

NSE & BSE / 2023-24 / 134

October 18, 2023

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

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

Ref: Symbol: PERSISTENT

Ref: Scrip Code: 533179

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on October 17, 2023, and continued on October 18, 2023

Ref: Our earlier intimation under reference no. NSE & BSE / 2023-24 /126 dated September 20, 2023 ('Intimation')

Pursuant to the above-referred intimation, we wish to inform you that, the Board of Directors, at its meeting, held on October 18, 2023, commenced at 0800 Hrs (IST) and concluded at 1515 Hrs (IST), has *inter-alia* taken the following decisions:

Approval of the Audited Financial Results for the quarter and half year ended September 30, 2023

Pursuant to Regulation 33 and all other applicable regulations, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audited Financial Results for the quarter and half year ended September 30, 2023, have been approved. Accordingly, we enclose the following documents:

1. Auditors' Report dated October 18, 2023, on the Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2023;
2. Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2023;
3. Auditors' Report dated October 18, 2023, on the Standalone Financial Results of the Company for the quarter and half year ended September 30, 2023; and
4. Standalone Financial Results of the Company for the quarter and half year ended September 30, 2023.

Please acknowledge the receipt.

Thanking you,

Yours Sincerely,

For Persistent Systems Limited

Amit Atre
Company Secretary
ICSI Membership No.: A20507

Encl: As above

Walker Chandiook & Co LLP

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

To the Board of Directors of Persistent Systems Limited

Opinion

1. We have audited the accompanying consolidated financial results ('the Statement') of **Persistent Systems Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter and half year ended 30 September 2023, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'),.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited condensed interim financial statements of the subsidiaries, and controlled trust, as referred to in paragraph 11 below, the Statement:
 - (i) includes the financial results of the entities listed in Annexure 1;
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations,; and
 - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the quarter and half year ended 30 September 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Group, its associates and joint ventures, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Persistent Systems Limited

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

We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 11 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Group in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

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

8. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of Board of Directors's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matter(s)

11. We did not audit the financial results of twenty seven subsidiaries and one controlled trust included in the Statement, whose financial information reflects total assets of ₹ 12,707.90 million as at 30 September 2023, total revenues of ₹ 3,718.47 million, total net loss after tax of ₹ 245.26 million, total comprehensive loss of ₹ 256.54 million and net cash outflows of ₹ 3.24 million for the half year ended on that date, as considered in the Statement. These financial results have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

SHASHI

TADWALKAR

Digitally signed by
SHASHI TADWALKAR

Date: 2023.10.18

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Shashi Tadwalkar

Partner

Membership No. 101797

UDIN: 23101797BGXFGE2458

Place Pune

Date 18 October 2023

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

Annexure 1

List of entities included in the Statement

Sr. No.	Name of entity	Relationship
1	Persistent Systems Limited (PSL)	Holding Company
2	Persistent Systems, Inc. (PSI)	Wholly owned subsidiary of PSL
3	Persistent Systems Pte Ltd.	Wholly owned subsidiary of PSL
4	Persistent Systems France SAS	Wholly owned subsidiary of PSL
5	Persistent Systems Malaysia Sdn. Bhd.	Wholly owned subsidiary of PSL
6	Persistent Systems Germany GmbH (PSGG)	Wholly owned subsidiary of PSL
7	Persistent Telecom Solutions Inc.	Wholly owned subsidiary of PSI
8	Aepona Group Limited (AGL)	Wholly owned subsidiary of PSI
9	Persistent Systems UK Ltd. (Formerly known as Aepona Limited, UK)	Wholly owned subsidiary of AGL
10	Youperience Limited (Dissolved w.e.f. 27 June 2023)	Wholly owned subsidiary of YGmbH
11	Persistent Systems Lanka (Private) Limited (Formerly known as Aepona Software (Private) Limited)	Wholly owned subsidiary of AGL
12	Persistent Systems Mexico, S.A. de C.V.	Wholly owned subsidiary of PSI
13	Persistent Systems Israel Ltd.	Wholly owned subsidiary of PSI
14	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	Wholly owned subsidiary of PSGG
15	Capiot Software Private Limited	Wholly owned subsidiary of PSL
16	Capiot Software Inc. (Capiot US)	Wholly owned subsidiary of PSI
17	Persistent Systems Australia Pty Ltd (Formerly known as Capiot Software Pty Ltd)	Wholly owned subsidiary of Capiot US
18	Capiot Software Pte Limited (Dissolved w.e.f. 06 April 2023)	Wholly owned subsidiary of Capiot US
19	Persistent Systems S.R.L. Italy (Formed w.e.f. June 17 2022)	Wholly owned subsidiary of PSI
20	Software Corporation International	Wholly owned subsidiary of PSI
21	SCI Fusion360 LLC (Dissolved w.e.f. 05 June 2023)	Wholly owned subsidiary of PSI
22	Data Glove IT Solutions Limitada	Wholly owned subsidiary of PSGG
23	Persistent Systems S.R.L. Romania (Formed w.e.f. June 17,2022)	Wholly owned subsidiary of PSGG
24	MediaAgility Inc.(MAI) (Acquired w.e.f. May 4,2022)	Wholly owned subsidiary of Persistent Systems Inc.
25	MediaAgility Pte. Ltd. (Acquired w.e.f. May 4,2022)	Wholly owned subsidiary of MAI
26	MediaAgility UK Ltd. (Acquired w.e.f. May 4,2022)	Wholly owned subsidiary of MAI

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

Sr. No.	Name of entity	Relationship
27	Digitalagility S de RL de CV (Acquired w.e.f. May 4,2022)	Wholly owned subsidiary of MAI
28	MediaAgility India Private Limited (Acquired w.e.f. April 29,2022)	Wholly owned subsidiary of PSL
29	PSPL ESOP Management Trust (Controlled w.e.f. April 1,2022)	Controlled ESOP Trust
30	Persistent Systems Poland spolkaz.o.o (Formed w.e.f. April 05,2023)	Wholly owned subsidiary of PSI

Audited consolidated statement of assets and liabilities

Particulars	In ₹ Million		
	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4,457.94	3,300.14	4,859.95
Capital work-in-progress	415.68	1,164.01	161.38
Right-of-use assets	2,286.44	2,138.00	2,198.21
Goodwill	10,865.27	3,248.07	7,183.71
Other intangible assets	5,052.16	12,963.47	9,171.42
Financial assets			
- Trade receivables	741.49	-	709.45
- Investments	4,554.24	4,438.64	4,516.00
- Loans	-	-	-
- Other non-current financial assets	626.37	672.48	919.60
Deferred tax assets (net)	1,310.06	1,265.70	1,129.29
Other non-current assets	1,025.31	1,252.42	959.29
Total non-current assets	31,334.96	30,442.93	31,808.30
Current assets			
Financial assets			
- Investments	3,284.77	2,086.50	1,879.66
- Trade receivables (net)	15,797.87	13,238.51	15,253.22
- Cash and cash equivalents	4,394.72	4,407.37	4,670.12
- Bank balances other than cash and cash equivalents	3,235.24	4,450.52	4,362.68
- Other current financial assets	6,166.15	4,536.56	4,882.17
Current tax assets (net)	389.41	175.28	451.71
Other current assets	3,835.97	2,772.27	3,418.26
Total current assets	37,104.13	31,667.01	34,917.82
TOTAL ASSETS	68,439.09	62,109.94	66,726.12
EQUITY AND LIABILITIES			
Equity			
Equity share capital	769.25	764.25	764.25
Other equity	43,417.35	34,481.03	38,886.53
Total Equity	44,186.60	35,245.28	39,650.78
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	931.44	3,067.10	2,057.59
- Lease liabilities	1,627.03	1,570.47	1,592.20
- Other financial liabilities	-	2,436.43	2,888.92
Other non-current liabilities	25.63	-	34.83
Provisions	481.55	354.71	373.03
Total Non-current liabilities	3,065.65	7,428.71	6,946.57
Current liabilities			
Financial liabilities			
- Borrowings	2,242.08	2,274.73	2,227.51
- Lease liabilities	748.50	606.01	676.39
- Trade payables			
- Total outstanding dues of micro and small enterprises	19.15	17.21	34.04
- Total outstanding dues of creditors other than micro and small enterprises	6,406.61	5,818.97	5,655.04
- Other financial liabilities	5,702.71	4,357.60	3,944.70
Other current liabilities	2,168.38	2,348.31	2,647.71
Provisions	3,245.66	3,554.33	4,649.24
Current tax liabilities (net)	653.75	458.79	294.14
Total current liabilities	21,186.84	19,435.95	20,128.77
TOTAL EQUITY AND LIABILITIES	68,439.09	62,109.94	66,726.12

Audited unconsolidated financial information

In ₹ Million

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
Revenue from operations (net)	16,693.74	15,445.28	12,247.66	32,139.02	23,268.42	51,175.53
Profit before tax	3,889.62	3,230.20	2,332.58	7,119.81	4,643.54	10,502.72
Profit after tax	2,983.95	2,435.49	1,751.05	5,419.43	3,499.84	7,911.28

Segment wise revenue, results and capital employed

The operating segments are:

- a. Banking, Financial Services and Insurance (BFSI)
- b. Healthcare & Life Sciences
- c. Software, Hi-Tech and Emerging Industries

In ₹ Million

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
1	Segment revenue						
	- Banking, Financial Services and Insurance (BFSI)	7,791.18	7,736.94	6,636.10	15,528.12	12,980.54	27,231.45
	- Healthcare & Life Sciences	4,657.41	4,309.24	3,862.55	8,966.65	7,583.09	16,161.07
	- Software, Hi-Tech and Emerging Industries	11,668.11	11,165.57	9,987.76	22,833.68	18,703.89	40,113.40
	Total	24,116.70	23,211.75	20,486.41	47,328.45	39,267.52	83,505.92
2	Less: Inter segment revenue	-	-	-	-	-	-
3	Net sales / income from operations	24,116.70	23,211.75	20,486.41	47,328.45	39,267.52	83,505.92
4	Segment results i.e. profit before tax, interest and depreciation and amortisation						
	- Banking, Financial Services and Insurance (BFSI)	2,990.29	2,994.92	2,327.64	5,985.21	4,596.92	10,004.47
	- Healthcare & Life Sciences	2,178.12	2,067.67	1,930.81	4,245.79	3,761.08	8,013.54
	- Software, Hi-Tech and Emerging Industries	2,939.29	2,583.51	3,367.60	5,522.80	5,666.32	12,282.50
	Total	8,107.70	7,646.10	7,626.05	15,753.80	14,024.32	30,300.51
5	Less:						
	- Finance costs	122.83	125.97	111.08	248.80	189.91	473.40
	- Other un-allocable expenses	4,800.06	4,666.11	4,639.48	9,466.17	8,349.95	18,124.76
6	Un-allocable income	372.82	216.47	80.55	589.29	290.33	706.17
7	Profit before tax	3,557.63	3,070.49	2,956.04	6,628.12	5,774.79	12,408.52

8	Segment assets	In ₹ Million		
		September 30, 2023	September 30, 2022	March 31, 2023
	- Banking, Financial Services and Insurance (BFSI)	5,800.70	4,423.03	5,245.50
	- Healthcare & Life Sciences	4,080.11	3,163.45	3,381.92
	- Software, Hi-Tech and Emerging Industries	12,753.93	10,172.49	12,006.48
	Total allocable segment assets	22,634.74	17,758.97	20,633.90
	Unallocable assets	45,804.35	44,350.97	46,092.22
	Total assets	68,439.09	62,109.94	66,726.12

Note for segment wise information:

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

Segment wise capital employed

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

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Persistent Systems Limited
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023

	For the half year ended		For the year ended
	September 30, 2023	September 30, 2022	March 31, 2023
	In ₹ Million	In ₹ Million	In ₹ Million
Cash flow from operating activities			
Profit before tax	6,628.12	5,774.79	12,408.52
Adjustments for:			
Interest income	(300.33)	(222.73)	(512.63)
Finance costs	248.80	189.91	473.40
Depreciation and amortisation expense	1,507.25	1,338.19	2,718.95
Unrealised exchange (gain) / loss (net)	(34.10)	(10.02)	190.68
Change in foreign currency translation reserve	178.86	(153.42)	491.89
Exchange (gain) / loss on derivative contracts	(87.27)	133.98	88.69
Exchange loss / (gain) on translation of foreign currency cash and cash equivalents	14.34	4.56	(10.54)
Bad debts	-	-	82.33
Allowance / (Reversal) for expected credit loss (net)	100.90	31.01	3.03
Employee stock compensation expenses	705.85	695.81	1,357.14
Loss / Impairment of non-current investments	20.40	-	-
Reversal of liability towards acquisition of business	(271.73)	-	-
Remeasurements of the defined benefit liabilities / asset (before tax effects)	(18.33)	34.00	(17.69)
Excess provision in respect of earlier period / year written back	(3.99)	(9.35)	(32.44)
Profit on sale / fair valuation of financial assets designated as FVTPL	(75.17)	(56.18)	(196.52)
Profit on sale of Property, plant and equipment (net)	(5.28)	(0.11)	(1.69)
Provision for export incentives	-	-	296.55
Operating profit before working capital changes	8,608.32	7,750.44	17,339.67
Movements in working capital :			
Decrease in non-current and current loans	-	1.83	1.83
Decrease / (Increase) in other non-current assets	2.92	(150.40)	435.75
Increase in other financial assets	(1,313.33)	(1,076.24)	(1,541.68)
Increase in other current assets	(417.71)	(801.08)	(1,233.36)
Increase in trade receivables	(728.20)	(2,691.07)	(5,554.83)
Increase in trade payables, current liabilities and non-current liabilities	860.10	2,319.72	2,687.81
(Decrease) / Increase in provisions	(1,295.06)	(286.16)	827.07
Operating profit after working capital changes	5,717.04	5,067.04	12,962.26
Direct taxes paid (net of refunds)	(1,458.76)	(1,285.14)	(3,404.64)
Net cash generated from operating activities	(A) 4,258.28	3,781.90	9,557.62
Cash flows from investing activities			
Payment towards capital expenditure (including intangible assets, capital advances and capital creditors)	(1,670.74)	(2,832.38)	(4,332.99)
Proceeds from sale of Property, plant and equipment	6.63	3.19	11.98
Acquisition of step-down subsidiaries / businesses including cash and cash equivalents	-	(3,914.07)	(4,310.57)
Consideration paid to the selling shareholders	(390.90)	-	-
Purchase of bonds	-	(62.97)	(237.41)
Proceeds from sale / maturity of bonds	-	31.49	31.49
Investments in mutual funds	(22,457.29)	(18,060.60)	(37,285.09)
Proceeds from sale / maturity of mutual funds	21,090.80	20,366.55	40,054.82
Proceeds from maturity of bank deposits having original maturity over three months	1,116.00	1,580.86	1,715.51
Proceeds from maturity of / (Investments) in deposits with financial institutions	300.00	(200.00)	(400.00)
Interest received	319.56	288.78	539.16
Net cash used in investing activities	(B) (1,685.94)	(2,799.15)	(4,213.10)
Cash flows from financing activities			
Repayment of long term borrowings in Indian rupee	(1.84)	(1.86)	(1.86)
Proceeds from issuance of share capital	1,394.50	-	-
Net proceeds from foreign currency long term borrowings	(1,109.68)	1,018.42	(38.37)
Payment of lease liabilities	(364.55)	(198.70)	(545.22)
Interest paid	(248.86)	(189.99)	(473.42)
Dividends paid	(1,652.12)	(840.15)	(2,980.58)
Net cash used in financing activities	(C) (1,982.55)	(212.28)	(4,039.45)

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Persistent Systems Limited**CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023**

	For the half year ended		
	September 30, 2023	September 30, 2022	March 31, 2023
	In ₹ Million	In ₹ Million	In ₹ Million
Net increase in cash and cash equivalents (A + B + C)	589.79	770.47	1,305.07
Cash and cash equivalents at the beginning of the period / year	4,670.12	2,977.99	2,977.99
Cash and cash equivalents acquired on acquisition	-	642.81	642.81
Effect of exchange difference on translation of foreign currency cash and cash equivalents	(14.34)	(4.56)	10.54
Impact of ESOP Trust consolidation	(850.85)	20.66	(266.29)
Cash and cash equivalents at the end of the period / year	4,394.72	4,407.37	4,670.12
Components of cash and cash equivalents			
Cash on hand	0.24	0.29	0.25
Balances with banks			
On current accounts #	3,523.84	3,511.39	3,583.44
On saving accounts	28.18	31.74	33.21
On exchange earner's foreign currency accounts	825.84	456.69	638.90
On Other accounts	16.62	407.26	414.32
Cash and cash equivalents	4,394.72	4,407.37	4,670.12

Of the cash and cash equivalent balance as at September 30, 2023, the Group can utilise ₹ 3.96 Million (Corresponding period : ₹ 37.30 Million / Previous year : ₹ 125.39 Million) only towards certain predefined activities specified in the agreement.

The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Ind AS - 7 on "Statement of Cash Flows" notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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Notes:

- 1 The audited condensed interim consolidated financial statements for the quarter and half year ended September 30, 2023, have been taken on record by the Board of Directors at its meeting held on October 18, 2023 as recommended by the Audit Committee at its meeting held on October 17, 2023. The statutory auditors have expressed an unmodified audit opinion. The information presented above is extracted from the audited condensed interim consolidated financial statements.
- 2 The above consolidated financial results have been prepared from the condensed interim consolidated financial statements, which are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments issued thereafter. All amounts included in the consolidated financial results (including notes) are reported in millions of Indian rupees (in ₹ Millions) except share and per share data, unless otherwise stated.
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- 5 The members at the 33rd Annual General Meeting held on July 18, 2023, approved the payment of final dividend of ₹ 12 per equity share and special dividend of ₹ 10 Per equity share on achieving \$1 Billion in annual revenue on the face value of ₹ 10 each for the Financial Year 2022-23 ('the Final Dividend').

Accordingly, an amount of ₹ 1,692.10 Million was paid towards the Final Dividend as of September 30, 2023, out of the total dividend amount of ₹ 1,692.35 Million. The remaining amount of ₹ 0.25 Million was unclaimed and the Company has issued Demand Drafts to shareholders against this amount. The Company will make additional due efforts to pay the same to the respective Shareholders.
- 6 In accordance with para 4 of notified Indian Accounting Standard 108 (Ind AS-108) "Operating Segments", the Group has disclosed segment information only on the basis of consolidated financial results.
- 7 The investors are requested to visit the following website of the Company and stock exchanges for further details:
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 - BSE Ltd: www.bseindia.com
 - National Stock Exchange of India Ltd.: www.nseindia.com

By order of Board of Directors of Persistent Systems Limited



[Anand Deshpande \(Oct 18, 2023 12:41 GMT+5.5\)](#)

Dr. Anand Deshpande
Chairman and Managing Director

Place : Pune
Date : October 18, 2023

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

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Pune - 411 006
Maharashtra, India

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

To the Board of Directors of Persistent Systems Limited

Opinion

1. We have audited the accompanying standalone financial results ('the Statement') of **Persistent Systems Limited** ('the Company') for the quarter and half year ended 30 September 2023, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the quarter and half year ended 30 September 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the Condensed Interim standalone financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

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

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

SHASHI

TADWALKAR

Digitally signed by
SHASHI TADWALKAR

Date: 2023.10.18

13:07:33 +05'30'

Shashi Tadwalkar

Partner

Membership No. 101797

UDIN: 23101797BGXFGD9732

Place: Pune

Date: 18 October 2023

Audited Standalone statement of assets and liabilities

(In ₹ Million)

Particulars	As on		
	September 30, 2023	September 30, 2022	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4,166.21	3,088.17	4,563.45
Capital work-in-progress	398.89	1,149.55	156.31
Right of use assets	1,577.66	1,521.92	1,509.11
Goodwill	236.00	54.39	236.00
Other intangible assets	500.03	724.12	573.34
Financial assets			
- Investments	12,322.69	11,461.95	12,145.56
- Trade receivables	77.69	-	107.71
- Loans	3,820.00	3,753.83	2,870.00
-Other non-current financial assets	589.86	570.96	837.09
Deferred tax assets (net)	428.80	455.47	397.77
Other non-current assets	727.98	1,252.42	718.02
Total non-current assets	24,845.81	24,032.78	24,114.36
Current assets			
Financial assets			
- Investments	3,185.41	2,086.50	1,879.66
- Trade receivables	13,265.73	7,061.01	10,498.27
- Cash and cash equivalents	1,693.17	1,218.27	1,236.45
- Bank balances other than cash and cash equivalents	2,923.31	4,360.79	4,173.35
- Other current financial assets	5,323.88	3,448.32	4,340.49
Other current assets	3,662.41	1,991.70	2,745.38
Total current assets	30,053.91	20,166.59	24,873.60
TOTAL ASSETS	54,899.72	44,199.37	48,987.96
EQUITY AND LIABILITIES			
Equity			
Equity share capital	769.25	764.25	764.25
Other equity	44,466.84	35,464.92	38,652.25
Total Equity	45,236.09	36,229.17	39,416.50
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	-	1.84	1.84
- Lease liabilities	1,106.08	1,118.98	1,086.87
Other non-current liabilities	5.52	-	9.93
Provisions	466.85	329.11	369.51
Total Non-current liabilities	1,578.45	1,449.93	1,468.15
Current liabilities			
Financial liabilities			
- Borrowings	1.85	1.85	1.91
- Lease liabilities	539.17	422.82	468.72
- Trade payables			
-total outstanding dues of micro enterprises and small enterprises	19.15	17.21	38.04
-total outstanding dues of creditors other than micro enterprises and small enterprises	1,461.10	1,069.20	1,327.52
- Other financial liabilities	406.16	820.85	668.46
Other current liabilities	3,569.78	2,103.72	2,980.12
Provisions	1,664.08	1,826.77	2,597.94
Current tax liabilities (net)	423.89	257.85	20.60
Total current liabilities	8,085.18	6,520.27	8,103.31
TOTAL EQUITY AND LIABILITIES	54,899.72	44,199.37	48,987.96

Audited standalone cash flow statement for the half year ended September 30, 2023

	For the half year ended		For the year ended
	September 30, 2023	September 30, 2022	March 31, 2023
	In ₹ Million	In ₹ Million	In ₹ Million
Cash flows from operating activities			
Profit before tax	7,119.81	4,643.54	10,502.72
Adjustments for:			
Interest income	(387.15)	(324.75)	(674.79)
Finance cost	85.40	49.18	130.97
Dividend income	(249.99)	-	-
Depreciation and amortisation expense	796.89	616.77	1,344.87
Unrealised exchange loss gain (net)	(89.13)	(127.12)	(226.38)
Exchange (gain) / loss on derivative contracts	(87.27)	133.98	88.69
Exchange loss / (gain) on translation of foreign currency cash and cash equivalents	10.96	11.23	(31.66)
Bad debts	-	-	46.11
Change in provision for expected credit loss / (gain) (net)	41.25	11.61	(4.46)
Employee stock compensation expenses	390.38	562.24	1,066.31
Remeasurements of the defined benefit (liabilities) / assets (before tax effects)	(18.33)	39.78	(21.08)
Excess provision in respect of earlier years written back	-	(0.95)	(0.95)
Profit on sale / fair valuation of financial assets designated as FVTPL	(94.47)	(51.41)	(145.23)
Profit on sale of Property, plant and equipment (net)	(5.23)	(1.16)	(2.99)
Provision for export incentives (refer note 31)	-	-	296.55
Operating profit before working capital changes	7,513.12	5,562.94	12,368.68
Movements in working capital :			
Decrease / (Increase) in other non-current assets	28.37	(156.75)	33.29
Increase in other non-current financial assets	(57.09)	(112.84)	(151.38)
(Increase) / Decrease in other current financial assets	(640.76)	327.78	(406.28)
Increase in other current assets	(917.77)	(646.53)	(1,302.05)
Increase in trade receivables	(2,680.25)	(2,447.62)	(6,007.16)
Increase in trade payables, current liabilities and non-current liabilities	1,057.50	1,683.43	3,149.56
(Decrease) / Increase in provisions	(837.47)	(358.44)	437.60
Operating profit after working capital changes	3,465.65	3,851.97	8,122.26
Direct taxes paid (net of refunds)	(1,325.18)	(1,211.85)	(2,923.97)
Net cash generated from operating activities	(A) 2,140.47	2,640.12	5,198.29
Cash flows from investing activities			
Payment towards capital expenditure (including intangible assets, capital advances and capital creditors)	(900.21)	(2,471.28)	(3,482.56)
Proceeds from sale of Property, plant and equipment	5.23	1.25	3.77
Investment in wholly owned subsidiaries	-	(2,652.93)	(2,663.61)
Disbursement of Loan to ESOP trust	(1,390.00)	(0.55)	(0.55)
Recovery of Loan to ESOP trust	440.00	172.55	652.55
Purchase of bonds	-	(62.97)	(237.41)
Proceeds from sale of bonds	-	31.49	31.49
Investments in mutual funds	(22,296.89)	(18,060.60)	(37,249.34)
Proceeds from sale / maturity of mutual funds	20,949.56	20,366.55	39,766.37
Proceeds from maturity of bank deposits having original maturity over three months	1,190.16	1,542.42	1,776.36
Disposal / (Investment) in deposit with financial institutions	300.00	(200.00)	(400.00)
Interest received	410.31	385.23	702.24
Dividend received	249.99	-	-
Net cash flows used in investing activities	(B) (1,041.85)	(948.84)	(1,100.69)
Cash flows from financing activities			
Proceeds from issuance of share capital	1,394.50	-	-
Repayment of long term borrowings	(1.84)	(1.86)	(1.86)
Payment of lease liabilities	(245.79)	(133.65)	(343.05)
Dividend paid	(1,692.35)	(840.68)	(2,980.58)
Interest paid	(85.46)	(49.26)	(130.99)
Net cash flows used in financing activities	(C) (630.94)	(1,025.45)	(3,456.48)

Audited standalone cash flow statement for the half year ended September 30, 2023

	For the half year ended		For the year ended
	September 30, 2023	September 30, 2022	March 31, 2023
	In ₹ Million	In ₹ Million	In ₹ Million
Net (decrease) / increase in cash and cash equivalents (A + B + C)	467.68	665.83	641.12
Cash and cash equivalents at the beginning of the period / year	1,236.45	563.67	563.67
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(10.96)	(11.23)	31.66
Cash and cash equivalents at the end of the period / year	1,693.17	1,218.27	1,236.45
Components of cash and cash equivalents			
Cash on hand (refer note 12)	0.15	0.10	0.14
Balances with banks			
On current accounts # (refer note 12)	839.00	729.74	564.20
On saving accounts (refer note 12)	28.18	31.74	33.21
On exchange earner's foreign currency accounts (refer note 12)	825.84	456.69	638.90
Cash and cash equivalents	1,693.17	1,218.27	1,236.45

Of the cash and cash equivalent balance as at September 30, 2023, the Company can utilise ₹ 3.96 Million (Corresponding period : ₹ 37.30 Million, Previous year: ₹ 125.39 Million) only towards certain predefined activities specified in the agreement.

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By order of Board of Directors of Persistent Systems Limited



Anand Deshpande (Oct 18, 2023 12:41 GMT+5.5)

Dr. Anand Deshpande

Chairman and Managing Director

Pune

Date : October 18, 2023

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