



# AGM Notice

**Dear Member,**

On behalf of the Persistent Board, it gives me great pleasure to invite you to attend the Thirty-Third Annual General Meeting of the Company scheduled to be held on Tuesday, July 18, 2023, at 1600 Hrs. (IST) at Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India, in-Person or through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at the Members' best convenience.

Sincerely,

**Anand Deshpande, Ph.D.**

Chairman and Managing Director  
DIN: 00005721

June 6, 2023  
Mumbai

PS:

For the Members who wish to attend this Meeting in-person, the pick-up arrangements have been made to reach the venue from the following locations in Pune:

- 1\ Corporation Bus Depot
- 2\ Deccan Gymkhana Bus Depot
- 3\ Kothrud Bus Depot
- 4\ Wakdewadi ST Stand
- 5\ Pune Railway Station
- 6\ Swargate Bus Depot

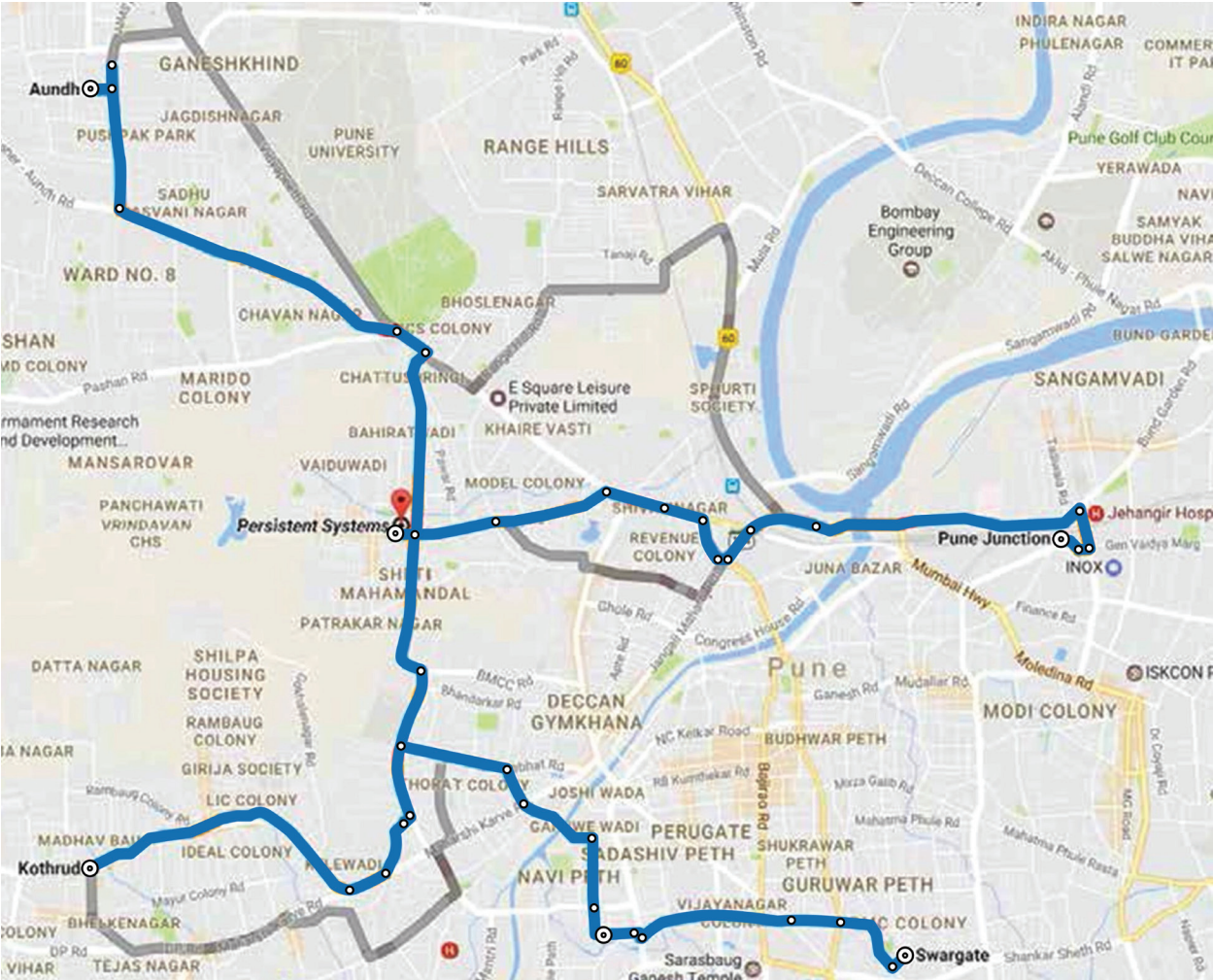
If you wish to avail this facility, we request you to kindly register yourself with us with your name, pick-up point, and contact details on or before Tuesday, July 11, 2023, by e-mail to [investors@persistent.com](mailto:investors@persistent.com) or you may contact:

**Mr. Amol Undre**

Associate General Manager – Administration  
Persistent Systems Limited  
Bhageerath, 402 Senapati Bapat Road, Pune 411 016, India  
Tel.: +91 (20) 6703 0000 Extn.: 34450

Physically challenged members who require any assistance at the venue, are also requested to contact Mr. Amol Undre.

# Route to 33<sup>rd</sup> Annual General Meeting venue



Maps Data: Google, ©2022

## Notice

NOTICE is hereby given that the THIRTY-THIRD Annual General Meeting of the Members of Persistent Systems Limited will be held on Tuesday, July 18, 2023, at 1600 Hrs. (IST) at Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India in-person and through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at Members' best convenience, to transact the following business:

Item No.	Summary of Businesses to be transacted at the 33 <sup>rd</sup> Annual General Meeting	Page No.
<b>Ordinary Businesses</b>		
1\	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, Reports of the Board of Directors and Auditors thereon	<a href="#">4</a>
2\	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023	<a href="#">4</a>
3\	To confirm the payment of the Interim Dividend of ₹ 28 per equity share of ₹ 10 each and to approve the payment of a Final Dividend of ₹ 12 per equity share of ₹ 10 each and a Special Dividend of ₹ 10 per equity share of ₹ 10 each, recommended for the Financial Year 2022-23	<a href="#">4</a>
4\	To appoint a director in place of Dr. Anand Deshpande, India (DIN: 00005721), Chairman and Managing Director, who retires by rotation and has confirmed his eligibility and willingness to accept the office, if re-appointed	<a href="#">4</a>
<b>Special Businesses</b>		
5\	To appoint Dr. Ajit Ranade, India (DIN: 00918651) 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 6, 2023, to June 5, 2028	<a href="#">5</a>
6\	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 500,000 stock options from 1.4 Million stock options to 1.9 Million stock options	<a href="#">5</a>
7\	To Grant employee stock options to the employees of subsidiary company(ies) of the Company under 'Persistent Employee Stock Option Scheme 2014'	<a href="#">6</a>
8\	To approve an amendment in the 'Persistent Systems Limited – Employee Stock Option Plan 2017 (ESOP 2017)' to increase the number of stock options allocated to ESOP 2017 by 2,500,000 stock options from 5.5 Million stock options to 8.0 Million stock options	<a href="#">6</a>
9\	To Grant employee stock options to the employees of subsidiary company(ies) of the Company under 'Persistent Systems Limited – Employee Stock Option Plan 2017'	<a href="#">6</a>

### Ordinary Businesses

- 1\ To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, Reports of the Board of Directors and Auditors thereon
- 2\ To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023
- 3\ To confirm the payment of the Interim Dividend of ₹ 28 per equity share of ₹ 10 each and to approve the payment of a Final Dividend of ₹ 12 per equity share of ₹ 10 each and a Special Dividend of ₹ 10 per equity share of ₹ 10 each, recommended for the Financial Year 2022-23 on the Company crossing the US \$1B milestone in revenues
- 4\ To appoint a director in place of Dr. Anand Deshpande, India (DIN: 00005721), Chairman and Managing Director, who retires by rotation and has confirmed his eligibility and willingness to accept the office, if re-appointed

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Dr. Anand Deshpande, India (DIN: 00005721), Chairman and Managing Director, who retires by rotation at this meeting, being eligible for re-appointment, has confirmed his eligibility and willingness to accept the office, be and is hereby re-appointed as a Director of the Company on the same terms and conditions as approved by the Members at the 30<sup>th</sup> Annual General Meeting held on July 24, 2020.

## Special Businesses

- 5\ To appoint Dr. Ajit Ranade, India (DIN: 00918651) 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 6, 2023, to June 5, 2028

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Article 112 of the Articles of Association of the Company and all other applicable provisions, if any, **Dr. Ajit Ranade**, India (DIN: 00918651), who was appointed as an Additional Director (Independent Member) of the Company by the Board of Directors with effect from June 6, 2023, and who holds office till the date of the 33<sup>rd</sup> Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Dr. Ranade as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for the term of 5 (five) consecutive years i.e. from **June 6, 2023, to June 5, 2028**; subject to Dr. Ranade satisfying the criteria of independence during the tenure of his appointment in terms of the Companies Act, 2013, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall not be liable to retire by rotation.

- 6\ To approve an amendment in the 'Persistent Employee Stock Option Scheme 2014' to increase the number of stock options allocated to the 'Persistent Employee Stock Option Scheme 2014' ("PESOS 2014") by 500,000 stock options from 1.4 Million stock options to 1.9 Million stock options

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

**RESOLVED THAT** in partial modification of earlier special resolution passed by the Members of the Company at agenda item number 6 and 7 in the 31<sup>st</sup> Annual General Meeting of the Company dated July 21, 2021 amending the 'Persistent Employee Stock Option Scheme 2014' ("PESOS 2014"), pursuant to the provisions of Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 read with all circulars and notifications issued thereunder ('SBEB Regulations'), the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, the provisions of the Memorandum and Articles of Association of the Company, subject further to such other approvals, permissions and sanctions as may be necessary, subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Members be and is hereby accorded to the amended PESOS 2014 being revised as follows:

To increase the aggregate number of employee stock options ("Options") as originally reserved thereunder from 1,400,000 (One Million Four Hundred Thousand) Options to 1,900,000 (One Million Nine Hundred Thousand) Options by creating additional 500,000 (Five Hundred Thousand) Options for the grant to the eligible employees of the Company and that of its subsidiary(ies), from time to time.

**RESOLVED FURTHER THAT** these can be distributed in one or more tranches, convertible into not exceeding 1,900,000 (One Million Nine Hundred Thousand) equity shares ("Shares") of face value of ₹ 10 (Rupees Ten Only) each fully paid-up upon exercise of vested Options

**RESOLVED FURTHER THAT** these additional options will be sourced by way of fresh issue and/or secondary acquisition, through the 'PSPL ESOP Management Trust' ("Trust") an irrevocable employee welfare trust set up by the Company for the administration of the ESOP Schemes of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares are required to be transferred by the Trust to the Option grantees for the purpose of making a fair and reasonable adjustment to Options granted earlier, the proposed ceiling in terms of the number of Options and Shares specified above shall be deemed to be increased to the extent of such additional Shares required to be transferred.

**RESOLVED FURTHER THAT** in case the Shares of the Company are either sub-divided or consolidated, the number of Options to be granted by the Company and Shares to be transferred by the Trust, shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- per Share shall bear to the revised face value of the Shares of the Company after such sub-division or consolidation, and the ceiling in terms of the number of Options and Shares specified above shall be deemed to be adjusted accordingly.

**RESOLVED FURTHER THAT** the Shares that can be acquired by way of secondary acquisition in any financial year through the Trust under all the share-based employee benefits schemes of the Company including amended PESOS 2014 (collectively referred to as “Schemes”) shall not exceed the statutory ceiling of 2% (two percent) of the paid-up equity capital of the Company as prescribed under Regulation 3(10) of SEBI SBEB Regulations.

**RESOLVED FURTHER THAT** the Shares held by the Trust, acquired by way of secondary acquisition, under all the Schemes at no time shall exceed the overall statutory ceiling of 5% (five percent) of the paid-up equity capital of the Company as prescribed under Regulation 3(11) of SEBI SBEB Regulations.

**RESOLVED FURTHER THAT** the Company and the Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the amended PESOS 2014.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations) be and is hereby authorised for the purpose of giving effect to this resolution and to do all such acts, deeds, matters and things including any eventual amendment to the deed of Trust and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for giving effect to this resolution with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard in conformity with the provisions of the Companies Act, 2013, SEBI SBEB Regulations, the Memorandum and Articles of Association of the Company and other applicable laws.

- 7\ To Grant employee stock options to the employees of subsidiary company(ies) of the Company under ‘Persistent Employee Stock Option Scheme 2014’

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, pursuant to the provisions of Regulation 6(3)(c) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 read with all circulars and notifications issued thereunder (‘SBEB Regulations’), the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the amended ‘Persistent Employee Stock Option Scheme 2014’ (“PESOS 2014”) as mentioned in item no. 6, subject further to such other approvals, permissions and sanctions as may be necessary, subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of the Members be and is hereby accorded authorizing the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to offer, grant, issue and transfer from time to time, in one or more tranches of such number of employee stock options (“Options”) under the PESOS 2014 within the limit prescribed therein to the eligible employees of any subsidiary company(ies) of the Company whether in or outside India, as may be decided under PESOS 2014, exercisable into a corresponding number of equity shares of face value of ₹ 10 (Rupees Ten only) each fully paid-up, where one employee stock Option would convert into one equity share upon exercise and be transferred to the Option grantee by the PSPL ESOP Management Trust of the Company, on such terms and in such manner as the Board/ Committee may decide in accordance with the provisions of the applicable laws and the provisions of PESOS 2014 as amended.

- 8\ To approve an amendment in the 'Persistent Systems Limited – Employee Stock Option Plan 2017 (ESOP 2017)' to increase the number of stock options allocated to the ESOP 2017 by 2,500,000 shares from 5.5 Million stock options to 8.0 Million stock options

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

**RESOLVED THAT** in partial modification of earlier special resolution passed by the Members of the Company at agenda item numbers 8 and 9 at the 31<sup>st</sup> Annual General Meeting of the Company dated July 21, 2021 amending the Persistent Systems Limited – Employee Stock Option Plan 2017' ("ESOP 2017"), pursuant to the provisions of Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 read with all circulars and notifications issued thereunder ('SBEB Regulations'), the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, the provisions of the Memorandum and Articles of Association of the Company, subject further to such other approvals, permissions and sanctions as may be necessary, subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Members be and is hereby accorded to the amended ESOP 2017 being revised as follows:

To increase the aggregate number of employee stock options ("Options") as originally reserved thereunder from 5,500,000 (Five Million Five Hundred Thousand) Options to 8,000,000 (Eight Million) Options by creating additional 2,500,000 (Two Million Five Hundred Thousand) Options for grant to the eligible employees of the Company and that of its subsidiary(ies), from time to time.

**RESOLVED FURTHER THAT** these can be distributed in one or more tranches, convertible into not exceeding 8,000,000 (Eight Million) equity shares ("Shares") of face value of ₹ 10 each fully paid-up upon exercise of vested Options

**RESOLVED FURTHER THAT** these additional options will be sourced by way of fresh issue and/or secondary acquisition, through the 'PSPL ESOP Management Trust' ("Trust") an irrevocable employee welfare trust set up by the Company for the administration of the ESOP Schemes of the Company

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares are required to be transferred by the Trust to the Option grantees for the purpose of making a fair and reasonable adjustment to Options granted earlier, the proposed ceiling in terms of number of Options and Shares specified above shall be deemed to be increased to the extent of such additional Shares required to be transferred.

**RESOLVED FURTHER THAT** in case the Shares of the Company are either sub-divided or consolidated, the number of Options to be granted by the Company and Shares to be transferred by the Trust, shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10 per Share shall bear to the revised face value of the Shares of the Company after such sub-division or consolidation, and the ceiling in terms of number of Options and Shares specified above shall be deemed to be adjusted accordingly.

**RESOLVED FURTHER THAT** the Shares that can be acquired by way of secondary acquisition in any financial year through the Trust under all the share-based employee benefits schemes of the Company including amended ESOP 2017 (collectively referred to as "Schemes") shall not exceed the statutory ceiling of 2% (two percent) of the paid-up equity capital of the Company as prescribed under Regulation 3(10) of SEBI SBEB Regulations.

**RESOLVED FURTHER THAT** the Shares held by the Trust, acquired by way of secondary acquisition, under all the Schemes at no time shall exceed the overall statutory ceiling of 5% (five percent) of the paid-up equity capital of the Company as prescribed under Regulation 3(11) of SEBI SBEB Regulations.

**RESOLVED FURTHER THAT** the Company and the Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the amended ESOP 2017.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations) be and is hereby authorised for the purpose of giving effect to this resolution and to do all such acts, deeds, matters and things including any eventual amendment to the deed of Trust and sign deeds, documents, letters and such other papers as may

be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for giving effect to this resolution with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard in conformity with the provisions of the Companies Act, 2013, SEBI SBEB Regulations, the Memorandum and Articles of Association of the Company and other applicable laws.

- 9\ To Grant employee stock options to the employees of subsidiary company(ies) of the Company under 'Persistent Systems Limited – Employee Stock Option Plan 2017'

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, pursuant to the provisions of Regulation 6(3)(c) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 read with all circulars and notifications issued thereunder ('SBEB Regulations'), the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the amended 'Persistent Systems Limited – Employee Stock Option Plan 2017' ("ESOP 2017") as mentioned in item no. 8, subject further to such other approvals, permissions and sanctions as may be necessary, subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of the Members be and is hereby accorded authorising the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to offer, grant, issue and transfer from time to time, in one or more tranches of such number of employee stock options ("Options") under the ESOP 2017 within the limit prescribed therein to the eligible employees of any subsidiary company(ies) of the Company whether in or outside India, as may be decided under ESOP 2017, exercisable into a corresponding number of equity shares of face value of ₹ 10 (Rupees Ten only) each fully paid-up, where one employee stock Option would convert into one equity share upon exercise and be transferred to the Option grantee by the PSPL ESOP Management Trust of the Company, on such terms and in such manner as the Board / Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2017 as amended.

By the order of the Board of Directors

**Amit Atre**

Company Secretary

ICSI Membership No.: ACS 20507

Mumbai, June 6, 2023

**Persistent Systems Limited**

CIN: L72300PN1990PLC056696

**Registered Office**

'Bhageerath', 402 Senapati Bapat Road

Pune 411 016, India

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E-mail: [investors@persistent.com](mailto:investors@persistent.com)

Website: [www.persistent.com](http://www.persistent.com)



## Notes

- 1\ Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the 'Act'), with respect to the Special Business to be transacted at the Thirty Third Annual General Meeting (the 'Meeting/AGM') is annexed hereto.
- 2\ The AGM will be held in hybrid mode i.e. in addition to holding this meeting at its Registered Office, the AGM shall also be held in compliance with applicable provisions of the Companies Act, 2013, Rules made thereunder, read with General Circulars issued by the Ministry of Corporate Affairs ("MCA") having reference No. 14/2020, 17/2020, 20/2020 dated April 8, 2020, April 13, 2020, May 5, 2020, along with subsequent circulars issued in this regard, the latest being Circular No. 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars"), and the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circulars issued by the SEBI having reference No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, respectively.

These MCA and SEBI Circulars have permitted the holding of AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and MCA and SEBI Circulars, the AGM of the Company is being held through VC/OAVM. In addition to this, the Members of the Company who wish to attend the meeting in person may do so as per the instructions provided elsewhere in this Notice.

- 3\ Pursuant to SS-2 i.e. Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the Meeting venue showing the prominent landmarks is given elsewhere in this Notice. Further, the Company has uploaded the above route map on its website at [Annual General Meeting | Persistent Systems](#).
- 4\ The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are annexed.
- 5\ **For Members attending in-person:** A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DULY FILLED, STAMPED, SIGNED, AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

**For Members attending through VC/OAVM:** Since this AGM is being held also through VC/OAVM pursuant to the MCA circulars, the facility for the appointment of proxies by the members who will attend the meeting through these modes will not be available.

- 6\ A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other shareholder.
- 7\ Corporate Members intending to send their authorised representative to attend the Meeting in person or through VC/OAVM are requested to send the Company a duly certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 8\ Members, attending the meeting in person are requested to bring their attendance slip to the Meeting.
- 9\ In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 10\ As a measure of austerity and green initiatives of the Company, copies of the Annual Report will not be distributed at the Annual General Meeting.
- 11\ Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting. Also, the electronic copy of the relevant documents referred to in the accompanying Notice and the Statement will be made available for inspection by the Members through e-mail. The Members are requested to send an email to [investors@persistent.com](mailto:investors@persistent.com) for the same.
- 12\ Electronic copies of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the Directors are interested maintained under section 189 of the Act will be available for inspection by the Members at the time of the Meeting.

- 13\ The Company has notified closure of the Register of Members and Share Transfer Books from Wednesday, July 12, 2023, to Tuesday, July 18, 2023 (both days inclusive) for the purpose of AGM and payment of the Final Dividend of ₹ 12 per equity share of ₹ 10 each and a Special Dividend of ₹ 10 per share of ₹ 10 each subject to approval by the Members. The Final and Special Dividend, if approved, will be paid within 30 days from the date of approval/declaration to those Members whose names appear in the Register of Members as of Tuesday, July 11, 2023.
- 14\ Members desiring any information as regards financial statements are requested to write to the Company by Friday, July 14, 2023, so as to enable the management to keep the information ready.
- 15\ The Certificate from the Secretarial Auditors of the Company certifying that the Company's Employees Stock Option Award – X, Employee Stock Option Scheme 2014 and Employee Stock Option Plan 2016, and Employee Stock Option Plan 2017 are being implemented in accordance with the SEBI (Share Based Employee Benefits), Regulations, 2014, and in accordance with the resolution of the Members passed at the general meetings will be available for inspection by the Members at the Annual General Meeting.
- 16\ In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.persistent.com](http://www.persistent.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>
- 17\ Members attending the AGM in-person and through VC/OAVM shall be counted together for the purpose of reckoning the quorum under Section 103 of the Act.
- 18\ Members holding shares in the electronic form are requested to immediately intimate any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in the physical form are requested to advise any change in their address or bank mandates immediately to the Company/Link Intime India Private Limited (Registrar and Share Transfer Agent of the Company) ('Link Intime').
- 19\ In terms of the Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the SEBI has mandated the submission of a Permanent Account Number (PAN), Nomination, Contact details, Bank A/c details, and Specimen signature for their corresponding folio numbers by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link Intime. The forms required for submitting the necessary details are available for download at <https://www.persistent.com/investors/investors-communication/notice-to-physical-shareholders/>. The folios wherein any one of the cited documents/details as above are not available on or after October 01, 2023, shall be frozen by the RTA. Frozen folios shall be referred by the RTA / listed company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025. Non-Resident Indian Members are requested to inform their Depository Participant, immediately of:
- a. Change in their residential status on return to India for permanent settlement
  - b. Particulars of their bank account maintained in India with complete bank name, branch, account type, account number, and address of the bank with a pin code number, if not furnished earlier
- 20\ As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrars and Share Transfer Agent for assistance in this regard.
- 21\ Members who wish to claim dividends, which remained unclaimed, are requested to correspond to the Company at '[investors@persistent.com](mailto:investors@persistent.com)' or '[companysecretary@persistent.com](mailto:companysecretary@persistent.com)'. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ('IEPF') maintained by the Government of India. For the dividend amounts which have already been transferred to IEPF Account, Member needs to approach the Government authorities for the same and the procedure to avail of such dividend is available at <http://www.iepf.gov.in/IEPF/refund.html>

22\ With a view to taking “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies, the Ministry of Corporate Affairs (the ‘Ministry’) has allowed companies to share documents with Members through electronic communication. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow the public at large to contribute towards a greener environment. This is a golden opportunity for every Member to support the initiative of the Ministry.

To support the initiative of the Ministry and in view of Persistent Green Movement, the Company will henceforth propose to send documents to Members in electronic form, at the e-mail address provided by Members with their respective depositories. In case, Members desire to have a different e-mail address to be registered, they may please update the same with their respective Depository Participant. Registering an e-mail address helps to receive communication promptly, reduce paper consumption and save trees, eliminate wastage of paper, avoid loss of documents in postal transit and save costs on paper and on postage. The Company will also make available a copy of its Annual Report and quarterly results on its website.

23\ Members are requested to communicate matters relating to shares, including dividend matters to the Company’s Registrar and Share Transfer Agent at the following address:

**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, India

Tel.: +91 (20) 2616 0084/2616 1629/2616 3503

E-mail: [pune@linkintime.co.in](mailto:pune@linkintime.co.in) | Website: [www.linkintime.co.in](http://www.linkintime.co.in)

24\ Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source from the dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.

The shareholders are requested to update their PAN with the Company/Link Intime (in case of shares held in physical mode) and depositories (in case of shares held in Demat mode).

A resident individual shareholder with PAN who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Shareholders can submit their tax exemption forms directly on the portal of M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent of your Company.

The requisite form for claiming tax exemption can be downloaded from Link Intime’s website <https://www.linkintime.co.in/client-downloads.html> - On this page, select the General tab. All the forms are available under the head “Form 15G/15H/10F”. The aforementioned documents (duly completed and signed) are required to be uploaded on: <https://linkintime.co.in/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

\ Document attachment – 1 (PAN)

\ Document attachment - 2 (Forms)

\ Document attachment - 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done 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 a said interim/final dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents, the option is available to the Members to file the return of income as per Income Tax Act, 1961 and

claim an appropriate refund, if eligible. Shareholders are requested to note that in case their PAN is not registered or who have not linked PAN and Aadhaar (for dividend declared, distributed or paid on or after July 1 2023, subject to any further relaxation as may be provided by the CBDT), the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail of beneficial rates under a tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. Please note that the shareholders who have PAN may not be eligible for DTAA benefit if the e-filed Form 10F is not furnished. However, pursuant to the Notification dated March 28, 2023, CBDT exempted those non-residents who are not having PAN and are not required to have PAN as per the law from mandatory e-filing of Form 10F online until September 30, 2023, and such non-residents may make this statutory compliance of filing Form 10F in manual form as was being done prior to issuance of the Notification No. 3/2022 till September 30, 2023 only.

25\ Information and other instructions relating to e-Voting and joining the Meeting through VC/OAVM are as follows:

- A. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- B. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020 and May 5, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- C. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.persistent.com/wp-content/uploads/2023/06/agm-notice-2023.pdf>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- D. The Members who have cast their vote by remote e-Voting may also attend the Meeting but shall not be entitled to cast their vote again. In case any Member casts his/her vote through voting to be conducted at the time of the Meeting in addition to remote e-Voting, his voting through remote e-Voting shall be considered as final, and vote cast through voting at the time of the Meeting shall be considered as invalid.
- E. Voting rights shall be reckoned on the number of shares registered in the name of the Member/Beneficial Owner (in case of electronic shareholding) as on the cut-off date i.e. Tuesday, July 11, 2023.
- F. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **cut-off date i.e Tuesday, July 11, 2023** only, shall be entitled to avail the facility of remote e-Voting/e-Voting at the time of the Meeting.
- G. The remote e-Voting period commences from **0001 Hrs. (IST) on Saturday, July 15, 2023 and ends on Monday, July 17, 2023 at 1700 Hrs. (IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Tuesday, July 11, 2023, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

- H. Shareholders who would like to express their views/have questions to be asked at the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at [investors@persistent.com](mailto:investors@persistent.com) before Saturday, July 15, 2023. Those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for AGM.
- I. The Board of Directors has appointed M/s. SVD & Associates, Practicing Company Secretaries, Pune (represented by Mr. Sridhar Mudaliar (FCS 6156, COP 2664) or failing him Ms. Sheetal Joshi (FCS 10480, COP 11635)) as the Scrutinizers to scrutinise the remote e-Voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the same purpose. The Scrutinizer shall, immediately after the conclusion of e-Voting at the time of the AGM, unblock the votes cast through remote e-Voting/e-Voting at the time of AGM and make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to any of the Executive Directors of the Company, who shall countersign the same and declare the result of the voting forthwith.
- J. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company ([www.persistent.com](http://www.persistent.com)) and on the website of NSDL <https://www.evoting.nsdl.com> immediately after the declaration of result to any of the Executive Directors of the Company. The results shall also be immediately forwarded to the stock exchanges where the shares of the Company are listed.
- K. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the Notice is sent through e-mail and holding shares as of the cut-off date i.e. Tuesday, July 11, 2023, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-1020-990 and 1800-22-4430. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, July 11, 2023 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- L. e-Voting Event Number ('EVEN') of the Company is 124188.

**The instructions for members for remote e-Voting and joining the AGM are as under:**

**How do I vote electronically using NSDL e-Voting system?**



The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1\ Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2\ If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3\ Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4\ Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on:               <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div data-bbox="527 961 665 991" style="text-align: center;"> <p>Apple Store</p>  </div> <div data-bbox="717 961 855 991" style="text-align: center;"> <p>Google Play</p>  </div> </div> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1\ Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2\ After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3\ If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4\ Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 022-23058542-43

**B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- 1\ Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- 2\ Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- 3\ A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

- 4\ Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a. For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 124188 then user ID is 124188001***

- 5\ Password details for shareholders other than Individual shareholders are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c. How to retrieve your ‘initial password’?
  - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

- 6\ If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a. Click on “[Forgot User Details/Password?](#)” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. “[Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL
- 7\ After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- 8\ Now, you will have to click on “Login” button.
- 9\ After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- 1\ After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2\ Select “EVEN” of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
- 3\ Now you are ready for e-Voting as the Voting page opens.
- 4\ Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- 5\ Upon confirmation, the message “Vote cast successfully” will be displayed.
- 6\ You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7\ Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

- 1\ Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to [cs@svdandassociates.com](mailto:cs@svdandassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 2\ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- 3\ In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:**

- 1\ In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investors@persistent.com](mailto:investors@persistent.com).



- 2\ In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investors@persistent.com](mailto:investors@persistent.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- 3\ Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing above mentioned documents.
- 4\ In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**The instructions for members for e-Voting on the day of the AGM are as under:**

- 1\ The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- 2\ Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- 3\ Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- 4\ The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

**Instructions for members for attending the AGM through VC/OAVM are as under:**

- 1\ Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2\ Members are encouraged to join the Meeting through Laptops for a better experience.
- 3\ Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4\ Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

## Explanatory Statement — Pursuant to Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The following Explanatory Statement sets out material facts relating to Item no. 5 to 9 of the accompanying Notice:

### Explanatory Statement to the Special Businesses

#### Item no. 5: To appoint Dr. Ajit Ranade, India (DIN: 00918651) 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 6, 2023, to June 5, 2028

The Board of Directors appointed Dr. Ajit Ranade, Pune, India (DIN: 00918651) ([Dr. Ajit Ranade | Additional Director | Persistent Systems](#)) as an Additional Director (Independent Member) of the Company with effect from June 6, 2023, pursuant to the provisions of Section 161 of the Act read with Article 112 of the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Act, Dr. Ranade will hold office up to the date of this 33<sup>rd</sup> AGM. The Company has received a notice in writing under the provisions of Section 160 of the Act from a member proposing the candidature of Dr. Ranade for the office of Independent Director, to be appointed under the provisions of Section 149 of the Act. The appointment is of an Independent Director and the same has been recommended by the Nomination and Remuneration Committee and according to the Companies (Amendment) Act, 2017, there is no need to deposit ₹ 100,000 under Section 160 of the Act. Dr. Ranade is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Further, the Company has received a declaration from Dr. Ranade that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and the Listing Regulations. He also holds valid registration under the Independent Director's Database pursuant to the Notification dated October 22, 2019, issued by the MCA. A draft copy of the letter of appointment of Dr. Ranade as an Independent Director of the Company setting out the terms and conditions of his appointment, including remuneration, is available for inspection by the Members without any fee at the Company's Registered Office. The same is also uploaded on the Company's website.

#### Brief Profile of Dr. Ajit Ranade

Dr. Ajit Ranade is a noted economist. He received his Ph.D. in Economics from Brown University, USA. Before that, he did a 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, Bombay.

Dr. Ranade is the Vice-Chancellor at the Gokhale Institute of Politics and Economics ([gipe.ac.in – Gokhale Institute Of Politics & Economics](#)). Formerly, he was the member of the Board of Management at the Institute.

Before joining the Institute as the Vice-Chancellor, he was the Group Executive President and Chief Economist with the Aditya Birla Group, a US\$50B diversified multinational conglomerate.

His 32-year career has spanned both academic and corporate assignments. He has taught at the universities in India and the USA. He has served as a member of several committees of the Reserve Bank of India and as a member of apex committees of national industry bodies such as the Confederation of Indian Industry (CII) and the Federation of Indian Chambers of Commerce and Industry (FICCI). He was appointed as a member of the Economic Task Force for post-COVID economic recovery by the Hon. Chief Minister of Maharashtra, India.

Dr. Ranade has many publications in reputed journals and is one of the authors of the recent award-winning book 'Rising to the China Challenge'. He is also a regular columnist in leading financial newspapers and has numerous columns on different areas of the economy.

#### Other details of Dr. Ranade are as follows:

Name of the Director	Dr. Ajit Keshav Ranade
Father's Name	Mr. Keshav Sadashiv Ranade
Date of Birth/Age	April 24, 1961/ 62 years
Date of First Appointment	June 6, 2023
Expertise in specific functional area	1\ Expertise in macro and micro economic decisions 2\ Large-scale operations 3\ Strategy and Planning

Qualification	<ol style="list-style-type: none"> <li>1\ Ph.D. in Economics from Brown University, USA</li> <li>2\ Post Graduate Diploma in Management (PGDM) from the Indian Institute of Management, Ahmedabad</li> <li>3\ B. Tech. in Electrical Engineering from the Indian Institute of Technology, Bombay</li> </ol>
Shareholding in the Company of the Director including shareholding as a beneficial owner <sup>®</sup>	Nil
Shareholding in the Company of the spouse and immediate relatives of the Director	200(*) shares; held for more than 10 years
No. of Board meetings attended during the Financial Year 2022-23	Nil - Dr. Ranade was appointed as the Director on June 6, 2023
Chairman/Member of the Committee of the Board of Directors of the Company	NIL
List of Directorships in listed entities and the membership of Committees of the board [along with listed entities from which the person has resigned in the past three years]	NIL
List of outside Directorships held <sup>®</sup>	<ol style="list-style-type: none"> <li>1\ BSES Yamuna Power Limited</li> <li>2\ BSES Rajdhani Power Limited</li> <li>3\ The Clearing Corporation of India Limited</li> <li>4\ Axar Digital Services Private Limited</li> <li>5\ Aditya Birla Sun Life Trustee Private Limited</li> <li>6\ Mahratta Chamber of Commerce Industries and Agriculture</li> </ol>
Chairman/Member of the Committee of Directors of other Public Limited Companies in which he is a Director <sup>®</sup>	<ol style="list-style-type: none"> <li>1\ BSES Yamuna Power Limited-Chairman of the CSR Committee</li> <li>2\ BSES Rajdhani Power Limited- Chairman of the CSR Committee</li> <li>3\ Aditya Birla Sun Life Trustee Private Limited-Member of the Audit Committee</li> </ol>
Relationship with other Directors or Key Managerial Personnel of the Company inter-se <sup>®</sup>	<p>There is no inter se relationship between Dr. Ranade and the other Directors except the following:</p> <ol style="list-style-type: none"> <li>1\ Dr. Ranade is the Director of Mahratta Chamber of Commerce Industries and Agriculture (MCCIA) where Dr. Anand Deshpande (Chairman and Managing Director of the Company) is the Vice President and Director, and Mr. Arvind Goel (Independent Director of the Company) is the Director</li> <li>2\ Dr. Deshpande is the Nominee of the Chancellor on the Board of Management of Gokhale Institute of Politics and Economics, where Dr. Ranade is a Vice-Chancellor</li> </ol>
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	<p>Dr. Ajit Ranade has the skills and capabilities required for the role of Independent Director.</p> <p>Dr. Ranade has leadership skills and vast operational experience. He possesses deep understanding of economic matters and has vast experience having served as the Group Executive President and Chief Economist with for the Aditya Birla Group, a \$50 billion diversified multinational conglomerate. He also possesses skills in strategic planning, financial, regulatory / legal matters, risk management, corporate governance, etc. In view of these, appointment of Dr. Ranade as an Independent Director is in the interest of the Company.</p>

<sup>®</sup>As on June 6, 2023

(\*) Held by spouse jointly with Dr. Ajit Ranade, Director

In the opinion of the Board of Directors, Dr. Ranade fulfills the conditions for his appointment as an Independent Director as per the statutory requirements. He is independent of management and possesses appropriate skills, experience, and knowledge. Except for Dr. Ranade, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors of your Company is of the opinion that the appointment of Dr. Ranade as an Independent Director of the Company would be beneficial to the Company and hence recommends the Resolution at Item no. 5 for the approval of the Members as a Special Resolution.

**Item no. 6, 7, 8, 9:**

The Company had implemented the 'Persistent Employee Stock Option Scheme 2014' ("PESOS 2014") and 'Persistent Systems Limited – Employee Stock Option Plan 2017' ("ESOP 2017") (collectively referred to as Schemes) with a view to attract, retain and incent key employees and leadership talent working with the Company and its subsidiary(ies) and to motivate them to contribute to the overall corporate growth, profitability and to augment shareholders' value. In addition, employee stock options ("Options") are a well-understood construct to create employee co-ownership and align the interest of employees with that of the Members of the Company.

The PESOS 2014 and ESOP 2017 Schemes were originally approved by the Members of the Company by way of Special Resolutions dated July 26, 2014, and July 20, 2017, respectively, and subsequently amended during AGM 2021 by way of Special Resolutions dated July 21, 2021, in due compliance with the then prevailing provisions of the Companies Act, 2013 and that of the erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with relevant circular issued thereunder. Amendments proposed under both the PESOS 2014 and ESOP 2017 are in compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with all circulars and notifications issued thereunder ('SBEB Regulations') which replaced the erstwhile 2014 regulations.

These Schemes along with other share-based employee benefits schemes of the Company are administered through an irrevocable employee welfare trust namely 'PSPL ESOP Management Trust' ("Trust") of the Company. For both Schemes, the shareholders have approved the source of equity to the Trust to either be through a fresh issue and/or by secondary acquisition to comply with the vesting schedule for the grants.

The original reserve approved by the Shareholders under the PESOS 2014 and ESOP 2017 schemes was 1,000,000 and 3,400,000 options, respectively.

In AGM held in July 2021, the Shareholders approved an additional reserve of 400,000 and 2,100,000 options respectively, under the above 2 (two) schemes.

In the same meeting, to support the vesting schedule of the two schemes and for the earlier commitments on account of grants to employees on various occasions in the past, the shareholders were informed that the Company proposes to issue up to 3,000,000 fresh shares to the Trust from FY 2023-24 and up to 800,000 shares to be acquired through the secondary market.

Of the 3,000,000 approved for fresh issue by the shareholders, the Company has already issued 500,000 shares to the Trust in April 2023. Without prejudice to the flexibility sought in this regard, the Company proposes to issue the remaining shares to the Trust from FY 2023-24 to FY 2025-26.

As of June 6, 2023, the Company has granted (i) 1,284,030 Options out of the reserve of 1,400,000 Options under the PESOS 2014, and (ii) 4,547,386 Options out of the reserve of 5,500,000 Options under ESOP 2017. As of June 6, 2023, the Company has a balance of (i) 115,970 Options under the PESOS 2014 and (ii) 952,614 Options in ESOP 2017, aggregating to 1,068,584 Options.

**The Company has registered consistent growth over the last few years and has ambitious plans ahead. It is industry practice to grant stock options as long-term incentives to employees to motivate them to go above and beyond the regular call of duty. To support the growth plans over the next three to five years, the Company needs more Options to attract, retain, and motivate critical employees and leadership talent. In view of this, the current number of available Stock Options for new grants are insufficient and must be increased.**

It is therefore proposed to increase the number of Options by an additional 500,000 Options under PESOS 2014 and by an additional 2,500,000 Options under ESOP 2017 by amending clause 3.1 of the respective Schemes.

Please find below the summary of the proposal in a tabular form:

Particulars	PESOS 2014	ESOP 2017	Total
Additional Reserve approved by Members in the AGM held in July 2021	400,000	2,100,000	2,500,000
Total Options available for Grant after the approval in AGM held in July 2021	1,400,000	5,500,000	6,900,000
Granted to Employees till June 6, 2023	1,284,030	4,547,386	5,831,416
Balance Options available as on June 6, 2023	115,970	952,614	1,068,584
Approval for additional reserve of Options sought for	500,000	2,500,000	3,000,000
Total Options that would be available for grant	615,970	3,452,614	4,068,584

The above proposed increase in the shareholding of the Trust will be done in accordance with the potential vesting of Options granted under respective Schemes and any allotment of Shares to the Trust will be made at the respective Exercise Prices of the Underlying Options.

To support the vesting schedule of options to be granted in the future and without prejudice to the flexibility sought in this regard, the Company proposes to issue additional shares up to 575,000 and acquire up to 2,425,000 shares from the secondary market, starting from FY 2026-27.

Please note that the dilution as a result of the above fresh issuance of 575,000 Shares will be limited to no more than 0.70% over the current paid-up share capital of the Company.

The Company and the Trust shall ensure that the aforesaid additional quantum of Shares along with all Shares acquired and held, from time to time, in one or more tranches under all the Schemes of the Company taken together, by way of secondary acquisition, shall not exceed (i) the financial year-wise acquisition ceiling of 2% (two percent), and (ii) the overall ceiling for holding by the Trust at any time of 5% (five percent) of the paid-up equity capital of the Company as prescribed under Regulations 3(10) and 3(11) of SBEB Regulations, respectively.

It may be noted that options from the above additional reserve would vest only if the individual employees to whom options have been granted meet the following criteria:

- \ Individuals are in service at the time of vesting
- \ Company meets stipulated targets for top-line and bottom-line growth
- \ Individual performance criteria is fully met

Given the details of amendments, rationale thereof, and the beneficiaries of such variation, consent of the Members is being sought by way of Special Resolutions pursuant to Regulation 7 of the SBEB Regulations read with Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013.

The afore-stated proposals were approved by the Nomination and Remuneration Committee of the Directors (“Committee”) and your Board of Directors (“Board”) at their meetings held on June 6, 2023.

Features of the PESOS 2014 and ESOP 2017 shall remain the same as originally approved except as stated above and are reproduced again in terms of SEBI SBEB Regulations as under:

**a. Brief description of the schemes**

**PESOS 2014 and ESOP 2017:** Keeping the aforesaid objectives in view, both the schemes contemplate grant of Options to the eligible employees (which includes eligible Directors) of the Company and those of the subsidiary(ies) of the Company. Upon vesting of Options, the eligible employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain Shares of the Company from the Trust subject to payment of exercise price and satisfaction of tax obligation, if any, arising thereon. The Trust administers both the Schemes subject to the superintendence of the Committee.

**b. Total number of Options to be granted**

**PESOS 2014:** Upon amendment, the total number of Options to be granted (together with Options that may be granted to employees of any subsidiary companies) shall not exceed 1,900,000 Options (from earlier 1,400,000 Options).

**ESOP 2017:** Upon amendment, the total number of Options to be granted (together with Options that may be granted to employees of any subsidiary companies) shall not exceed 8,000,000 Options (from earlier 5,500,000 Options).

The SEBI SBEB Regulations require that in case of any corporate action such as rights issue, bonus issue, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number of Options and exercise price in such a manner that the total value of the Options

granted under PESOS 2014 and/or ESOP 2017 remains the same after any such corporate action keeping the life of the Options intact. Accordingly, if any additional Options are issued by the Company or the Trust is required to transfer additional Shares to the Option grantees for making such fair and reasonable adjustment, the aforesaid ceiling of Options/ Shares shall be deemed to be adjusted.

**c. Identification of classes of employees entitled to participate in the schemes**

Permanent employees of the Company, working in India or outside India, a director (whether whole-time or not) of the Company and those of the Company's subsidiary(ies) in or outside India are eligible to participate in the PESOS 2014 and ESOP 2017.

Provided however that the following persons shall not be eligible to participate in PESOS 2014 and ESOP 2017:

- \ an employee who is a "Promoter" or belongs to the "Promoter Group" as defined in the SBEB Regulations; or
- \ a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company; or
- \ Independent Directors

The Company intends to continue with the current definition of 'Employee' under both the Schemes.

**d. Requirements of vesting and period of vesting**

**PESOS 2014:** All the Options granted on any date shall vest not earlier than a minimum of 1 (one) year and not later than a maximum of 5 (five) years from the date of grant of Options as may be determined by the Committee. The Committee may extend, shorten, or otherwise vary the vesting period from time to time subject to these minimum and maximum ceilings. Vesting of Options would be subject to continued employment with the Company or its Holding or Subsidiary Company, as the case may be, and the attainment of specific performance parameters.

**ESOP 2017:** All the Options granted on any date shall vest not earlier than a minimum of 1 (One) year and not later than a maximum of 5 (five) years from the date of grant. The Committee may extend, shorten, or otherwise vary the vesting period from time to time subject to these minimum and maximum ceilings. Vesting of Options would be subject to continued employment with the Company or Subsidiary Company, as the case may be, on the date of Vesting. Thus, the Options would vest on completion of the Vesting Period.

In addition to this, the Committee may also specify certain performance parameters, detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest.

Currently, the Vesting Criterion approved by the Committee and Board for the fresh pool of Options under both Schemes is as below:

- a. 50% of the Options granted shall have time-based vesting; and
- b. 50% of the Options granted shall have performance-based vesting

The attainment of performance parameters would be a mandatory condition for the vesting of Options under both Schemes as determined by the Committee from time to time. The Performance parameters will include revenue growth, earnings growth, individual performance, etc. The Committee may vary the weightages depending on business requirements.

**e. Maximum period within which the Options shall be vested**

**PESOS 2014 and ESOP 2017:** All the Options granted after the date of this resolution shall vest not later than a maximum of 5 (five) years from the date of grant of Options as stated above.

**f. Exercise price or pricing formula**

**PESOS 2014:** The exercise price shall be equal to the face value of shares i.e. INR 10 per Option.

**ESOP 2017:** The exercise price per Option shall be equal to the value being at a discount of 15% (fifteen percent) from the Market Price within the meaning of the plan. The term "Market Price" carries the same meaning as defined in the SEBI SBEB Regulations.

**g. Exercise period and the process of Exercise**

**PESOS 2014:** The exercise period would be 1 (one) year from the date of vesting of respective Options. The Shares transferred out of exercise of vested Options will not be subject to any lock-in period after such exercise.

**ESOP 2017:** The employee stock options granted may be exercised by the Option Grantee at any time within the Exercise Period determined by the Committee from time to time subject to a maximum period of 12 (Twelve) months from the date of Vesting of the respective Options.

The vested Option shall be exercisable by the Option grantees by a written application to the Company/Trust expressing his/her desire to exercise such Options in such manner and in such format as may be prescribed by the Committee from time to time. Exercise of Options shall be entertained only after payment of the requisite exercise price and satisfaction of applicable taxes by the Option grantee. The Options shall lapse if not exercised within the specified exercise period.

Subject to the maximum exercise period approved by the shareholders of the Company from the date of Vesting of Options except the cases of termination of employment due to death and Permanent Incapacity in which case the exercise period shall be six months from the date of incurring such eventuality.

**h. Appraisal and eligibility of employees under the schemes**

**PESOS 2014:** The appraisal process for determining the eligibility would be determined by the Committee from time to time based on broad criteria for appraisal and selection such as parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, Company's values, etc. As regard the new joiners especially appointed in the senior cadre, the Committee shall have the discretion to decide the criteria for ascertaining the eligibility for grant of Options. All Employees of the Company and its Subsidiary Companies are eligible for being granted employee stock options under PESOS 2014. The specific Employees to whom the Options would be granted and their eligibility criteria would be determined by the Compensation and Remuneration Committee.

The Scheme shall be applicable to the Employees of the Company, its Subsidiary companies in India and abroad and may be granted to the Employees and Directors of the Company, its subsidiaries, as determined by the Nomination and Remuneration Committee at its own discretion.

**ESOP 2017:** The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company or its subsidiary, as the case may be. Only Employees are eligible for being granted employee stock options under ESOP 2017. The specific Employees to whom the Options would be granted and their eligibility criteria would be determined by the Compensation and Remuneration Committee at its sole discretion. This ESOP 2017 shall be applicable to the Company and its Subsidiary Companies in India and abroad, and Options may be granted to the Employees of respective companies, as determined by the Compensation and Remuneration Committee at its sole discretion.

**i. Maximum number of Options to be issued per employee and in aggregate**

**PESOS 2014:** The number of Options that may be offered to any specific Employee shall not exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant of Options under PESOS 2014.

**ESOP 2017:** The maximum number of Options that may be granted to an eligible Employee shall vary depending upon the designation and the appraisal/assessment process, however, shall not exceed the ceiling of 2,00,000 (Two Lakh) in number per such Employee and in aggregate under ESOP 2017. The Nomination and Remuneration Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee within this ceiling.

**j. Maximum quantum of benefits to be provided per employee under the schemes**

Apart from the grant of Options as stated above, no monetary benefits are contemplated under both PESOS 2014 and ESOP 2017.

**k. Route of implementation**

Both PESOS 2014 and ESOP 2017 are being implemented and administered through the Trust of the Company.

**l. Source of acquisition of Shares under the schemes**

Both PESOS 2014 and ESOP 2017 as originally envisaged contemplated the acquisition of Shares from secondary acquisition. However, amended PESOS 2014 and ESOP 2017 contemplate the acquisition of Shares from fresh issue and/ or secondary market acquisition as explained above.

**m. Amount of loan to be provided for implementation of the schemes(s) by the Company to the Trust, its tenure, utilisation, repayment terms, etc.**

**PESOS 2014:** There was no specific disclosure as per requirements of the then-prevailing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. However, the Company has not given any loan to the Trust for PESOS 2014 till date. Further, the Company does not intend to grant any loan to the Trust for acquiring Shares through allotment / secondary purchase required for this scheme.

**ESOP 2017:** The amount of loan or provision of guarantee or security in connection with a loan to the Trust by the Company shall not exceed the amount being 5% (Five Percent) of the aggregate of the paid-up Share capital and free reserves of the Company as per the latest audited accounts. The Trust will acquire Shares by way of secondary acquisition / primary issue as per the Options grant schedule which is spread over a period of five years. The Trust will use its existing available funds for the purchase of Shares and the balance amount as required will be lent by the Company to the Trust as per the grant schedule. The Trust will start repaying the loan as and when it receives money (i.e., exercise price) from the employees upon exercise of Options.

Any loan to be provided by the Company shall be at arm's length basis as to rate of interest subject to the tenure of such loan being 8 (Eight) years from the date of each tranche of loan disbursement or term of ESOP 2017, whichever is earlier, subject further to a loan moratorium up to 5 (Five) years from the date of disbursement.

The Trust shall use the loan amount disbursed from time to time only for the purposes of the ESOP 2017 and strictly in accordance with provisions of SEBI SBEB Regulations.

**n. Maximum percentage of secondary acquisition under the schemes**

PESOS 2014 and ESOP 2017: The number of Shares that may be acquired through the secondary market should not exceed 2% per annum of the paid-up equity capital as at the end of the financial year and subject to an overall cap of 5% of the paid-up equity capital as at the end of the financial year immediately prior to the year in which shareholders approval as mentioned in clause 3.1 above is obtained.

**o. Accounting and disclosure policies**

For both PESOS 2014 and ESOP 2017, the Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other statutory authority, from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SEBI SBEB Regulations.

**p. Method of Option valuation**

For both PESOS 2014 and ESOP 2017, the Company shall adopt 'Fair Value Method' for valuation of Options as prescribed under IND-AS accounting standard or under other any Accounting Standard, as applicable, notified by competent authorities from time to time.

**q. Declaration**

For both PESOS 2014 and ESOP 2017, in case the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

**r. Period of lock-in**

For both Schemes, the Shares issued pursuant to the exercise of vested Options shall not be subject to any lock-in period restriction in general. Usual restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended, shall apply.



**s. Terms & conditions for buyback, if any, of specified securities / Options covered granted under the Plan**

Subject to the provisions of the then prevailing applicable laws, the Board/Committee shall determine the procedure for buy-back of the specified securities/ Options if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

Consent of the members is being sought by way of special resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and as per Regulations 6 and 7 of the SBEB Regulations.

The amended copies of the PESOS 2014 and ESOP 2017 are available for inspection at the Company's Registered Office during office hours on all working days till the date of the 33<sup>rd</sup> Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in this resolution, except to the extent they may be lawfully granted Options under the PESOS 2014 and ESOP 2017.

The Board of Directors recommends the resolutions at Item Nos. 6, 7, 8, and 9 for the approval of the Members as Special Resolutions.

In light of the above, you are requested to accord your approval to the Special Resolutions as set out at Item Nos. 6, 7, 8 and 9 of the accompanying Notice.



CIN: L72300PN1990PLC056696

Registered Office: 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India

Tel: +91 (20) 6703 0000 | Fax: +91 (20) 6703 0008

E-mail: [investors@persistent.com](mailto:investors@persistent.com) | Website: [www.persistent.com](http://www.persistent.com)

**Form No. MGT - 11**

**Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and

Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Thirty-Third Annual General Meeting 2022-23**

Name of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Folio No./DP ID and Client ID: \_\_\_\_\_

I/We being the Member(s) holding \_\_\_\_\_ shares of above-named Company, hereby appoint:

1\ Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

2\ Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

3\ Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the Company scheduled to be held on Tuesday, July 18, 2023, at 1600 Hrs. (IST) at Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India, and at any adjournment thereof, in respect of such resolutions as are indicated below:

**Item No. Summary of Businesses to be transacted at the 33<sup>rd</sup> Annual General Meeting**

<b>Ordinary Businesses</b>	
1\	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, Reports of the Board of Directors and Auditors thereon
2\	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023
3\	To confirm the payment of the Interim Dividend of ₹ 28 per equity share of ₹ 10 each and to approve the payment of a Final Dividend of ₹ 12 per equity share of ₹ 10 each and a Special Dividend of ₹ 10 per equity share of ₹ 10 each, recommended for the Financial Year 2022-23
4\	To appoint a director in place of Dr. Anand Deshpande, India (DIN: 00005721), Chairman and Managing Director, who retires by rotation and has confirmed his eligibility and willingness to accept the office, if re-appointed
<b>Special Businesses</b>	
5\	To appoint Dr. Ajit Ranade, India (DIN: 00918651) 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 6, 2023, to June 5, 2028
6\	To approve an amendment in the 'Persistent Employee Stock Option Scheme 2014 (PESOS 2014)' to increase the number of stock options allocated to the PESOS 2014 by 500,000 stock options from 1.4 Million stock options to 1.9 Million stock options
7\	To Grant employee stock options to the employees of subsidiary company(ies) of the Company under 'Persistent Employee Stock Option Scheme 2014'
8\	To approve an amendment in the 'Persistent Systems Limited – Employee Stock Option Plan 2017 (ESOP 2017)' to increase the number of stock options allocated to the ESOP 2017 by 2,500,000 stock options from 5.5 Million stock options to 8.0 Million stock options
9\	To Grant employee stock options to the employees of subsidiary company(ies) of the Company under 'Persistent Systems Limited – Employee Stock Option Plan 2017'

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Folio No./DP ID and Client ID: \_\_\_\_\_

Signature of Member: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp of  
15 Paise

**Note:** This proxy form in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



CIN: L72300PN1990PLC056696

Registered Office: 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India

Tel: +91 (20) 6703 0000 | Fax: +91 (20) 6703 0008

E-mail: [investors@persistent.com](mailto:investors@persistent.com) | Website: [www.persistent.com](http://www.persistent.com)

**Attendance Slip**

**Sr. No.**

Registered Folio No./DP ID & Client ID: \_\_\_\_\_

Name and address of the Member(s): \_\_\_\_\_

Joint Holder 1 \_\_\_\_\_

Joint Holder 2 \_\_\_\_\_

No. of Shares: \_\_\_\_\_

I/We record my/our presence at the 'THIRTY-THIRD ANNUAL GENERAL MEETING' of the Company to be held on Tuesday, July 18, 2023, at 1600 Hrs. (India Time) at Persistent Systems Limited, Dewang Mehta Auditorium, Bhageerath, 402 Senapati Bapat Road, Pune 411 016, India.

Member's/Proxy's name in Block Letters

Member's / Proxy's Signature

**Note:**

- 1\ Please fill in the name and sign this Attendance Slip and deposit the same with the Company Officials at the venue of the Meeting.
- 2\ Please read the instructions printed under the Notes to the Notice of the 33<sup>rd</sup> Annual General Meeting to be held on Tuesday, July 18, 2023, at 1600 Hrs (IST).
- 3\ The remote e-Voting period starts from 0001 Hrs. on Saturday, July 15, 2023, and ends on Monday, July 17, 2023, at 1700 Hrs (IST). The voting module shall be disabled by the National Securities Depository Limited (NSDL). The e-Voting facility shall be available to the Members at the time of the AGM.

Notes

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**Persistent**

See Beyond, Rise Above


Persistent Systems Limited  
CIN: L72300PN1990PLC056696

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