

Persistent Systems Limited

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PERSISTENT

Audited consolidated financial results of Persistent Systems Limited for the quarter ended June 30, 2018

Audited unconsolidated financial information

₹ in Million

₹ in Million

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2018 (Audited)	March 31, 2018 (Audited)	June 30, 2017 (Audited)	March 31, 2018 (Audited)
1	Revenue from operations (net)	8,342.81	7,525.46	7,280.15	30,337.03
2	Other income	186.75	320.87	367.91	1,191.01
3	Total income	8,529.56	7,846.33	7,648.06	31,528.04
4	Expenses				
	- Employee benefits expense	4,618.37	4,484.65	4,376.50	18,316.46
	- Cost of professionals	844.68	866.68	729.13	3,180.63
	- Finance costs	0.28	0.32	0.17	0.79
	- Depreciation and amortization expense	400.81	420.89	391.91	1,584.87
	- Other expenses	1,479.17	1,090.30	1,130.95	4,152.68
	Total Expenses	7,343.31	6,862.84	6,628.66	27,235.43
5	Profit before exceptional items and tax	1,186.25	983.49	1,019.40	4,292.61
6	Exceptional items	--	--	--	--
7	Profit before tax	1,186.25	983.49	1,019.40	4,292.61
8	Tax expense				
	- Current tax	356.05	274.74	277.89	1,203.99
	- Tax credit in respect of earlier years	--	(25.29)	(12.25)	(71.19)
	- Deferred tax charge / (credit)	(43.28)	(3.02)	2.87	(71.07)
	Total tax expense	312.77	246.43	268.51	1,061.73
9	Profit for the period / year from continuing operations	873.48	737.06	750.89	3,230.88
10	Profit / (Loss) for the period / year from discontinued operations	--	--	--	--
11	Tax expense of discontinued operations	--	--	--	--
12	Profit / (Loss) for the period / year from discontinued operations (After tax)	--	--	--	--
13	Profit for the period / year	873.48	737.06	750.89	3,230.88
14	Other comprehensive income				
	A. Items that will not be reclassified to profit and loss				
	- Remeasurements of the defined benefit liabilities / (asset) (net of tax)	(13.05)	38.63	42.53	106.88
		(13.05)	38.63	42.53	106.88
	B. Items that may be reclassified to profit and loss				
	- Effective portion of cash flow hedge (net of tax)	(159.13)	(60.11)	(66.78)	(191.81)
	- Exchange differences in translating the financial statements of foreign operations	151.80	96.65	21.67	77.70
		(7.33)	36.54	(45.11)	(114.11)
	Total other comprehensive income for the period / year	(20.38)	75.17	(2.58)	(7.23)
15	Total comprehensive income for the period / year (Comprising Profit (Loss) and Other Comprehensive Income for the period / year)	853.10	812.23	748.31	3,223.65
16	Paid-up equity share capital (Face value of share ₹ 10 each)	800.00	800.00	800.00	800.00
17	Reserves excluding revaluation reserves				20,471.99
18	Earnings per equity share (for continuing operations) in ₹				
	- Basic	10.92	9.21	9.39	40.39
	- Diluted	10.92	9.21	9.39	40.39
19	Earnings per equity share (for discontinued operations) in ₹				
	- Basic	--	--	--	--
	- Diluted	--	--	--	--
20	Earnings per equity share (for discontinued and continuing operations) in ₹				
	- Basic	10.92	9.21	9.39	40.39
	- Diluted	10.92	9.21	9.39	40.39
21	Dividend per share (in ₹)				
	Interim dividend	--	--	--	7
	Final dividend	--	3	--	3
	Total dividend	--	3	--	10

Particulars	Quarter ended			Year ended
	June 30, 2018 (Audited)	March 31, 2018 (Audited)	June 30, 2017 (Audited)	March 31, 2018 (Audited)
Revenue from operations (net)	4,619.91	4,380.05	4,272.44	17,327.49
Profit before tax	1,205.40	1,312.62	1,030.79	4,552.16
Profit after tax	923.25	1,028.61	751.14	3,421.17

Segment wise Revenue, Results and Capital Employed

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

The operating segments are:

- Technology Services
- Alliance
- Accelerite (Products)

Accordingly, the corresponding figures for the earlier reporting periods are restated in line with the above reorganization.

₹ in Million

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2018 (Audited)	March 31, 2018 (Audited)	June 30, 2017 (Audited)	March 31, 2018 (Audited)
1	Segment revenue				
	- Technology Services	5,243.17	5,103.43	4,468.67	19,371.11
	- Alliance	2,690.68	1,927.73	2,206.43	8,725.06
	- Accelerite (Products)	408.96	494.30	605.05	2,240.86
	Total	8,342.81	7,525.46	7,280.15	30,337.03
2	Less: Inter segment revenue	--	--	--	--
3	Net sales/income from operations	8,342.81	7,525.46	7,280.15	30,337.03
4	Segment profit before interest, depreciation and amortization and tax				
	- Technology Services	1,998.56	2,072.96	1,634.62	7,408.18
	- Alliance	860.37	482.20	683.51	2,699.89
	- Accelerite (Products)	162.27	205.68	293.32	1,054.29
	Total	3,021.20	2,760.84	2,611.45	11,162.36
5	Less:				
	- Finance costs	0.28	0.32	0.17	0.79
	- Other un-allocable expenses	2,021.42	2,097.90	1,959.79	8,059.97
6	Un-allocable income	186.75	320.87	367.91	1,191.01
7	Total profit before tax	1,186.25	983.49	1,019.40	4,292.61

₹ in Million

8	Segment assets	As on		
		June 30, 2018 (Audited)	March 31, 2018 (Audited)	June 30, 2017 (Audited)
	- Technology Services	3,657.36	3,675.96	3,351.06
	- Alliance	1,618.23	740.27	889.37
	- Accelerite (Products)	355.04	431.17	442.02
	Total allocable segment assets	5,630.63	4,847.40	4,682.45
	Unallocable assets	22,240.73	21,741.22	18,848.69
	Total assets	27,871.36	26,588.62	23,531.14

Notes 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 maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Chairman and Managing Director.
- Costs related to research and development are included under identifiable expenses for the purpose of segment reporting.

Segment wise capital employed

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

Notes:

- The audited condensed consolidated financial statements for the quarter ended June 30, 2018, have been taken on record by the Board of Directors at its meeting concluded on July 28, 2018 as recommended by the Audit Committee at its meeting held on July 27, 2018. The statutory auditors have expressed an unqualified audit opinion.
- Effective April 1, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial statements.
- The Audit Committee was reconstituted comprising of Mr. Kiran Umrookar, Mr. Pradeep Bhargava and Mr. Sanjay Bhattacharyya, Independent Directors of the Company.
- Figures for the previous periods/year have been regrouped wherever necessary to conform to current period's presentation.

By order of Board of Directors of Persistent Systems Limited

Pune
July 28, 2018

Dr. Anand Deshpande
Chairman and Managing Director

Kiran Umrookar
Director

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