

Voluntary Secretarial Compliance Certificate

CIN: U72300PN1990PLC056696

The Members

Persistent Systems Limited,
'Bhageerath', 402, Senapati Bapat Road,
Pune 411 016.

I have examined the registers, records, books and papers of Persistent Systems Limited (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the period from April 1, 2009 to March 31, 2010 (Financial Year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid Financial Year

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded;
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies and Central Government, within the time prescribed under the Act and the rules made there under;
3. The Board of Directors duly met 9 (Nine) times on May 21, 2009, July 23, 2009, October 30, 2009, December 7, 2009, January 29, 2010, March 11, 2010, March 20, 2010, March 23, 2010 and March 30, 2010 in respect of which proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose including the circular resolutions passed. There were two teleconference meetings held on December 11, 2009 and March 6, 2010 proceedings of which were properly recorded and noted by the Board of Directors at its subsequent meeting.
4. The Audit Committee of the Board of Directors duly met 4 (Four) times on May 20, 2009, July 22, 2009, October 29, 2009 and January 28, 2010 in respect of which proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose;

The Chairman of the Audit Committee is an Independent Director. Composition of the Audit Committee was as per section 292A of the Act and Clause 49 of the Listing Agreement.

Sr. No.	Date of Meeting	Composition of Audit Committee as on the date of the Meeting
1.	May 20, 2009	2 (Two) Independent Directors and 1(One) Executive Director
2.	July 22, 2009	2 (Two) Independent Directors and 1(One) Executive Director
3.	October 29, 2009	2 (Two) Independent Directors and 1(One) Executive Director
4.	January 28, 2010	2 (Two) Independent Directors and 1(One) Non-Executive Director

5. The Remuneration Committee of the Board of Directors duly met 1 (one) time on July 22, 2009 in respect of which proper notices were given and proceedings were properly recorded and signed.

The composition of the Remuneration Committee as on the date of the meeting was as follows

Sr. No.	Date of Meeting	Composition of Audit Committee as on the date of the Meeting
1.	July 22, 2009	2 (Two) Independent Directors and 1(One) Non Executive Director

6. The Shareholders' / Investors' Grievance Committee of the Board of Directors did not have a meeting during the period under review.
7. The Executive Committee of the Board of Directors did not have a meeting during the financial year. However, a resolution passed by way of circulation was later ratified by the Board of Directors in its subsequent meeting.



8. The Nomination and Governance Committee duly met 2 (Two) times on July 22, 2009, and January 28, 2010 in respect of which proper notices were given and proceedings were properly recorded and signed. There was one teleconference meeting held on October 29, 2009 proceedings of which were properly recorded and noted by the Committee at its subsequent meeting.

The composition of the Nomination and Governance Committee as on the date of the meeting was as follows

Sr. No.	Date of Meeting	Composition of Audit Committee as on the date of the Meeting
1.	July 22, 2009	1 (One) Executive Director and 3 (Three) Independent Directors
2.	October 29, 2009	3 (Three) Independent Directors
3.	January 28, 2010	3 (Three) Independent Directors

9. The IPO Committee of the Board of Directors duly met 2 (Two) times on December 29, 2009 and March 10, 2010 in respect of which proper notices were given and proceedings were properly recorded and signed.

The Composition of the IPO Committee as on the date of the meetings was as follows

Sr. No.	Date of Meeting	Composition of Audit Committee as on the date of the Meeting
1.	December 29, 2009	1 (One) Executive Director, 2 (Two) Non-executive Directors and 1 (One) Independent Director
2.	March 10, 2010	1 (One) Executive Director, 2 (Two) Non-executive Directors and 1 (One) Independent Director

10. No meeting of the Compensation Committee of the Board of Directors was held during the financial year. However, resolutions passed by way of circulation during the financial year were later ratified by the Board of Directors in its subsequent meeting.
11. During the financial year, the Company formed the Selection Committee of the Board of Directors for the purpose of approving, subject to the approval of the shareholders, enhancement in the limits for payment of remuneration to Mrs. Chitra Hemadri Buzruk, relative of two Directors of the Company holding office or place of profit. The Selection Committee duly met 1 (One) time on November 23, 2009 in respect of which proper notices were given and proceedings were properly recorded and signed.

The composition of the Selection Committee as on the date of the meeting was as follows

Sr. No.	Date of Meeting	Composition of Audit Committee as on the date of the Meeting
1.	November 23, 2009	2 (Two) Independent Directors and 1 (One) Management Consultant from outside the Company

12. The Annual General meeting for the financial year ended on March 31, 2009 was held on July 22, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose;
13. One extra ordinary general meeting was held on December 18, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
14. The Company has not advanced any amount as loan to its Directors and / or persons or firms or companies referred in the section 295 of the Act.
15. The Company has not entered into any contract attracting the provisions of section 297 of the Act during the period under report.
16. The Company has made necessary entries in the register maintained under section 301 of the Act.
17. The Company made an application to the Central Government, the Ministry of Corporate Affairs on November 16, 2009 under Section 212(8) of the Act for the exemption sought from attaching the Directors' Report,

Auditors' Report, Balance Sheet and Profit and Loss Account of its Subsidiary Companies to the Balance Sheet to the Company for the Financial Year 2009-10. The Company has received an approval from the Central Government vide its Letter No. 47 / 13 / 2010 - CL - III dated March 23, 2010.

18. The Company has made an application to the Central Government, Ministry of Corporate Affairs on December 25, 2009 under section 314 1B of the Act for obtaining approval for enhancement in limits for payment of remuneration to Mrs. Chitra Hemadri Buzruk, relative of two Directors of the Company holding office or place of profit. The appointment was duly approved by the Selection Committee on November 23, 2009 and by the members by Special Resolution at the Extra Ordinary General Meeting on December 18, 2009. The approval from the Central Government is awaited.
19. During the year under review, the Company has approved the transfer of 35,90,436 shares as per the following details
 - a. Transfer of 2,200,984 Equity Shares from PSPL ESOP Management Trust to respective Employees pursuant to exercise of vested Stock Options
 - b. Transfer of 1,280,706 Equity Shares held by Dr. Shridhar Shukla (jointly with Mrs. Vijayalakshmi Shukla) and Mr. Ashutosh Joshi in the Initial Public Offering by way of Offer for Sale
 - c. Transfer of 108,746 Equity Shares from Individual Shareholder.
20. The Company has deposited the amount of interim dividend declared in the financial year in a separate bank account within five days from the date of declaration of such dividend.
21. The Company has paid / posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that there is no unclaimed / unpaid dividend.
22. The Company has duly complied with the requirements of section 217 of the Act.
23. The Board of Directors and the Audit Committee of the Board of Directors of the Company are duly constituted.
24. The appointment of Managing Director / Whole-time Director has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.
25. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
26. Disclosures made by all Directors under Section 299 of the Act and declarations under Section 274(1)(g) of the Act were available for inspection.
27. The Company has made an initial public offering of 5,419,706 Equity Shares of Rs. 10 each consisting of Fresh Issue of 4,139,000 Equity Shares and Offer for Sale of 1,280,706 Equity Shares by the Selling Shareholders. The Board of Directors at its meeting held on March 30, 2010 approved allotment of 4,139,000 Equity Shares of Rs. 10 each and transfer 1,280,706 Equity Shares of Rs. 10 each offered for sale by Dr. Shridhar Bhalchandra Shukla and Vijayalaxmi Shridhar Shukla (holding shares jointly) and Mr. Ashutosh Joshi (collectively known as Selling Shareholders) in the Initial Public Offering of the Company, at a Issue Price of Rs. 310 (including share premium of Rs. 300 each) to the successful applicants.
28. The Company has made an application for listing of 40,000,000 Equity Shares of Rs. 10 each inclusive of an initial public offering of 5,419,706 Equity Shares of Rs. 10 each (including an Offer for Sale of 1,280,706 Equity Shares of Rs. 10 each by the Selling Shareholders) with the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited on March 31, 2010 in compliance with the provisions of the Act. The Company received the listing and trading approval from NSE and BSE on April 1, 2010 and shares were listed on both these stock exchanges on April 6, 2010.
29. The Company has not bought back any securities during the period under report.
30. The amount borrowed by the Company from banks during the financial year ending March 31, 2010, is within the borrowing limits of the Company.



31. The Company has made investments in other bodies corporate in compliance with the provisions of the Act.
32. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
33. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
34. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
35. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny and complied with the provisions of the Act.
36. The Company has not altered its Articles of Association.
37. There is no prosecution initiated against or show cause notice received by the Company for alleged offences under the Act.

CS Shridhar Kulkarni
Company Secretary
FCS No. 5631
CP No. 3950

Date : April 23, 2010
Place : Pune

ANNEXURE 'A'

Registers as maintained by the Company

A. Statutory Registers

Sr. No.	Name of the Register	Maintained Under Section
1.	Register of Charges	143
2.	Register of Members	150
3.	Minutes Books (Board, Committee and General Meetings)	193
4.	Register of Contracts	301
5.	Register of Directors	303
6.	Register of Directors' Shareholding	307
7.	Register of Buy Back of Securities	Rule 11
8.	Register of Investments	372A

B. Other Registers

Sr. No.	Name of the Register Maintained
1.	Register for transfer and transmission of shares
2.	Directors' attendance register
3.	Members' attendance register
4.	Register for application and allotment of shares

ANNEXURE 'B'

Form and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the period ending on March 31, 2010.

Sr. No.	Form No/Return	For	Filed u/s	Date of Event	Date of Filing	Whether filed within the prescribed time
1	eForm 23	Payment of remuneration to Dr. Anand Deshpande, Chairman and Managing Director for financial year 2009-10 on the specified terms till the time Board approves the remuneration for the Financial Year	192 (4)(c)	May 21, 2009	June 16, 2009	Yes
2	Sch VI (eForm 23AC and 23ACA)	Balance Sheet as on March 31, 2009	220	July 22, 2009	August 21, 2009	Yes
3	Sch V (eForm 20B)	Annual return for the financial year 2008-09	159	July 22, 2009	August 27, 2009	Yes
4	eForm 23	Revision in payment of remuneration to Dr. Anand Deshpande, Chairman and Managing Director for the financial year 2009-10	192 (4)(c)	July 23, 2009	August 21, 2009	Yes
5	eForm 23AAB	Application for exemption from attaching the annual accounts of the subsidiary companies	212(8)	NA	November 16, 2009	NA
6	eForm 23	Revision in payment of remuneration to Dr. Anand Deshpande for financial year 2009-10 (Revision of revenue threshold for variable pay)	192 (4)(c)	October 30, 2009	November 26, 2009	Yes
7	eForm 32	Change in Designation of Mr. Suresh Deshpande from Executive Director to Non-Executive Director	303 (2)	October 30, 2009	November 26, 2009	Yes
8	eForm 24B	Application to the Central Government for enhancing the limits for payment of remuneration to Mrs. Chitra Buzruk, to Office or place of profit	314(1B)	NA	December 25, 2009	Yes
9	eForm 23	Special resolution for revision in terms of employment of relative of Director to Office or place of Profit Offering	314	December 18, 2009	December 25, 2009	Yes
10	eForm 23	Special resolution for issue of Equity Shares through Initial Public Offering	81 (1A)	December 18, 2009	December 25, 2009	Yes
11	e-Form 62	Reduction in the beneficial holding of the PSPL ESOP Management Trust due to transfer from Trust to the employees on exercising the vested options	187C	February 4, 2010	February 10, 2010	Yes



Sr. No.	Form No/Return	For	Filed u/s	Date of Event	Date of Filing	Whether filed within the prescribed time
12	e-Form 62	Reduction in the beneficial holding of the PSPL ESOP Management Trust due to transfer from Trust to the employees on exercising the vested options	187C	February 9, 2010	February 10, 2010	Yes
13	e-Form 22B	Transfer of Shares from Dr. Anand Deshpande and Mr. S. P. Deshpande, former Trustees of PSPL ESOP Management Trust to Mr. P. B. Kulkarni and Mr. Rajesh Ghonasgi, new Trustees of PSPL ESOP Management Trust	187C	March 4, 2010	March 4, 2010	Yes
14	e-Form 62	Filing of Red Herring Prospectus with the Registrar of Companies	60	March 17, 2010	March 10, 2010	Yes
15	e-Form 62	Filing of Red Herring Prospectus with the Registrar of Companies (See Note 1)	60	March 17, 2010	March 11, 2010	Yes
	E-Form 61 (39 Nos.)	Submission of copy of Red Herring Prospectus with Registrar of Companies (See Note 2)	60B	March 17, 2010	March 10, 2010	N.A.
16	e-Form 62	Filing of Prospectus with the Registrar of Companies	60	March 23, 2010	March 23, 2010	Yes

Note 1 This form was required to be resubmitted by the Company because e-Form 62 filed on March 10, 2010 was not displayed at the MCA Web Portal due to technical issues.

Note 2 These forms have been reported to be cancelled by the MCA Web Portal.

CS Shridhar Kulkarni
 Company Secretary
 FCS No. 5631
 CP No. 3950

Date : April 23, 2010

Place : Pune