for the Financial Year 2024-25.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. However, no such preferential amounts exist currently.

Dividend distribution made and proposed:

(In ₹ Million)

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 March 2024: ₹ 10 per share (31 March 2023: ₹ 11 per share)	1,540.50	1,692.35
Interim dividend for the year ended on 31 March 2025: ₹ 20 per share (31 March 2024: ₹ 16 per share)	3,117.00	2,461.60
	4,657.50	4,153.95
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31 March 2025: ₹ 15 per share (31 March 2024: ₹ 10 per share)	2,337.75	1,540.50
	2,337.75	1,540.50

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2025.

Dividend per equity share disclosed in above note represents dividends declared previously, retrospectively adjusted for the April 2024 share split.

c. Aggregate number shares bought back during the period of five years immediately preceding the reporting date

In the period of five years immediately preceding March 31, 2025, the Company has not done any buyback of shares.

d. Details of shareholders holding more than 5% shares in the Company

Name of the shareholder*	As at March 31, 2025		As at March 31, 2024	
	No. in Million	% Holding	No. in Million	% Holding
Dr. Anand Deshpande	45.75	29.35	45.75	29.70

* The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members.

e. Details of shares held by promoters**As at March 31, 2025**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande	4,57,45,680	2,000	4,57,47,680	29.35%	0.00%
Mrs. Chitra Hemadri Buzruk	9,38,800	-	9,38,800	0.60%	-
Dr. Mukund Suresh Deshpande	8,00,050	-	8,00,050	0.51%	-
Mrs. Sonali Anand Deshpande	2,24,000	-	2,24,000	0.14%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	1,760	-	1,760	0.00%	-
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande	4,57,43,680	2,000	4,57,45,680	29.70%	0.00%
Mrs. Chitra Hemadri Buzruk	9,38,800	-	9,38,800	0.61%	-
Dr. Mukund Suresh Deshpande	8,00,050	-	8,00,050	0.52%	-
Mrs. Sonali Anand Deshpande	2,24,000	-	2,24,000	0.15%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	-	1,760	1,760	0.00%	100%
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-

16 (b). Other equity

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Reserves and Surplus		
General reserve	27,741.64	25,854.48
Share options outstanding reserve	3,432.38	2,227.71
Capital redemption reserve	35.75	35.75
Retained earnings	24,314.68	17,272.67
Securities premium	3,438.70	1,601.80
Items of other comprehensive income		
Effective portion of cash flow hedges	(2.32)	23.85
	58,960.83	47,016.26

(i) General reserve

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	25,854.48	20,824.26
Transfer to general reserve	-	3,942.66
Adjustments towards employees stock options	1,887.16	1,087.56
	27,741.64	25,854.48

(ii) Share options outstanding reserve

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	2,227.71	2,222.02
Adjustments towards employees stock options	(1,887.16)	(1,087.56)
Employee stock compensation expenses	609.37	584.95
Employee stock compensation expenses of subsidiaries	2,482.46	508.30
	3,432.38	2,227.71

(iii) Capital redemption reserve

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	35.75	35.75
Addition during the year	-	-
	35.75	35.75

(iv) Retained earnings

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	17,272.67	15,575.98
Profit for the year	11,551.41	9,856.65
Items recognised in / from other comprehensive income for the year	197.91	(84.64)
Income tax effect on above	(49.81)	21.29
Dividend	(4,657.50)	(4,153.95)
Transfer to general reserve	-	(3,942.66)
	24,314.68	17,272.67

(v) Securities premium

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	1,601.80	-
Premium on fresh issue of equity shares	1,836.90	1,601.80
	3,438.70	1,601.80

(vi) Effective portion of cash flow hedges

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Opening Balance	23.85	(5.76)
Items recognised in / from other comprehensive income for the year (net of tax)	(26.17)	29.61
	(2.32)	23.85

17. Borrowings

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Unsecured Borrowings carried at amortised cost		
Non-current		
Term loans		
Indian rupee loan from others	-	1.85
Interest accrued but not due on term loans	-	0.02
	-	1.87
Less: Current maturity of long-term borrowings	-	(1.85)
Less: Current maturity of interest accrued but not due on term loan	-	(0.02)
	-	(1.87)
	-	-
Current		
Current maturity of long-term borrowings	-	1.85
Current maturity of interest accrued but not due on term loan	-	0.02
	-	1.87

The term loans from Government departments have the following terms and conditions:

Loan amounting to ₹ Nil (Previous year : ₹ 1.85 Million) having Interest payable @ 3% per annum which was repayable in ten equal annual installments over a period of ten years commencing from October 2015 has been repaid.

The table below shows change in the Company's borrowing:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Opening	1.85	3.69
Addition	-	-
Repayment	(1.85)	(1.84)
Closing	-	1.85

18. Lease liabilities

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Non-current		
Lease Liabilities (refer note 32)	2,322.46	1,503.97
Less: Current portion of lease liabilities	(834.49)	(560.87)
	1,487.97	943.10
Current (refer note 32)		
Lease Liabilities	834.49	560.87
	834.49	560.87

The table below shows change in the Company's liabilities arising from lease, including both cash and non-cash changes:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Opening balance	1,503.97	1,555.59
Additions	1,561.60	321.27
Deletions	(102.58)	-
Lease Modification	(45.32)	-
Add: Interest recognised during the year	218.69	147.50
Less: Payments made	(813.90)	(520.39)
Closing balance	2,322.46	1,503.97

19. Non-current liabilities: Provisions

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Provision for employee benefits		
- Gratuity (refer note 29)	69.06	58.49
- Long service awards (refer note 55)	-	472.72
	69.06	531.21

20. Trade payables

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Trade payables for goods and services*		
- Total outstanding dues of micro enterprises and small enterprises (refer note 42)	40.77	49.63
- Total outstanding dues of creditors other than micro enterprises and small enterprises	10,151.84	2,638.18
	10,192.61	2,687.81

*Includes dues payable to related parties (refer note 33)

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the period or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the period or on balance brought forward from previous year.

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Company.

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Amount remaining unpaid:		
Principal	40.77	49.63
Interest	-	-
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act 2006.	-	-

Trade payables ageing schedule

	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	34.32	6.45	-	-	-	40.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,470.35	1,457.73	5,209.98	7.70	0.98	5.10	10,151.84
As at March 31, 2025	3,470.35	1,492.05	5,216.43	7.70	0.98	5.10	10,192.61

	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	45.71	3.92	-	-	-	49.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	896.97	727.16	1,001.37	7.38	2.41	2.89	2,638.18
As at March 31, 2024	896.97	772.87	1,005.29	7.38	2.41	2.89	2,687.81

21. Other financial liabilities

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Non-Current		
At amortised cost		
Security deposits	15.70	-
At fair value through profit & loss		
Liability towards contingent consideration (refer note 31a)	173.13	-
	188.83	-
Current		
At amortised cost		
Capital creditors	59.66	61.57
Accrued employee liabilities	537.14	218.43
Unpaid dividend *	20.23	2.92
Other liabilities**	31.77	9.19
Payable to selling shareholders	283.71	-
Advance from related parties (Unsecured, considered good)		
Persistent Systems, Inc.	194.71	-
MediaAgility India Private Limited	2.21	-
Persistent Systems Pte. Ltd.	0.32	-
	197.24	-
At fair value through profit & loss		
Liability towards contingent consideration (refer note 31a)	54.98	-
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts	36.82	-
	1,221.55	292.11

*Unpaid dividend is credited to Investor Education and Protection Fund as and when due.

**Includes amounts received in company on behalf of the subsidiaries of ₹ 16.84 Million (previous year - NIL). (refer note 33)

22. Other liabilities

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Non-current		
Other Liabilities	39.96	25.51
	39.96	25.51
Current		
Unearned revenue	2,207.79	530.99
Advance from customers	92.60	56.09
Other payables		
- Statutory liabilities	830.32	834.26
Payable to related companies (refer note 33)	438.21	3,381.47
Other Liabilities*	66.15	111.29
	3,635.07	4,914.10

*Includes balance of ₹ 0.02 Million (Previous year: ₹ 65.10 Million) to be utilised against certain predefined activities specified in the government grant agreement. There are no unfulfilled conditions or contingencies attached to these grants.

23. Current liabilities: Provisions

	As at March 31, 2025 In ₹ Million	As at March 31, 2024 In ₹ Million
Provision for employee benefits		
- Leave encashment	1,123.13	886.38
- Long service awards (refer note 55)	-	34.02
- Other employee benefits	1,517.87	1,117.02
	2,641.00	2,037.42

24. Revenue from operations (refer note 33 & 56)

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Software services	1,15,074.17	64,101.34
Software licenses	2,206.04	1,040.83
	1,17,280.21	65,142.17

Software service revenue is recognised as and when the related services are performed i.e. over the period of time. Software licenses revenue is recognised on point in time basis.

The table below presents disaggregated revenues from contracts with customers by segments, geography and type. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Revenue by industry segments		
Banking, Financial Services and Insurance (BFSI)	36,679.33	9,648.14
Healthcare & Life Sciences	31,331.75	7,679.83
Technology Companies and Emerging Verticals	49,269.13	47,814.20
Total	1,17,280.21	65,142.17
Geographical disclosure		
India	10,983.97	9,060.81
North America	97,195.64	48,702.96
Rest of the World	9,100.60	7,378.40
Total	1,17,280.21	65,142.17
Onsite / offshore / IP Led		
IP Led	3,189.81	1,619.36
Offshore	67,522.15	59,197.31
Onsite	46,568.25	4,325.50
Total	1,17,280.21	65,142.17

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material and unit of work-based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency. The normal credit term is 30 to 90 days.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Revenue as per contract price	1,17,280.21	65,142.17
Discount	-	-
Revenue from contract with customers	1,17,280.21	65,142.17

Changes in contract assets (unbilled revenue) are as follows:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Balance at the beginning of the year	4,190.71	4,138.95
Invoices raised that were included in the contract assets balance at the beginning of the year	(4,190.71)	(4,138.95)
Increase due to revenue recognised during the year, excluding amounts billed during the year	9,744.02	4,190.71
Balance at the end of the year	9,744.02	4,190.71

Changes in unearned revenue are as follows:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Balance at the beginning of the year	530.99	302.30
Revenue recognised that was included in the unearned revenue balance at the beginning of the year	(901.38)	(281.62)
Increase due to revenue recognised during the year, excluding amounts billed during the year	2,578.18	510.31
Balance at the end of the year	2,207.79	530.99

25. Other income

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Interest income		
- On deposits carried at amortised cost	244.23	261.45
- On Loan given to ESOP Trust	255.30	245.55
- On Others**	226.92	208.31
Dividend income from investments*	-	249.99
Other non-operating income		
Foreign exchange gain (net)	113.39	209.51
Profit on sale of Property, plant and equipment (net)	78.06	22.95
Profit on account of lease modification	28.15	
Profit on sale of investments (net) (refer note 52)	336.02	36.45
Net profit on sale / fair valuation of financial assets designated as FVTPL	444.99	293.35
Excess provision in respect of earlier years written back	10.49	0.14
Miscellaneous income	70.70	117.16
	1,808.25	1,644.86

*includes dividend received from investment in wholly owned subsidiaries. (Refer note 33)

**includes interest income received from related party (Refer Note 33)

26. Personnel expenses

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
26.1 Employee benefits expense		
Salaries, wages and bonus (refer note 55)	44,287.34	34,663.68
Contribution to provident and other funds* (refer note 29)	2,639.27	1,809.06
Staff welfare expense	1,226.29	1,288.09
Share based payments to employees (refer note 34)	609.37	584.95
	48,762.27	38,345.78
26.2 Cost of professionals		
- Related parties (refer note 33)	20,376.15	4,615.53
- Others	16,151.58	1,372.07
	36,527.73	5,987.60
	85,290.00	44,333.38

*Includes contribution towards gratuity.

27. Other expenses*

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Travelling and conveyance	1,012.39	655.81
Electricity expenses (net)	117.72	124.56
Internet link expenses	106.74	86.79
Communication expenses	24.17	47.44
Recruitment expenses	168.76	138.81
Training and seminars	145.26	155.21
Purchase of software licenses and support expenses	4,545.79	3,136.92
Bad debts	-	59.66
Charge / (reversal) of allowance for expected credit loss (net)	141.60	(15.95)
Rent (refer note 32)	60.23	98.74
Insurance	124.73	71.45
Rates and taxes	163.97	51.60
Legal and professional fees	564.08	377.28
Repairs and maintenance		
- Plant and Machinery	156.28	154.92
- Buildings	43.79	33.77
- Others	33.71	27.23
Selling and marketing expenses	7,554.79	1,730.07
Advertisement, conference and sponsorship fees	8.80	19.72
Computer consumables	17.36	15.28
Auditors' remuneration (refer note 40)	13.21	12.33
Corporate social responsibility expenditure (refer note 37)	217.78	175.45
Books, memberships, subscriptions	6.08	5.71
Directors' sitting fees	9.10	8.20
Directors' commission	35.55	34.11
Miscellaneous expenses	559.07	289.77
	15,830.96	7,494.88

*Includes expenses incurred with related parties (refer note 33)

28. Earnings per share

		For the year ended	
		March 31, 2025	March 31, 2024
Numerator for basic and diluted EPS			
Net Profit after tax (In ₹ Million)	(A)	11,551.41	9,856.65
Denominator for basic and diluted EPS			
Weighted average number of equity shares	(B)	15,51,66,164	15,38,71,858
Basic and diluted earnings per share of face value of ₹5 each (In ₹)	(A/B)	74.45	64.06

	For the year ended	
	March 31, 2025	March 31, 2024
Number of shares considered as basic weighted average shares outstanding	15,40,50,000	15,28,50,000
Add: weighted average number of shares issued during the year	11,16,164	10,21,858
Number of shares considered as weighted average shares and potential shares outstanding	15,51,66,164	15,38,71,858

29. Defined benefits and contribution obligation:**a) Defined benefits Plan - Gratuity**

The Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible Indian employees of the Company. The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the amount recognised in the statement of profit and loss and other comprehensive income, the funded status and amounts recognised in the Balance Sheet for the plan.

Statement of profit & loss and other comprehensive income

The amount recognised in the statement of profit and loss are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Current service cost	485.08	305.21
Interest cost on benefit obligation	113.07	93.54
Expected return on plan assets	(111.43)	(99.74)
Total Expense	486.72	299.01

The amount recognised in the statement of profit and loss are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Net actuarial loss:		
Due to changes in financial assumptions	(70.03)	50.06
Due to Experience assumptions	(107.71)	26.84
Return on Plan Assets	(20.17)	7.74
Total (Income)/ Expense	(197.91)	84.64

Balance sheet

Changes in the fair value of plan assets (recognised in the Balance Sheet) are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Opening fair value of plan assets	1,543.32	1,331.69
Expected return on plan assets	111.43	99.74
Return on Plan Assets	20.17	(7.74)
Contribution by employer	278.24	271.85
Benefits paid	(218.26)	(152.22)
Acquisitions*	31.09	-
Closing fair value of plan assets	1,765.99	1,543.32
Actual return on plan assets	162.69	92.00

*An amount of INR 31.09 Million has been shown as a transfer-in in liability and asset towards acquisition of an entity during the year.

Changes in the present value of the defined benefit obligation (recognised in Balance Sheet) are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Opening defined benefit obligation	1,601.81	1,278.38
Current service cost	485.08	305.21
Interest cost	113.07	93.54
Benefits paid	(218.26)	(152.22)
Acquisitions (refer note above)	31.09	-
Actuarial losses on obligation	(177.74)	76.90
Closing defined benefit obligation	1,835.05	1,601.81

Net Defined Benefit Asset / (Liability)

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Fair value of plan assets	1,765.99	1,543.32
(Less): Defined benefit obligations	(1,835.05)	(1,601.81)
Net Defined Benefit Asset / (Liability)*	(69.06)	(58.49)

*This has been classified as non-current in the balance sheet

The major categories of plan assets as a percentage of the fair value of total plan assets:

	As at	
	March 31, 2025	March 31, 2024
Investments with insurer including accrued interest	100%	100%

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	As at	
	March 31, 2025	March 31, 2024
Discount rate	6.82%	7.22%
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Attrition rate	PS: 0 to 1 : 17% PS: 1 to 3 : 15% PS: 3 to 4 : 10% PS: 4 to 5 : 5% PS: 5 to 7 : 6% PS: 7 to 10 : 4% PS: 10 to 50 : 2%	PS: 0 to 1 : 17% PS: 1 to 3 : 15% PS: 3 to 4 : 10% PS: 4 to 5 : 5% PS: 5 to 7 : 6% PS: 7 to 10 : 4% PS: 10 to 50 : 2%
Increment rate	5.00%	6.00%
Weighted average duration of the defined benefit obligation (Years)	13.74	13.53

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and increase in compensation levels. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Every percentage point increase / decrease in discount rate will change the gratuity benefit obligation to approximately ₹ 1,638.21 Million / ₹ 2,069.91 Million (previous year: ₹ 1,427.69 Million / ₹ 1,809.91 million) respectively.

Every percentage point increase / decrease in rate of increase in compensation levels will change the gratuity benefit obligation to approximately ₹ 1,999.38 Million / ₹ 1,696.70 Million (previous year: ₹ 1,740.00 Million / ₹ 1,485.70 million) respectively.

Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes.

The Mortality and Attrition does not have a significant impact on the Liability, hence are not considered a significant actuarial assumption for the purpose of Sensitivity analysis.

The assumptions used in preparing the sensitivity analysis is

Discount rate at +1% and -1%

Salary assumption at +1 % and -1%

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed.

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

Amounts for the current and previous year are as follows:

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Plan assets	1,765.99	1,543.32
Defined benefit obligation	(1,835.05)	(1,601.81)
Surplus	(69.06)	(58.49)
Experience adjustments on plan liabilities - loss / (gain)	(107.71)	26.84

Maturity profile of defined benefit obligations:

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Within 1 year	71.89	71.41
1-2 years	80.37	67.76
2-3 years	130.65	74.01
3-4 years	107.15	118.18
4-5 years	113.46	94.28
5-10 years	601.45	520.64
Above 10 years	3,771.17	3,631.05

Expected contributions to the gratuity plan for the next annual reporting period are ₹ 71.89 million.

Risk Characteristics of the Defined Benefit Plan**Investment risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Market Risk (Interest Rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

b) Defined contribution plan - Superannuation Fund

The Company contributed ₹ 89.39 Million and ₹ 89.42 Million to superannuation fund during the years ended March 31, 2025 and March 31, 2024 respectively and the same is recognised in the Statement of profit and loss under the head employee benefit expenses.

c) Defined contribution plan - Provident Fund

Company has certain defined contribution plans. Contributions are made to provident fund for employees @ 12% of Basic salary as per regulation. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan (provident fund) is ₹ 1,418.48 Million (Previous year ₹ 1,383.67 million).

30. Income taxes

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

	For the year ended	
	March 31, 2025 In ₹ Million	March 31, 2024 In ₹ Million
Profit before tax	15,730.86	13,165.29
Enacted tax rate in India	25.17%	25.17%
Computed tax expense at enacted tax rate	3,959.14	3,313.44
Effect of exempt income	(41.97)	(125.84)
Effect of non-deductible expenses	241.61	47.59
Effect of concessions (R&D allowance)	-	57.95
Tax charge in respect of earlier years	-	-
Effect of different tax rates for different heads of income	(7.87)	1.87
Others	28.54	13.63
Income tax expense	4,179.45	3,308.64

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31. (a) Financial assets and liabilities

The carrying values of financial instruments by categories are as follows:

(In ₹ Million)

Financial assets / Financial liabilities	March 31, 2025				March 31, 2024				Fair value hierarchy*
	FVTPL	FVTOCI	Amortised Cost	Cost	FVTPL	FVTOCI	Amortised Cost	Cost	
Financial Assets:									
Investments in subsidiaries	-	-	-	9,035.34	-	-	-	8,901.53	
Investments in other equity instruments	6.00	-	-	-	6.00	-	-	-	Level 3
Investments in bonds #	-	-	2,995.57	-	-	-	2,995.61	-	
Investments in mutual funds	6,158.97	-	-	-	4,801.50	-	-	-	Level 2
Loans	-	-	3,694.86	-	-	-	2,760.00	-	
Deposit with banks and financial institutions (including interest accrued but not due on deposits with banks)	-	-	3,155.52	-	-	-	3,351.98	-	
Cash and cash equivalents (including unpaid dividend)	-	-	3,638.23	-	-	-	3,261.75	-	
Trade receivables (net)	-	-	16,917.21	-	-	-	17,090.40	-	
Forward contracts receivable	-	-	-	-	-	42.54	-	-	Level 2
Unbilled revenue	-	-	9,744.02	-	-	-	4,190.71	-	
Other non current financial assets	-	-	660.88	-	-	-	503.04	-	
Other current financial assets	-	-	6,468.78	-	-	-	127.64	-	
Total Financial Assets	6,164.97	-	47,275.07	9,035.34	4,807.50	42.54	34,281.13	8,901.53	
Financial Liabilities:									
Borrowings (including accrued interest)	-	-	-	-	-	-	1.87	-	
Trade payables	-	-	10,192.61	-	-	-	2,687.81	-	
Lease liabilities	-	-	2,322.46	-	-	-	1,503.97	-	
Forward contracts payable	-	36.82	-	-	-	-	-	-	Level 2
Payable to selling shareholders	-	-	-	283.71	-	-	-	-	Level 3
Liability towards contingent consideration	228.11	-	-	-	-	-	-	-	
Other financial liabilities (excluding borrowings)	-	-	1,145.45	-	-	-	292.11	-	
Total Financial Liabilities	228.11	36.82	13,660.52	283.71	-	-	4,485.76	-	

*** Fair value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. In respect of equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Company recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

Fair Value of Financial Instruments

Financial Instruments at FVTPL & FVTOCI

The financial instruments being carried at FVTPL and FVTOCI is at their respective fair value.

Financial Instruments at Amortised Cost

The Management assessed that fair value of Trade receivables, Unbilled revenue, Other financial assets, Borrowings, Lease liabilities, Trade payables and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of Investment in Bonds is as per the table below:

Particulars	March 31, 2025		March 31, 2024	
	Carried Value	Fair Value	Carried Value	Fair Value
Bonds carried at amortised cost	2916.91	2703.72	2916.91	2758.25
Add: Interest accrued on bonds	78.66	-	78.70	-
Total investments carried at amortised cost	2,995.57	2,703.72	2,995.61	2,758.25

The following methods and assumptions were used to estimate the fair values:

- i) The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date.
- ii) Mark to market on forward covers and embedded derivative instruments is based on forward exchange rates at the end of reporting period and discounted using G-sec rate plus applicable spread.
- iii) For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Company recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.
- iv) The fair value of contingent consideration related to the acquisition of subsidiaries/ business unit is estimated using a present value technique. The ₹ 228.11 Million fair value is estimated by probability-weighting the estimated future cash outflows adjusting for risk and discounting at incremental borrowing rate for unsecured liabilities at the reporting date. The probability-weighted cash outflows before discounting are ₹ 292.40 Million and reflect management's estimate of a 90% probability that the contract's target level will be achieved. The effects on the fair value of risk and uncertainty in the future cash flows are dealt with by adjusting the estimated cash flows rather than adjusting the discount rate.

Level 3 fair value measurements

The reconciliation of the carrying amounts of financial instruments classified within Level 3 is as follows:

	Investments in other equity instruments	Liability towards contingent consideration	Payable to selling shareholders
Balance at April 1, 2023	6.00	-	-
Change in fair value of investment	-	-	-
Disposed during the year	-	-	-
Balance at March 31, 2024	6.00	-	-
Balance at April 1, 2024	6.00	-	-
Acquired during the year	-	228.11	283.71
Disposed during the year	-	-	-
Balance at 31 March 2025	6.00	228.11	283.71

Total amount included in profit and loss account for unrealised gains/ losses on Level 3 instruments.

Financial risk management

Financial risk factors and risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors which provide written principles on foreign exchange hedging. The Company's exposure to credit risk is mainly for receivables that are overdue for more than 90 days. The Credit Task Force is responsible for credit risk management. Investment of excess liquidity is governed by the Investment policy of the Company. The Company's Risk Management Committee monitors risks and policies implemented to mitigate risk exposures

Market risk

Foreign currency risk

The Company operates globally with its operations spread across various geographies and consequently the Company is exposed to foreign exchange risk. Around 70% to 90% of the Company's foreign currency exposure is in USD. The Company holds plain vanilla forward contracts against expected receivables in USD to mitigate the risk of changes in exchange rates.

The following table analyses unhedged foreign currency risk from financial instruments as of March 31, 2025.

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	17,184.60	577.88	783.28	418.05	18,963.81
Cash and cash equivalents and bank balances	2,297.61	108.39	128.97	163.62	2,698.60
Investments	5,999.99	2,831.17	-	136.89	8,968.05
Other financial assets (including loans and interest accrued)	12,322.05	1.85	381.60	5.27	12,710.77
Trade and other payables	5,217.09	245.02	253.35	600.46	6,315.92
Other liabilities	-	-	128.26	-	128.26

The following table analyses unhedged foreign currency risk from financial instruments as of March 31, 2024.

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	11,771.08	634.33	1,071.51	207.69	13,684.60
Cash and cash equivalents and bank balances	1,617.22	13.77	94.62	114.84	1,840.45
Investments	5,854.68	2,756.22	-	126.94	8,737.84
Other financial assets (including loans and interest accrued)	102.58	1.80	31.58	5.30	141.26
Trade and other payables	653.86	119.72	88.42	343.27	1,205.27
Other liabilities	2,027.45	668.80	-	-	2,696.26

Foreign currency sensitivity analysis

For the year ended March 31, 2025 and March 31, 2024 every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies on foreign currency exposure would affect the Company's profit before tax margin (PBT) by approximately 0.21% and 0.31% respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Derivative financial instruments

The Company holds derivative foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Company has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast sales transactions.

The following table gives details in respect of outstanding foreign currency forward contracts:

	As at March 31, 2025			As at March 31, 2024		
	Foreign currency (Million)	Average rate ₹	₹ (Million)	Foreign currency (Million)	Average rate ₹	₹ (Million)
Derivatives designated as cash flow hedges						
Forward contracts						
USD	300.00	86.33	25,899.71	260.00	84.16	21,881.33

The foreign exchange forward contracts mature within a maximum period of twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

	As at March 31, 2025			As at March 31, 2024		
	Foreign currency (Million)	Average rate ₹	₹ (Million)	Foreign currency (Million)	Average rate ₹	₹ (Million)
Not later than 3 months	75.00	84.95	6,371.25	64.00	83.72	5,357.97
Later than 3 months and not later than 6 months	76.00	85.50	6,498.00	70.00	84.03	5,882.04
Later than 6 months and not later than 9 months	75.00	86.38	6,478.50	63.00	84.55	5,326.58
Later than 9 months and not later than 12 months	74.00	88.54	6,551.96	63.00	84.36	5,314.74
Total	300.00		25,899.71	260.00		21,881.33

Price Risk

The company exposure to price risk arises for investment in mutual funds held by the company. To manage its price risk arising from investments in mutual funds, the Company diversified its portfolio.

Sensitivity: The sensitivity of profit or loss to change in Net assets value (NAV) as at year end for investment in mutual funds:

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
NAV increase by 5%	307.95	240.08
NAV decrease by 5%	(307.95)	(240.08)

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 17,030.88 Million and ₹ 17,090.40 Million as at March 31, 2025 and March 31, 2024, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in the United States. Credit risk is managed by the Company by Credit Task Force through credit approvals, establishing credit limits and continuously monitoring the recovery status of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Credit risk is perceived mainly in case of receivables overdue for more than 90 days. The following table gives details of risk concentration in respect of percentage of receivables overdue for more than 90 days:

	As at	
	March 31, 2025	March 31, 2024
Receivables overdue for more than 90 days (₹ Million)*	3,176.47	1,094.92
Total receivables (gross) (₹ Million)	16,917.21	17,090.40
Overdue for more than 90 days as a % of total receivables	18.8%	6.4%

* Out of this amount, ₹ 215.72 Million (March 31, 2024: ₹ 63.58 million) have been provided for.

Ageing of trade receivables

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Within the credit period	4,049.84	7,672.09
1 to 30 days past due	4,443.45	1,413.83
31 to 60 days past due	4,309.44	2,478.28
61 to 90 days past due	1,153.73	4,494.86
91 to 120 days past due	1,339.77	209.61
121 and above past due	1,836.70	885.31
Less: Expected credit loss	(215.72)	(63.58)
Net trade receivables	16,917.21	17,090.40

Movement in expected credit loss allowance

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Opening balance	63.58	78.79
Movement in expected credit loss allowance	141.60	(15.95)
Translation differences	10.54	0.74
Closing balance	215.72	63.58

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings. Investments primarily include investment in debts mutual funds, quoted bonds.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The investment of surplus funds is governed by the Company's investment policy approved by the Board of Directors. The Company believes that the working capital is sufficient to meet its current fund requirements. Accordingly, no liquidity risk is perceived.

As at March 31, 2025, the Company had a working capital of ₹ 31,733.58 Million including cash and cash equivalents and current fixed deposits (excluding interest accrued) of ₹ 6,623.84 Million and current investments of ₹ 3,335.01 million.

As at March 31, 2024, the Company had a working capital of ₹ 23,752.07 Million including cash and cash equivalents and current fixed deposits (excluding interest accrued) of ₹ 6,398.30 Million and current investments of ₹ 2,623.06 million.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

(In ₹ Million)

	As at			
	March 31, 2025		March 31, 2024	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings (including accrued interest)	-	-	1.87	-
Trade payables	16,917.21	-	2,687.81	-
Lease liabilities	834.49	1,487.97	560.87	943.10
Other financial liabilities (excluding borrowings)	1,221.55	188.83	292.11	-

Capital management risk

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's capital management aims to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and current and non-current borrowings.

Gearing Ratio

(In ₹ Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	-	1.87
Other financial liabilities	1,410.38	292.11
Total Debt:	1,410.38	293.98
Less : Cash and cash equivalents and other current bank balances	6,744.76	6,499.32
Net Debt #	(5,334.38)	(6,205.34)
Total equity	59,740.08	47,786.51
Total Capital	59,740.08	47,786.51
Gearing Ratio (in %)	-8.93%	-12.99%

Net debt for the above purpose includes borrowings, interest accrued on borrowings and amount payable for letter of credit net of cash and cash equivalents and bank balances other than cash and cash equivalents

31b. Derivative instruments and un-hedged foreign currency exposures

i. Forward contracts outstanding at the end of the year:

(In ₹ million)

	As at March 31, 2025	As at March 31, 2024
Forward contracts to sell USD: Hedging of expected receivables of USD 300 Million (Previous year USD 260 Million)	25,899.71	21,881.33

ii. Details of unhedged foreign currency exposures at the end of the year

	As at March 31, 2025			As at March 31, 2024		
	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)
Bank balances	22.80	JPY 39.81	0.57	23.48	JPY 42.62	0.55
	2,297.61	USD 26.88	85.47	1617.22	USD 19.39	83.40
	128.97	GBP 1.17	110.63	94.62	GBP 0.9	105.27
	94.01	CAD 1.58	59.56	80.31	CAD 1.31	61.38
	108.39	EUR 1.17	92.46	13.77	EUR 0.15	90.01
	37.44	AUD 0.7	53.43	1.46	AUD 0.03	54.17
	9.38	ZAR 2.02	4.64	9.59	ZAR 2.19	4.37
Investments	5,999.99	USD 70.20	85.47	5,854.68	USD 70.20	83.40
	31.85	SGD 0.50	63.69	30.88	SGD 0.50	61.75
	2,831.17	EUR 30.62	92.46	2,756.22	EUR 30.62	90.01
	105.04	MYR 5.45	19.27	96.06	MYR 5.45	17.63
Trade and other payables	12.74	SGD 0.2	63.69	10.50	SGD 0.17	61.75
	5,217.09	USD 61.04	85.47	653.86	USD 7.84	83.40
	253.35	GBP 2.29	110.63	88.42	GBP 0.84	105.27
	87.13	CAD 1.463	59.56	30.69	CAD 0.5	61.38
	245.02	EUR 2.65	92.46	119.72	EUR 1.33	90.01
	141.58	AUD 2.65	53.43	143.00	AUD 2.64	54.17
	8.73	CHF 0.09	97.00	1.84	CHF 0.02	92.11
	80.08	MXN 19.15	4.18	59.44	MXN 11.82	5.03
	135.11	MYR 7.01	19.27	45.48	MYR 2.58	17.63
	57.18	LKR 197.65	0.29	12.38	LKR 44.47	0.28
	31.33	CRC 182.9	0.17	1.67	CRC 10.01	0.17
	32.80	PLN 1.48	22.16	13.53	PLN 0.65	20.82
	13.78	RON 0.74	18.62	23.69	RON 1.31	18.08
	-	JPY 0	-	1.00	JPY 1.81	0.55
	-	ZAR 0	-	0.04	ZAR 0.01	4.37
1.62	ILS 0.07	23.12	-	-	-	
Advances given and deposits placed	6,156.40	USD 72.03	85.47	102.58	USD 1.23	83.40
	253.35	GBP 2.29	110.63	31.58	GBP 0.3	105.27
	1.85	EUR 0.02	92.46	1.80	EUR 0.02	90.01
	0.19	MYR 0.01	19.27	0.18	MYR 0.01	17.63
	1.09	CAD 0.0183	59.56	0.03	CAD 0.0005	61.38
	-	-	97.00	0.18	CHF 0.002	92.11
	0.53	-	53.43	1.08	AUD 0.02	54.17
	-	-	0.29	0.30	LKR 1.08	0.28
	-	-	63.69	0.62	SGD 0.01	61.75
	1.28	CRC 7.47	0.17	1.25	CRC 7.49	0.17
2.17	MXN 0.52	4.18	1.66	MXN 0.33	5.03	
Other payables	-	-	-	2027.454	USD 24.31	83.4
	-	-	-	668.80	EUR 7.43	90.01
Other receivables	6,165.64	USD 72.14	85.47	-	-	-
	128.26	GBP 1.16	110.63	-	-	-
Trade receivables	17,184.60	USD 201.06	85.47	11,771.08	USD 141.14	83.4
	577.88	EUR 6.25	92.46	634.33	EUR 7.05	90.0136
	783.28	GBP 7.08	110.63	1,071.51	GBP 10.18	105.27
	242.03	AUD 4.53	53.43	165.99	AUD 3.06	54.17
	10.19	SGD 0.16	63.69	15.71	SGD 0.25	61.75
	12.90	ZAR 2.78	4.64	12.38	ZAR 2.83	4.37
	84.57	CAD 1.42	59.56	2.81	CAD 0.05	61.38
	61.11	CHF 0.63	97.00	0.88	CHF 0.01	92.11
	0.12	JPY 0.21	0.57	4.06	JPY 7.36	0.55
	7.13	MYR 0.37	19.27	5.87	MYR 0.33	17.63

32. Leases

The Company has lease contracts for various items of computers, buildings and other assets being used in its operations. Lease terms generally ranges between 4 to 5 years.

The Company has certain lease contracts that includes extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at March 31, 2025 (In ₹ Million)	As at March 31, 2024 (In ₹ Million)
- Less than one year	834.49	560.87
- One to five years	1,483.59	943.10

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 60.23 million for the year ended March 31, 2025 (Previous year ₹ 98.74 million).

The company has adopted Ind AS 116, Leases; and has recognized notional interest on lease liability of ₹ 218.69 Million under finance costs for year ended March 31, 2025 (Previous year ₹ 147.50 Million).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss. (Refer note 4.7)

33. Related Party Disclosures

Related parties with whom transactions have taken place	
Key management personnel	Dr. Anand Deshpande, Chairman and Managing Director
	Mr Sandeep Kalra, Executive Director and Chief Executive Officer
	Mr. Sunil Sapre, Executive Director (Retired w.e.f. December 31, 2024) and Chief Financial Officer (Retired w.e.f. May 15, 2024)
	Mr. Vinit Teredesai, Executive Director and Chief Financial Officer (appointed on May 15, 2024)
	Mr. Amit Atre, Company Secretary
	Ms. Roshini Bakshi, Independent Director (Retired w.e.f. July 16, 2024)
	Ms. Anjali Joshi, Independent Director (w.e.f. June 12, 2024)
	Dr. Deepak Phatak, Independent Director (Retired w.e.f. April 2, 2023)
	Ms. Avani Davda, Independent Director
	Mr. Praveen Kadle, Independent Director
	Mr. Arvind Goel, Independent Director
	Mr. Ambuj Goyal, Independent Director
	Mr. Dan'l Lewin, Independent Director
	Dr. Ajit Ranade, Independent Director
Relatives of key management personnel	Mr. Suresh Deshpande (Father of the Chairman and Managing Director)
	Mrs. Sulabha Deshpande (Mother of the Chairman and Managing Director)
	Mrs. Sonali Anand Deshpande (Wife of the Chairman and Managing Director)
	Dr. Mukund Deshpande (Brother of the Chairman and Managing Director)
	Mrs. Chitra Buzruk (Sister of the Chairman and Managing Director)
	Mr. Arul Deshpande (Son of the Chairman and Managing Director)
	Dr. Asha Sapre (upto December 31, 2024) (Wife of Executive Director)
	Mr. Hemant Bakshi (Husband of Independent Director)
Ms. Alpana Ajit Ranade (Wife of Independent Director)	
Members of Promoter Group	Rama Purushottam Foundation
Entities over which a key management personnel have significant influence	Persistent Foundation (upto April 30, 2024)
	Persistent Systems Foundation Inc.
Controlled Trust	PSPL ESOP Management Trust

ii. Related party transactions

(in ₹ Million)

	Name of the related party and nature of relationship	For the year ended	
		March 31, 2025	March 31, 2024
Sale of software services	Subsidiaries		
	Persistent Systems, Inc.	2,522.95	22,733.96
	Persistent Systems Malaysia Sdn. Bhd.	34.17	65.14
	Persistent Systems Pte Ltd	15.72	24.15
	Persistent Systems France SAS	12.08	14.66
	Persistent Telecom Solutions Inc.	73.16	92.60
	Persistent Systems Germany GmbH	105.25	210.79
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	1,920.80	162.89
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	72.73	-
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	477.37	213.34
	MediaAgility India Private Limited	97.50	219.92
	MediaAgility Inc.	200.20	235.61
	MediaAgility UK Limited	-	22.11
	MediaAgility Pte Ltd	0.48	-
	Arrka Infosec Private Limited	13.87	-
Starfish Associates, LLC	106.97	-	
Total	5,653.25	23,995.17	

(in ₹ Million)

	Name of the related party and nature of relationship	For the year ended	
		March 31, 2025	March 31, 2024
Investment in wholly owned subsidiary	Subsidiaries		
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	-	782.01
	Persistent India Foundation	0.50	-
	Arrka Infosec Private Limited	133.31	-
	Total	133.81	782.01
Dividend Income	Subsidiaries		
	MediaAgility India Private Limited	-	249.99
	Total	-	249.99
Cost of professionals	Subsidiaries		
	Persistent Systems, Inc.	17,713.67	3,980.82
	Persistent Systems France SAS	17.88	30.54
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	147.09	127.88
	Persistent Systems Malaysia Sdn. Bhd.	264.81	123.46
	Persistent Telecom Solutions Inc.	74.19	73.91
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	706.60	-
	Persistent Systems Lanka (Private) Limited	99.55	81.00
	Persistent Systems Mexico, S.A. de C.V.	556.23	68.93
	Persistent Systems Germany GmbH	90.01	25.84
	PARX Consulting GmbH	-	1.61
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	48.69	7.25
	Persistent Systems Pte Ltd	30.26	16.54
	Youperience GmbH	-	2.19
	Persistent Systems S.R.L. Romania	141.52	78.31
	Persistent Systems Poland Sp. z.o.o.	247.17	256.27
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	107.90	5.05
	Starfish Associates, LLC	12.95	5.05
	Aepona Group Limited	115.70	-
	Persistent Systems Israel Ltd.	1.70	-
MediaAgility UK LTD	0.04	-	
	Total	20,375.96	4,884.65
Profit on sale of investments (net)	Subsidiary		
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	-	36.45
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	336.02	-
	Total	336.02	36.45
Selling and marketing expenses	Subsidiaries		
	Persistent Systems, Inc.	7,211.79	1,723.75
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	16.55	6.31
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	205.17	-
	Persistent Systems Germany GmbH	116.87	-
	Total	7,550.38	1,730.06
Commission received on corporate guarantee	Subsidiary		
	Persistent Systems, Inc.	3.11	6.33
	Total	3.11	6.33
Remuneration # (Salaries, bonus and contribution to PF)	Key Management Personnel		
	Dr. Anand Deshpande	39.78	37.68
	Mr. Sunil Sapre (including fair value of perquisites for stock options exercised ₹ NIL during the year (Previous year: ₹ 143.52 Million)	20.18	163.98
	Mr Vinit Teredesai	23.74	-
	Mr. Amit Atre (including fair value of perquisites for stock options exercised ₹ 19.44 Million during the year (Previous year: ₹ 11.52 Million)	25.94	17.00
	Mr Sandeep Kalra*	3.15	3.16
	Independent directors:		
	Ms. Roshini Bakshi	2.15	6.48
	Mr. Praveen Kadle	6.70	6.65
Dr. Deepak Phatak	0.03	-	

(in ₹ Million)

	Name of the related party and nature of relationship	For the year ended	
		March 31, 2025	March 31, 2024
	Ms. Avani Davda	6.55	6.58
	Mr. Arvind Goel	6.15	6.15
	Dr. Ambuj Goyal	6.30	6.08
	Mr. Dan'l Lewin	5.90	5.65
	Dr. Ajit Ranade	6.45	4.73
	Ms. Anjali Joshi	4.64	-
	Relatives of Key Management Personnel		
	Mr. Arul Deshpande*	-	0.02
	Total	157.66	264.17
Dividend paid	Key Management Personnel		
	Dr. Anand Deshpande	1,372.41	1,235.11
	Mr. Sunil Sapre	1.44	3.67
	Mr Sandeep Kalra	3.60	2.69
	Mr. Amit Atre	0.19	0.13
	Relatives of Key Management Personnel		
	Mr. Suresh Deshpande	0.03	0.03
	Mrs. Chitra Buzruk	28.16	25.35
	Dr. Mukund Deshpande	-	21.60
	Mrs. Sonali Anand Deshpande	6.72	6.05
	Mrs. Sulabha Suresh Deshpande	0.03	0.03
	Mr. Arul Deshpande	0.60	0.54
	Mr. Hemant Bakshi	-	0.27
	Mr. Aditya Phatak	-	1.53
	Ms. Alpana Ajit Ranade	0.01	0.01
	Arvind Goel	0.02	-
	Total	1,413.21	1,297.24
Other payments	Key Management Personnel		
	Sunil Sapre	0.26	0.33
	Relatives of Key Management Personnel		
	Asha Sapre	0.26	0.33
	Total	0.52	0.66
Loan Given	Controlled Trust		
	PSPL ESOP Management Trust	3,075.71	1,602.97
	Total	3,075.71	1,602.97
Recovery of Loan given	Controlled Trust		
	PSPL ESOP Management Trust	2,140.85	1,712.97
	Total	2,140.85	1,712.97
Interest received	Controlled Trust		
	PSPL ESOP Management Trust	255.30	245.55
	Total	255.30	245.55
Employee stock compensation - Reimbursement	Subsidiaries		
	Persistent Systems Inc.	2,482.46	508.30
	Total	2,482.46	508.30
CSR Expenditure	Entity over which a key management personnel has significant influence		
	Persistent Foundation	-	175.45
	Subsidiary		
	Persistent India Foundation	217.78	-
	Total	217.78	175.45

Notes:

* Amount of remuneration represents remuneration paid through Persistent Systems Limited only.

The remuneration to the key managerial personnel does not include the provisions made for gratuity, long service awards and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. All other outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. There have guarantees and letters of comfort provided for subsidiaries. For the year ended 31 March 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2024: Nil).

iii. Outstanding balances

(In ₹ Million)

	Name of the related party and nature of relationship	As at	
		March 31, 2025	March 31, 2024
Advances given	Subsidiaries		
	Persistent Systems, Inc.	-	101.25
	Persistent Systems France SAS	0.81	0.80
	Persistent Telecom Solutions Inc.	0.26	0.64
	Persistent Systems Lanka (Private) Limited	-	0.30
	Persistent Systems Malaysia Sdn. Bhd	0.13	0.13
	Persistent Systems México, S.A. de C.V.	2.18	1.64
	Persistent Systems Germany GmbH	0.86	0.71
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.20	0.20
	Persistent Systems Pte. Ltd.	-	0.41
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	137.05	17.28
	MediaAgility India Private Limited	-	0.01
	MediaAgility UK Ltd	-	2.56
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	0.45	0.30
	CAPIOT Software Private Limited	0.02	0.02
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	1.28	1.25
Total	143.24	127.54	
Other receivables	Subsidiaries		
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	104.69	-
	Persistent Systems, Inc.	6,135.50	-
Total	6,240.19	-	
Trade receivables	Subsidiaries		
	Persistent Systems France SAS	20.18	3.00
	Persistent Systems, Inc.	973.95	6,465.26
	Persistent Telecom Solutions Inc.	32.85	87.08
	Persistent Systems Pte Ltd	12.42	4.75
	Persistent Systems Malaysia Sdn. Bhd.	-	43.83
	Persistent Systems Germany GmbH	259.39	153.82
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	187.62	39.00
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	60.51	-
	Persistent Systems Lanka (Private) Limited	-	0.02
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	484.25	64.45
	MediaAgility Inc.	68.36	-
	MediaAgility UK Limited	-	31.71
	MediaAgility Pte Ltd	-	0.23
	MediaAgility India Private Limited	44.91	23.18
	Arrka Infosec Private Limited	21.48	-
Starfish Associates, LLC	68.42	-	
Total	2,234.34	6,916.33	
Unbilled Receivable	Subsidiaries		
	Persistent Systems, Inc.	20.50	1,396.24
	Persistent Telecom Solutions Inc.	9.47	-
	Persistent Systems Malaysia Sdn. Bhd.	10.05	0.97
	Persistent Systems Pte Ltd	-	6.13
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	514.34	78.32
	Persistent Systems Germany GmbH	-	46.85
	Persistent Systems France SAS	-	3.94
MediaAgility Inc.	63.38	36.31	

(In ₹ Million)

	Name of the related party and nature of relationship	As at	
		March 31, 2025	March 31, 2024
	MediaAgility India Private Limited	33.86	42.68
	MediaAgility UK Limited	-	1.21
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	90.43	91.60
	Persistent Systems Switzerland AG (FKA PARX Werk AG)	11.66	-
	Starfish Associates, LLC	37.83	-
	Total	791.52	1,704.25
Loans given	Controlled Trust		
	PSPL ESOP Management Trust	3,694.86	2,760.00
	Total	3,694.86	2,760.00
Investments	Subsidiaries		
	Persistent Systems, Inc.	4,729.74	4,729.74
	Persistent Systems Pte Ltd	15.50	15.50
	Persistent Systems France SAS	97.47	97.47
	Persistent Systems Malaysia Sdn. Bhd.	102.25	102.25
	Persistent Systems Germany GmbH	1,719.40	1,719.40
	CAPIOT Software Private Ltd.	483.71	483.71
	MediaAgility India Private Limited	971.45	971.45
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	782.01	782.01
	Persistent India Foundation	0.50	-
	Arrka Infosec Private Limited	133.31	-
	Total	9,035.34	8,901.53
Advance taken	Subsidiaries		
	Persistent Systems Pte. Ltd.	0.32	-
	MediaAgility India Private Limited	2.21	-
	Persistent Systems, Inc.	194.71	-
	Total	197.24	
Advance from customers	Subsidiaries		
	MediaAgility Pte Ltd	1.28	-
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	0.43	-
	Persistent Systems Malaysia Sdn. Bhd.	10.06	-
	Total	11.77	-
Trade payables	Subsidiaries		
	Persistent Systems France SAS	3.32	8.79
	Persistent Systems S.R.L. Romania	13.71	23.66
	Persistent Systems, Inc.	3,325.60	510.99
	Persistent Systems Malaysia Sdn. Bhd.	135.13	44.26
	Persistent Telecom Solutions Inc.	92.95	70.24
	Persistent Systems Pte Ltd	12.71	9.65
	Persistent Systems Germany GmbH	122.22	5.16
	CAPIOT Software Private Limited	0.02	0.02
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	130.00	142.31
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	31.33	2.77
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	250.45	-
	Persistent Systems Poland Sp. z.o.o.	32.90	13.61
	Persistent Systems Lanka (Private) Limited	57.18	9.74
	Persistent Systems Mexico, S.A. de C.V.	80.09	58.80

(In ₹ Million)

	Name of the related party and nature of relationship	As at	
		March 31, 2025	March 31, 2024
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	7.92	1.51
	Aepona Group Limited	61.75	-
	Persistent Systems Israel Ltd.	1.72	-
	Software Corporation LLC.	-	0.02
	Starfish Associates, LLC	12.75	-
	Total	4,371.75	901.53
Other liabilities	Subsidiaries		
	Persistent Systems Pte Ltd	4.62	-
	Persistent Systems Germany GmbH	1.71	-
	Persistent Systems Australia Pty Limited	10.51	-
	Total	16.84	-
Payable to related parties	Subsidiaries		
	Persistent Systems Germany GmbH	1.63	1.56
	'Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	159.12	787.35
	'Persistent Systems Australia Pty Limited	-	6.94
	Persistent Systems, Inc.	277.46	2,027.43
	Total	438.21	2,823.28
Unearned Revenue	Subsidiaries		
	Arrka Infosec Private Limited	4.57	-
	Persistent Systems Germany GmbH	6.78	-
	Persistent Systems France SAS	0.90	-
	Total	12.25	-

Letters of comfort of USD Nil: ₹ Nil (March 31, 2024: 2,059.15) to bank for loans availed by subsidiary of the Company.

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34. Employees stock option plans (ESOP)

Certain information in this note relating to number of shares, options and per share / option price has been disclosed in full and is not rounded off.

a. Details of Employee stock option plans

The Company has framed various share-based payment schemes for its employees. The details of various equity-settled employee stock option plan ('ESOP') schemes adopted by the Board of Directors are as follows:

ESOP scheme	No. of options granted #	Date of adoption by the Board/ Members	Initial Grant date	Exercise period
Scheme I	9,121,000	11-Dec-99	11-Dec-99	*
Scheme II	1,506,400	23-Apr-04	23-Apr-04	10 Years
Scheme III	5,066,600	23-Apr-04	23-Apr-04	*
Scheme IV	13,916,500	23-Apr-06	23-Apr-06	10 Years
Scheme V	3,781,050	23-Apr-06	23-Apr-06	*
Scheme VI	2,432,500	31-Oct-06	31-Oct-06	10 Years
Scheme VII	3,569,950	30-Apr-07	30-Apr-07	10 Years
Scheme VIII	84,000	24-Jul-07	24-Jul-07	3 Years
Scheme IX	2,748,924	29-Jun-09	29-Jun-09	10 Years
Scheme X	6,124,544	10-Jun-10	29-Oct-10	2-3 Years
Scheme XI **	6,391,210	26-Jul-14	03-Nov-14	4-5 Years
Scheme XII ***	134,600	04-Feb-16	08-Apr-16	2.5 Months
Scheme XIII	17,069,990	27-Jul-17	01-Aug-19	4-5 Years
Scheme XIV	160,000	27-Jul-17	01-May-19	3 Years

*No contractual life is defined in the scheme.

**The options under Scheme XI, which is a performance based ESOP scheme will vest after 1-4 years in proportion of credit points earned by the employees every quarter based on performance. The maximum options which can be granted under this scheme are 2,800,000.

***The options under Scheme XII, ESOP scheme would vest after 1 year. The maximum options which are granted under this scheme are 100 per employee.

The vesting period and conditions of the above ESOP schemes is as follows:

All the above ESOP schemes have service condition (other than Grant Category 1 of scheme XI which is based on performance criteria), which require the employee to complete a specified period of service, as a vesting condition. The vesting pattern of various schemes has been provided below:

i. Scheme I to V, VII, VIII, X and XIV

Service period from the date of grant	% of Options vesting			
	Scheme I to V & X	Scheme VII	Scheme VIII	Scheme XIV
12 Months	10%	20%	25%	0%
24 Months	30%	40%	50%	33.33%
36 Months	60%	60%	75%	66.66%
48 Months	100%	80%	100%	100%
60 Months	NA	100%	NA	NA

ii. Scheme VI

Service period from the date of grant	% of Options vesting
18 Months	30%
Every quarter thereafter	5%

iii. Scheme IX

Service period from the date of grant	% of Options vesting
30- 60 Months varying from employee to employee	100%

iv. Scheme XI

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 Months	Based on credit points earned which varies from employee to employee	25%	40%
24 Months		50%	30%
36 Months		75%	30%
48 Months	NA	100%	NA
60 Months	NA	NA	NA

v. Scheme XII

Service period from the date of grant	% of Options vesting
1 year	100%

vi. Scheme XIII

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 - 20 Months	25%	40%	33.33%
24 - 32 Months	50%	30%	66.66%
36 - 44 Months	75%	30%	100%
48 Months	100%	NA	NA
60 Months	NA	NA	NA

b. Details of activity of the ESOP schemes

Movement for the year ended March 31, 2025 and March 31, 2024:

ESOP Scheme	Particulars	Year Ended	Outstanding at the beginning of the Year	Granted during the Year	Forfeited during the Year	Exercised during the Year	Outstanding at the end of the Year	Exercisable at the end of the Year
Scheme III	Number of Options	31-Mar-24	124,002	-	51,532	2,000	70,470	70,470
	Weighted Average Price	31-Mar-24	16.39	-	15.47	15.34	17.67	17.67
	Number of Options	31-Mar-25	70,470	-	70,470	-	-	-
	Weighted Average Price	31-Mar-25	17.67	-	17.67	-	-	-
Scheme IV	Number of Options	31-Mar-24	211,200	-	16,600	160,400	34,200	34,200
	Weighted Average Price	31-Mar-24	27.79	-	20.47	30.56	25.33	25.33
	Number of Options	31-Mar-25	34,200	-	16,200	18,000	-	-
	Weighted Average Price	31-Mar-25	25.33	-	18.31	11.12	-	-
Scheme V	Number of Options	31-Mar-24	96,554	-	-	26,486	70,068	70,068
	Weighted Average Price	31-Mar-24	13.30	-	-	15.57	12.41	12.41
	Number of Options	31-Mar-25	70,068	-	68,002	2,066	-	-
	Weighted Average Price	31-Mar-25	12.41	-	12.64	5.00	-	-
Scheme IX	Number of Options	31-Mar-24	103,032	-	90,232	12,800	-	-
	Weighted Average Price	31-Mar-24	27.37	-	27.37	27.37	-	-
	Number of Options	31-Mar-25	-	-	-	-	-	-
	Weighted Average Price	31-Mar-25	-	-	-	-	-	-
Scheme X	Number of Options	31-Mar-24	-	-	(14,000)	14,000	-	-
	Weighted Average Price	31-Mar-24	-	-	95.68	95.68	-	-
	Number of Options	31-Mar-25	-	-	-	-	-	-
	Weighted Average Price	31-Mar-25	-	-	-	-	-	-
Scheme XI	Number of Options	31-Mar-24	1,009,914	443,400	82,510	482,034	888,770	48,734
	Weighted Average Price	31-Mar-24	5.00	5.00	5.00	5.00	5.00	5.00
	Number of Options	31-Mar-25	888,770	1,972,610	35,094	602,106	2,224,180	7,176
	Weighted Average Price	31-Mar-25	5.00	5.00	5.00	5.00	5.00	5.00
Scheme XIII	Number of Options	31-Mar-24	6,760,330	3,764,950	894,394	1,940,838	7,690,048	861,540
	Weighted Average Price	31-Mar-24	1,259.85	3,261.15	1,449.31	967.64	2,286.26	1,497.72
	Number of Options	31-Mar-25	7,690,048	115,800	1,394,790	1,929,162	4,481,896	194,871
	Weighted Average Price	31-Mar-25	2,286.26	4,332.79	2,484.74	1,234.24	2,730.19	1,443.30
Total	Number of Options	31-Mar-24	8,305,032	4,208,350	1,121,268	2,638,558	8,753,556	944,876
	Number of Options	31-Mar-25	8,753,556	2,088,410	1,584,556	2,551,334	6,706,076	202,047

The weighted average share price for the period over which stock options were exercised was ₹ 4,984.34 (previous year ₹ 3,013.10).

c. Details of exercise price for stock option outstanding at the end of the year

Scheme	Range of exercise price	As at March 31, 2025		As at March 31, 2024	
		No. of Options outstanding	Weighted average remaining contractual life*	No. of Options outstanding	Weighted average remaining contractual life*
Scheme I	1.02 - 4.785	-	-	-	Note (i)
Scheme III	0 - 24.105	-	-	70,470	Note (i)
Scheme IV	11.115 - 30.56	-	-	34,200	1.31
Scheme V	11.115 - 22.07	-	-	70,068	Note (i)
Scheme XI	10	2,224,180	4.02	888,770	3.72
Scheme XIII	100 - 5446	4,481,896	3.28	7,690,048	3.80

Note (i) - No contractual life is defined in the scheme.

*The weighted average contractual life disclosed above has been computed only for the unexpired options.

d. Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position

Compensation expense arising from equity-settled employee share-based payment plans for the year ended March 31, 2025 amounted to ₹ 609.37 Million for PSL India and ₹ 2,482.46 Million for subsidiaries. (Previous year ₹ 584.95 Million for PSL India & ₹ 508.30 Million for subsidiaries). The liability for employee stock options outstanding as at March 31, 2025 is ₹ 3,432.38 Million (Previous year ₹ 2,227.71 Million).

e. Weighted average exercise prices and weighted average fair values of options

The Black-Scholes valuation models have been used for computing the weighted average fair value of the stock options granted during the current and previous financial year:

Particulars	March 31, 2025		March 31, 2024	
	RSU Scheme XI	ESOP Scheme XIII	RSU Scheme XI	ESOP Scheme XIII
Weighted average share price ₹	3614.30	5096.48	3108.77	3835.9
Weighted Exercise Price ₹	5	4332.79	5	3335.42
Weighted Average Fair Value ₹	3550.15	1722.81	3063.06	1341.98
Expected Volatility	22.87%-27.14%	26.55%-27.38%	21.99%-30.69%	27.44%-31.15%
Life of the options granted ** (Vesting and exercise period)	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs
Dividend Yield	30.00	30.00	44.00	44.00
Average risk-free interest rate	7.15%	7.18%	7.12%	7.16%

** 1. The expected life of the RSU/ESOP is estimated based on the vesting term and contractual term of the RSU/ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2. The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options.

Note: The company has done a share split of 1:2, the impact of this has been given to options granted to the employees of the company ((refer note 16(a)).

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares and has been modelled based on historical movements in the market prices of the publicly traded equity shares during a larger period after excluding outliers to smoothen the fluctuations .

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35. Contingent liabilities**Claims against the company not acknowledged as debt***

(In ₹ Million)

Sr. No.		As at March 31, 2025	As at March 31, 2024
1	Indirect tax matters		
	<p>i. In respect to the order passed by the Learned Principal Commissioner of Service Tax, Pune, for Service tax under import of services on reverse charge basis for the Financial Year 2014-15, the Company has filed an appeal against the order passed by Learned Principal Commissioner of Service Tax, Pune with the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT) on September 23, 2017.</p> <p>The Hon'ble CESTAT decided and passed the order on January 28, 2023 with the direction that the entire show cause notice passed by the Principal Commissioner of Service Tax will now be taken up for fresh adjudication and the judgments noted in the Order of the Hon'ble CESTAT and other submissions, if any, be considered while adjudicating the show cause notice.</p> <p>The Company has filed Appeal against the CESTAT Order with Hon'ble High Court on March 13, 2023.</p> <p>The Company has paid ₹ 165.58 Million under protest towards the demand and the same forms part of the GST receivable balance.</p> <p>If the appeal filed as mentioned above results in a demand, there will be no impact on the profitability as the Company will be eligible to claim credit/refund for the amount paid.</p>	173.78	173.78
	ii. Other Pending litigations in respect of Indirect taxes.	723.33	7.77
2	Income tax demands disputed in appellate proceedings.	1,041.74	1,102.72

36. Capital and other commitments

(In ₹ Million)

	As at	
	March 31, 2025	March 31, 2024
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	326.88	359.76

For commitments relating to lease agreements, please refer note 32.

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37. Details of Corporate Social Responsibility expenditure

(In ₹ Million)

		For the year ended	
		March 31, 2025	March 31, 2024
a.	Gross amount required to be spent by the Company during the year	214.75	175.45
b.	Amount of Expenditure incurred		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	217.78	175.45
c.	Total of previous year shortfall	-	-
d.	Reason for shortfall	NA	NA
e.	Nature of CSR Activity	a. Community Development b. Healthcare c. Education	a. Community Development b. Healthcare c. Education
f.	Details of related party transactions Donation given to Persistent Foundation	217.78	175.45
g.	Details of provision made for liability incurred by entering into a contractual obligation	-	-

The Company had an amount of ₹ 32.11 Million available in its book for set off till the end of FY 2023-24 which has lapsed.

The Company spent a total of ₹ 217.78 Million during FY 2024-25. As per Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Company was required to spend ₹ 214.75 Million as CSR expenditure during FY 2024-25. Thus, the excess amount spent by the Company i.e., ₹ 3.03 Million is available for a set-off till the end of FY 2027-28, being the third (last) year to avail the set-off.

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38. Ratios

Ratio	Denomination	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance (If more than 25%)
a. Current Ratio	Number	Current Assets	Current Liabilities	2.71	3.20	-15.31%	
b. Debt-Equity Ratio	%	Debt	Shareholder's Equity	NA	0.004%	NA	
c. Debt Service Coverage Ratio	Number	Earnings available for debt service	Current debt liability	NA	7,119.74	NA	
d. Return on Equity Ratio	%	Net Profit after tax	Average Shareholder's Equity	21.49%	22.61%	-4.96%	
e. Trade Receivables turnover ratio	Number	Revenue from operations	Average Trade receivables	6.90	4.70	46.63%	Note 1
f. Trade payables turnover ratio	Number	Cost of Professionals + other expenses +- Other non cash adjustments	Average Trade payables	8.08	6.61	22.36%	
g. Net capital turnover ratio	Number	Revenue from operations	Working Capital	3.70	2.74	34.76%	Note 1
h. Net profit ratio	%	Net Profit after tax	Revenue	9.85%	15.13%	-34.91%	Note 1
i. Return on Capital employed	%	Profit before Interest and taxes	Capital employed	27.13%	27.90%	-2.79%	
j. Return on investment	%	Income generated from treasury investments	Average invested funds in treasury investments	7.65%	7.25%	5.52%	

*Earnings available for debt service = Profit before exceptional item and tax + Finance cost + Depreciation & Amortization - Other income - Lease payments

Note 1: Increase in business volume due to internal reorganisation. The reorganisation has resulted in transfer of certain customer contracts and certain employees, from Persistent Systems, Inc.(US subsidiary) to Persistent Systems Limited (the Holding Company and its USA branch).

39. Disclosure required under Sec 186(4) of the Companies Act 2013**a. Details of Loans given**

(In ₹ Million)

Name of Party	Rate of Interest	Purpose	Term	As at	As at
				March 31, 2025	March 31, 2024
PSPL ESOP Management Trust	6.8% per annum simple interest	For the purpose of meeting the requirement under ESOP 2017 Scheme	8 years from the date of each tranche of loan disbursement or term of ESOP 2017, whichever is earlier	3,694.86	2,760.00

b. Details of gurantees given on behalf of subsidiaries

Name of Subsidiary	As at March 31, 2025		As at March 31, 2024	
	\$ Million	₹ Million	\$ Million	₹ Million
Persistent Systems Inc.	10.17	869.23	10.17	835.67

40. Auditors' remuneration

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
- Audit fee	12.25	11.44
- Certifications	0.55	0.50
- Reimbursement of expenses	0.41	0.39
	13.21	12.33

41. Research and development expenditure

The particulars of expenditure incurred on in-house research and development are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2025	March 31, 2024
Revenue	210.62	269.48
	210.62	269.48

42. Details of dues to micro and small enterprises as defined under MSMED Act, 2006

There are no defaults and overdue amounts payable to suppliers, who have intimated about their status as Micro and Small Enterprises as per the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

43. Net dividend remitted in foreign exchange

Particulars	No. of non-resident shareholders		No. of equity shares held on which dividend was due		For the year ended	
	March 31, 2025	March 31, 2024	March 31, 2025 in million	March 31, 2024 in million	March 31, 2025 (in ₹ Million)	March 31, 2024 (in ₹ Million)
Interim dividend	25	11	0.07	0.38	1.42	12.21
Final dividend	11	9	0.03	0.39	0.30	8.55

44. Other statutory information

- The Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.
- The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- There are no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

45. The Company has deposits of ₹ 408.88 Million (previous year: ₹ 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. These were due for maturity from January 2019 to June 2019. In view of the uncertainty prevailing with respect to recovery of outstanding balances from IL&FS Group, Management of the Company has fully provided for these deposits along with interest accrued thereon till the date the deposits had become doubtful of recovery.

During the year the Company has received ₹ 21.12 Million from the IL&FS Group and the Management is hopeful of recovery of balance amount 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.

46. The Company has been sanctioned a working capital limit in excess of ₹ 50.00 Million by banks and/or financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and/or financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods which were subject to audit, except for the following:

Name of the Bank / financial institution	Working capital limit sanctioned (In INR Million)	Nature of current assets offered as security	Quarter	Information disclosed as per return (In INR Million)	Information as per books of accounts (In INR Million)	Difference (In INR Million)
Citi Bank	150	Book Debts	Q1	18,926,70	21,180,00	(2,253.30)
Citi Bank	150	Book Debts	Q2	27,077,00	20,842,00	6,235.00
Citi Bank	150	Book Debts	Q3	15,898,00	21,393,00	(5,495.00)
Citi Bank	150	Book Debts	Q4	12,946,34	12,946,34	-

*The difference is on account of exclusion of certain amounts while submitting the details of quarterly statements to the bank basis discussions with the bank.

47. The Company has not advanced / loaned / invested funds to any entities, including foreign entities (Intermediaries), with the understanding that the Intermediary shall directly or indirectly lend or invest in other entities by or on behalf of the Company (Ultimate Beneficiaries). Further, the Company has not provided any guarantee, security to or on behalf of the Ultimate Beneficiaries.
48. The Company has not received funds from any entities, including foreign entities (Funding Parties), with the understanding that the Company shall directly or indirectly, lend or invest in other persons or entities by or on behalf of the Funding Party (Ultimate Beneficiaries). Further, the Company has not provided any guarantee, security on behalf of the Ultimate Beneficiaries.
49. The Hon’ble National Company Law Tribunal, Mumbai (“NCLT”) has sanctioned the merger of M/s. CAPIOT Software Private Limited (the Wholly Owned Subsidiary – Transferor Company) into Persistent Systems Limited (the Holding Company – Transferee Company) through absorption, as per its order dated April 9, 2025. The Company received the order on April 11, 2025. Further, the said Order will be effective upon submission of its Certified True Copy dated April 21, 2025, to the Registrar of Companies, Pune for updating their records. The financial impact of this merger will be reflected in the Company’s financial statements for the period following its submission to the ROC.
50. M/s. Arrka Infosec Private Limited, India (a private company incorporated under the Companies Act, 1956) has become a wholly owned subsidiary of Persistent Systems Limited effective from October 28, 2024, upon completion of the necessary customary closing conditions.
51. The Board of Directors of the Company at its meeting concluded on April 24, 2025 (IST), approved the proposal of Merger of M/s. Arrka Infosec Private Limited (‘the Wholly Owned Subsidiary’) into Persistent Systems Limited (‘the Holding Company’), subject to the receipt of necessary approvals in accordance with the provisions of the Companies Act, 2013.

52. The Company, through a business transfer agreement dated April 13, 2024, has transferred the UK Branch's operations to its wholly owned subsidiary, Persistent Systems UK Limited ('PSUK'). Under this agreement, the Company has transferred net assets with carrying value of ₹ 633.97 Million in exchange for a consideration of ₹ 969.99 million, resulting in a gain of ₹ 336.02 Million from the transfer of the business undertaking.

Particulars	In ₹ Million
Proceeds from transfer of business undertaking	969.99
Net assets transferred	633.97
Profit on sale of investments	336.02

53. Persistent India Foundation was incorporated under Section 8 of the Companies Act, 2013 effective from May 1, 2024, as a wholly owned subsidiary of the Company.

54. During the year ended, based on review of method and estimated useful lives of property, plant and equipment, the management has revised the estimated useful lives of computers and networking equipment prospectively from 3 years to 4 years w.e.f. April 01, 2024. The effect of this change on actual and expected depreciation expense is as follows:

(In ₹ Million)

Particulars	For the quarter ended	
	FY 2024 - 25	FY 2025 - 26
Decrease in depreciation expense	167.33	44.84

55. During the year ended, the Company has discontinued the policy of Long-Term Service Award to employees which was to reward employees on reaching significant milestones in terms of number of years of their service. This is in the context of the coverage of a large number of employees under the Company's ESOP schemes over the last few years, providing employees an opportunity to participate in the Company's growth and value creation. Consequently, the accumulated provision amounting to ₹ 506.74 Million has been written back in the Statement of Profit and Loss, and has been reduced from Employee Benefit Expenses.

56. During the year, the Company has internally reorganized business operations in USA. While, the overall business has remained consistent for these customers, the reorganisation has resulted in transfer of certain customer contracts and certain employees, from Persistent Systems, Inc.(US subsidiary) to Persistent Systems Limited (the Holding Company and its USA branch). As result of the reorganization, the revenue and the profit for the year ended is not comparable with the previous corresponding year.

57. The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from 1st April 2023, states that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses a SaaS based ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at application as well as database level.

58. The financial statements are presented in ₹ Million and decimal thereof except for per share information or as otherwise stated.
59. Previous year's figures have been regrouped where necessary to conform with the current year's classification. The impact of such regrouping is not material to financial statements.

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

Shashi Tadwalkar
Partner

Membership No.: 101797

Place: USA
Date: April 23, 2025

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Place: USA
Date: April 23, 2025

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: USA
Date: April 23, 2025

Praveen Kadle
Independent Director

DIN: 00016814

Place: USA
Date: April 23, 2025

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: USA
Date: April 23, 2025

Amit Atre
Company Secretary

Membership No. A20507

Place: USA
April 23, 2025

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Persistent

Re(AI)maging™ the World

Persistent Systems Limited

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