

Report on activities of Persistent Foundation

In order to fulfill the Company's Corporate Social Responsibility, Persistent Systems Limited (the "Company") was donating to the institutions, working primarily in the field of Health and Education since financial year 1995-96.

To institutionalize the Corporate Social Responsibility initiative of the Company and to develop a systematic approach to administer the process of grant of donations, the Company formed a public charitable trust, named Persistent Foundation (the "Foundation") on October 29, 2008. The Foundation has been registered with the office of the Deputy Charity Commissioner, Pune on March 21, 2009.

Management of the Foundation

The Trustees of the Foundation are as under

- a. Mrs. Sonali Deshpande, Chairperson and Founder Trustee
- b. Dr. Anand Deshpande, Founder Trustee
- c. Mr. P. B. Kulkarni, Founder Trustee
- d. Dr. Mukund Deshpande, Founder Trustee
- e. Mr. Rajesh Ghonasgi being Head of Finance function of Persistent Systems Limited
- f. Mr. S. R. Joshi being Head of Administration function of Persistent Systems Limited
- g. Mr. Kishor Bhalerao being Head of HR function of Persistent Systems Limited
- h. The Maharashtra Executor and Trustee Company Private Limited (METCO)

Financials

During the financial year 2010-11 the Foundation has received donations as per details given below

Sr. No.	Particulars	Amount in ₹ Million
1.	Donation towards corpus	
	- Persistent Systems Limited	5.77
	- From Trustees and Employees	0.11
	Sub-total (A)	5.88
2.	Donations towards charity operations	
	- Persistent Systems Limited	5.00
	- From Trustees	0.50
	- Donations received from employees towards Students' Scholarship Program (Project executed through CASP)	1.53
	- Donations received from employees towards Breast Cancer Screening Program (Project executed through Samavedna)	0.06
	Sub-total (B)	7.09

As on March 31, 2011, the corpus of the Foundation is ₹ 22 Million.

The Foundation received an interest income of ₹ 1.61 Million on the investments made.

The funds available for Foundation's activities were ₹ 8.70 Million as per the following details

Sr. No.	Particulars	Amount in ₹ Million
1.	Donations towards charity operations as per the preceding table	7.09
2.	Interest received on Fixed Deposits (including tax deposited as source by Banks)	1.61
	Total Funds Available for Foundation's Activities	8.70

The details of utilization of funds of the Foundation during the period under report are as under

(In ₹ Million)

Sr. No.	Particulars	Amount Donated to other Institutions	Amount used for Projects by Foundation	Total Amount
1.	Education	1.55	2.91*	4.46
2.	Healthcare	0.83	0.82**	1.65
3.	Community Development	0.87	0.43	1.30
	Total	3.25	4.16	7.41

(*Includes amount of ₹ 1.74 Million utilized for Students Scholarship Program from donations received from employees)

(**Includes amount of ₹ 0.06 Million utilized for Breast Cancer Screening Program from donations received from employees)

The remaining amount of ₹ 1.29 Million [₹ 8.70 Million minus ₹ 7.40 Million] was partly utilised for establishment and other expenses ₹ 0.19 Million. The balance amount of ₹ 1.10 Million has been shown as surplus in the Income and Expenditure Account.

Activities of the Foundation

Financial year 2010-11 was the second year of operations of the Foundation. As per the current Policy of the Foundation, the Foundation undertakes the projects / makes donations to those institutions which are in the immediate vicinity of the offices of the Company viz. Pune, Nagpur, Goa and Hyderabad.

The Foundation focused its resources in the following areas for aid, assistance and conducting programs during this year.

1. Health
2. Education
3. Community Development

The Foundation carried out its activities under aforesaid areas through the following verticals

1. Donations to Institutions: The Foundation provided aid and assistance to institutions working in the focus areas.
2. Projects by the Foundation: The Foundation conducted certain projects in the focus areas. The Foundation carried out these projects through its volunteers. The details are explained later in this report.
3. Contribution by employees: Employees of the Company initiated some drives and contributed through voluntary participation along with donating for various causes. The details are explained later in this report.

A) Activities directly executed by the Foundation

The key projects undertaken by the Foundation during the Financial Year 2010-11 are as follows

1. Rectification work at Kusumtai Bagal Vidyalaya, Pune



The Foundation provided the financial assistance for fabrication for the roof, erection of new doors and windows for the school building, construction of corridor of the school and painting of the school building.

2. Water Supply at Leprosy Colony, Pune

Persistent Foundation constructed a Farm Pond near the existing well at Leprosy Colony, which supplies drinking water to the adjacent areas. Due to percolation of water from the farm pond to the well, the well has now adequate water in it.



3. Infrastructure Development at Phoenix School, Pune



During the heavy rains during the first week of June 2010, existing roof for six rooms out of 14 rooms of the school were destroyed due to fall of nearby trees on it. The Foundation provided immediate financial assistance of ₹ 0.11 Million for repairing the roofs of six damaged class rooms.

4. Girls Scholarship Program

With an objective to support education of girls pursuing engineering degree from CS or IT streams from colleges in Pune, Nagpur, Hyderabad and Goa; this program was launched. Applications were invited from Associate Engineering colleges and 29 girls were shortlisted for interviews. An eminent panel constituting Chairperson of the Foundation – Mrs. Sonali Deshpande and other prominent personalities in education field selected 10 girls pursuing first year of engineering. The Foundation rewarded these girls with a Scholarship ₹ 25,000 per year for the educational year 2010-11.



5. H1N1 Vaccination of Slum area students



As a preventive measure to protect the slum area children from H1N1 virus, H1N1 vaccination program was conducted by the Foundation in 2 slum area schools in Pune –

- a. Hutatma Rajguru Vidyalaya, S. B. Road, Pune
- b. Prerana Vidyalaya, Ambegaon, Pune

1,050 slum students were vaccinated. This program was conducted in association with Serum Institute and A. J. Medical Care.

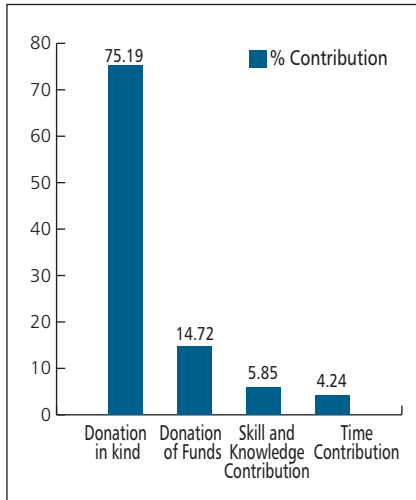
6. Provision of benches to Z. P. School at Hinjawadi, Pune

Z. P. School at Hinjawadi requested for a support from the Foundation to provide benches to 5th, 6th and 7th standard students who earlier used to sit on the floor. The Foundation supported them by donating 175 benches to the school.

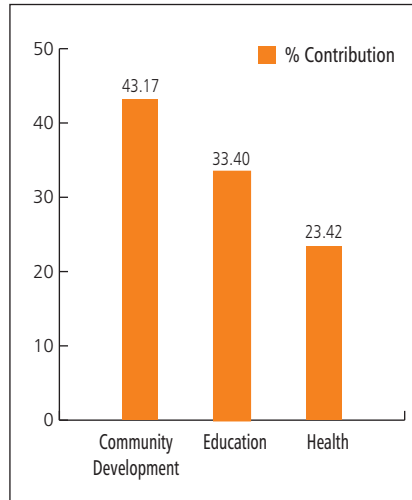
Focused on Growth

B) Activities executed by Persistent Foundation with support from employees of Persistent Systems Limited and its Subsidiaries.

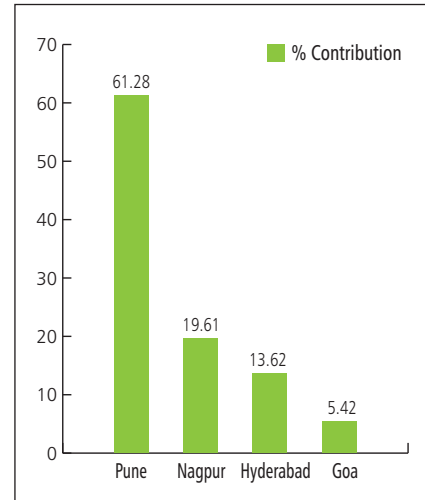
Persistent Foundation has always focused on engaging employees in its work and motivating them to contribute to the society in the structured and constructive ways. The few highlights of employees participation in the Foundation's activities is as under



Contribution Based on Nature of Work



Focus Area Specific Contribution



City Specific Contribution

The key projects undertaken by the Foundation with support from employees of Persistent Systems Limited and its Subsidiaries during the financial year 2010-11 are as follows

1. Shram Daan Activity at Nagpur



This activity was about cleaning of Water holes and small dams created by Shrusti Paryvaran Mandal in previous years. This activity is carried out every year just before monsoon, to ensure the water holes and dams are ready for storing rain water. This would ensure that plenty of drinking water is available for wild animals inside the sanctuary and would ultimately reduce man-animal conflict. A team of 30 volunteers conducted this activity on May 30, 2010. 16 of them were volunteers of the Foundation.

2. Tree Plantation at Nagpur

This project was executed in association with Srushti Paryavaran Mandal. 50 trees have been planted by the volunteers of the Foundation. 15 volunteers of the Foundation contributed in this drive.



3. Capacity Building of NGOs through Exhibitions



As a Capacity Building initiative for the associated NGOs who work for the needy sections of the society, the exhibitions of the products made by the NGOs were organized in Persistent Facilities during August to October at Pune, Nagpur and Hyderabad. Some of the stalls were for Organic T-shirts, Sapling Sell, Rakhi Sale, Stalls to sell the products made by the tribals, Chocolate Sale to support the education of slum students, Diwali Lanterns Stall at Nagpur by physically challenged children.

4. School Education Program in ZPHS Darga at Hyderabad

School Education program has kicked off from July 9, 2010 at ZPHS Darga School in Hyderabad. 12 Persistent employees visit the school on rotation to take Spoken English and English Grammar classes for students of standard 6th to 10th. Total 600 students are being covered and the classes took place from 8 a.m. to 8.45 a.m. everyday.



5. SCRATCH Teaching Program at schools in Pune



To contribute a bit in improving the quality of Computer education in schools, the SCRATCH teaching initiative was taken up by the Foundation Team at three schools in Pune. SCRATCH is a tool from MIT that aims to develop problem solving and analytical skills in school going children. It enables users to create stories, advertisements, games, cartoons etc. in a multimedia environment. It can be thought of as flash for school children or as the next generation of Logo. The children do not need to learn any syntax or a formal programming language but end up learning basic and sophisticated programming concepts in a fun way.

6. Cyber Genius and National ICT Quiz -Inter School Programming Contests at Pune

Dr. Kalmadi Shamarao High school conducts Inter School Contest 'Cyber Genius' for last twelve years. This is a district level competition (Pune District) and more than 1,000 students from 50 schools participate in the contest. Contest is conducted in four groups – Mini (Std. 3-4), Sub Junior (Std. 5-6), Junior (Std. 7-8) and Senior (Std. 9-10). Contest is conducted in different topics for different groups – e.g. Logo and Paint Brush for Mini, Paint Brush and Quiz for Sub Junior, Q-basic and Power Point for Junior and Photoshop and Web designing for Senior. The Foundation supported the cause by providing financial support of 50,000 and technical support through volunteers. Approx. 60 volunteers worked on this project. On the same lines, volunteer support for end to end execution was provided for National ICT Quiz.



7. School Education Program at Nagpur



This is the second year of this program at Nagpur. In financial year 2009-10, a team of volunteers have conducted English and Mathematics classes for the 10th standard students of Vanita Vikas School. As a result, the SSC result of the school has improved from 50% to 80%. The same program has been initiated since July 2010 at Bal Sadan School and is being continued at Vanita Vikas School, Nagpur. 26 volunteers have participated in this program.

8. Teach Computers and English Program

The Foundation Team at Goa has initiated the project of Computer Teaching at Dnyansagar Mandir, a school which works for the education of slum students at Goa. Persistent Foundation Team visits the school on regular basis and conducts these classes for the students who have enrolled for the same. Also, the guidance on Computers and usage of Technology is being provided to the Teachers in the school. This is a continuous process. By involving more volunteers in this initiative and by providing different exposure to the students, the Foundation plans to conduct one day sessions of these students in the office premises of the Company.

9. Uniform Donation Drive at ZP School

With an objective to provide good uniforms to slum area students in Hyderabad, the Uniform Donation Project was taken up by the Foundation team for the schools - ZPHS, Darga and UPS, Darga. 325 students were benefited from this project.

10. Books Library for ZP schools students

With an objective to provide quality co-curricular education to the slum students, the Library project was initiated by the Hyderabad team for the schools – ZPHS, Darga and UPS, Darga. Libraries constituting 1,000 books each have been set-up in these schools.

11. Blood Donation Camps

To celebrate the occasion of October 31, 2010, when the Foundation filed papers with the Charity Commissioner for its registration, a blood donation camp was organized in Pune in association with Deenanath Mangeshkar Hospital. 307 Pune employees of the Company donated the blood. Subsequent, camps were conducted at Nagpur, Hyderabad and Goa contributing 255 more bottles of blood. Total bottles of blood donated through the Blood Donation Programs of the Foundation for financial year 2010-11 is 562.

C) Activities executed by Persistent Foundation with the help of outside institutions

The key projects undertaken by the Foundation with the help of outside institutions during the financial year 2010-11 are as follows

1. Drinking Water System for ZP schools in Goa

Rotary Club and Verna Industrial Association undertook a project of setting up safe drinking water systems at 6 schools in Verna Industrial Estate. The drinking water systems constitutes of feed water pump, water tank, interconnecting piping between system and existing piping and water level controller unit.

The Foundation supported the cause by funding of ₹ 25,000.



2. Student Sponsorship Program



This is the second year of Student Sponsorship Program. In financial year 2009-10, 256 employees had participated as sponsors. In financial year 2010-11, 353 employees have sponsored 326 students i.e rise of 37%. The program was executed in association with CASP, Pune. Location specific break-up of students sponsorship program is as follows

1. Pune – 267
2. Nagpur – 34
3. Hyderabad – 28
4. Goa – 24

3. School Kit Donation at Hyderabad and Nagpur

In association with Seva Sahayog, a School Kit Donation Drive for slum area students was conducted at Hyderabad and Nagpur in June 2010. 302 kits donated by employees

- 200 by 91 employees at Nagpur
- 102 by 61 employees at Hyderabad



4. Breast Cancer Screening Program



In association with Samavedana, the Foundation launched a Breast Cancer Screening program for timely detection of the Breast Cancer, if any, among slum area women in Pune. Persistent Foundation sponsored 300 women (₹ 1,047 per women) and conducted awareness sessions in slum areas as a support to Samavedana volunteers. Also, 60 employees of the Company contributed to fund for the screening of 56 more women. The project was completed by Samavedana in association with Sahyadri Hospital.

5. Cancer Awareness Drive in Schools and Colleges

With an objective to prevent occurrences of cancer among students due to Smoking and Tobacco habits, the Foundation took up the project of conducting various awareness sessions at schools and colleges. The project was done in association with Arogya Bharati – an NGO working in the area of preventive health care for school students. The project constituted 25 awareness sessions followed by a check-up of school students to detect smoking and tobacco habits. The volunteers joined these drives with Arogya Bharati.



6. Books Donation Drive at Pune

In association with CASP, a book donation drive was launched in the month of May 2010. Employees were invited to donate the books of all kinds – right from academic to extracurricular. More than 1,100 books were donated by the employees of the Company. CASP took the responsibility of making these books available to relevant needy students through its various channels such as libraries, donation drives etc.

In addition, the Foundation made donations to 43 institutions to execute social projects in the area of health, education and community development.

Annual Day Celebration of the Foundation



The Foundation celebrated its first annual day on Tuesday, March 1, 2011 at Persistent Systems Limited, Dewang Mehta Auditorium, Bhageerath, 402 Senapati Bapat Road, Pune. Officials of 45 Associate Institutions of the Foundation, volunteers of the Foundation and employees of the Company were invited for the event. Mrs. Anu Aga, Chairperson, Akanksha Organization, Trustee of Thermax Social Initiative Foundation (TSIS) and former Chairperson, Thermax Group was the chief guest for the event. The program featured overview of Foundation activities by Mrs. Sonali Deshpande, Chairperson, Persistent Foundation, presentations by the officials of selected institutions, experience sharing by volunteers and speech by Mrs. Anu Aga. Around 225 people attended the event.

Media Coverage

Persistent Foundation's work and Annual Day program received a wide publicity by many reputed media houses in Pune. The publications covered are Sakaal, Sakaal Times, Navbharat Times, Lokmat, Pudhari, DNA and Prabhat.

Adding to this, DNA published an exclusive interview of Mrs. Sonali Deshpande, Chairperson about activities and plan of the Foundation in March 2011.

Acknowledgement

The Foundation places on record the help and cooperation received from the Deputy Charity Commissioner, Pune, the Assistant Charity Commissioner, Pune and the Commissioner of Income Tax. The Foundation would also like to express our sincere thanks to the Maharashtra Executor and Trustee Company Limited (METCO) for guidance on statutory and operational matters.

The Foundation also extends thanks to HDFC Bank Limited, Bank of Maharashtra and its officials for extending their excellent support in all banking related activities.

The Foundation also places on record its gratitude to employees of Persistent Systems Limited and its subsidiaries for the generous donations made by them for the activities of the Foundation. The Foundation acknowledges the co-operation and guidance received from the institutions with whom the Foundation collaborated for its various projects.

The Foundation takes this opportunity to express its sincere appreciation for the contribution made by its volunteers at all levels. The considerable achievement was made possible by their hard work, solidarity, cooperation and support.

Last but not at all the least, the Foundation would like to record its gratitude to Persistent Systems Limited, without whose financial and staff support, it would not have been possible to make any meaningful contribution.

Forward looking and cautionary statements

Certain statements in the Annual Report concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.