

# Persistent Systems Limited

Regd. Office : Bhageerath, 402, Senapati Bapat Road, Pune 411016, India  
Ph. No. +91(20)67030000; Fax +91(20)67030009; Email : info@persistent.com, 'www.persistent.com'. CIN L72300PN1990PLC056696



## Audited consolidated financial results of Persistent Systems Limited for the quarter and half year ended September 30, 2017

₹ in Million

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended March 31, 2017 (Audited)
		September 30, 2017 (Audited)	June 30, 2017 (Audited)	September 30, 2016 (Audited)	September 30, 2017 (Audited)	September 30, 2016 (Audited)	
1	Revenue from operations	7,612.52	7,280.15	7,040.19	14,892.67	14,057.96	28,784.39
2	Other income	336.34	367.91	243.72	704.25	497.19	958.45
3	<b>Total income</b>	<b>7,948.86</b>	<b>7,648.06</b>	<b>7,283.91</b>	<b>15,596.92</b>	<b>14,555.15</b>	<b>29,742.84</b>
4	<b>Expenses</b>						
	- Employee benefits expense	4,668.13	4,376.50	4,399.20	9,044.63	8,719.69	17,648.97
	- Cost of professionals	809.27	729.13	519.19	1,538.40	1,043.14	2,177.66
	- Finance costs	0.16	0.17	0.37	0.33	0.56	0.91
	- Depreciation and amortization expense	379.44	391.91	366.71	771.35	709.52	1,490.17
	- Other expenses	977.30	1,130.95	1,014.00	2,108.25	2,129.80	4,304.29
	<b>Total Expenses</b>	<b>6,834.30</b>	<b>6,628.66</b>	<b>6,299.47</b>	<b>13,462.96</b>	<b>12,602.71</b>	<b>25,622.00</b>
5	<b>Profit before exceptional items and tax</b>	<b>1,114.56</b>	<b>1,019.40</b>	<b>984.44</b>	<b>2,133.96</b>	<b>1,952.44</b>	<b>4,120.84</b>
6	Exceptional items	--	--	--	--	--	(114.11)
7	<b>Profit before tax</b>	<b>1,114.56</b>	<b>1,019.40</b>	<b>984.44</b>	<b>2,133.96</b>	<b>1,952.44</b>	<b>4,006.73</b>
8	<b>Tax expense</b>						
	- Current tax	350.67	277.89	149.05	628.56	463.33	1,147.87
	- Tax credit in respect of earlier years	0.01	(12.25)	--	(12.24)	--	(19.67)
	- Deferred tax charge / (credit)	(62.35)	2.87	100.46	(59.48)	21.32	(136.12)
	<b>Total tax expense</b>	<b>288.33</b>	<b>268.51</b>	<b>249.51</b>	<b>556.84</b>	<b>484.65</b>	<b>992.08</b>
9	<b>Profit for the period from continuing operations</b>	<b>826.23</b>	<b>750.89</b>	<b>734.93</b>	<b>1,577.12</b>	<b>1,467.79</b>	<b>3,014.65</b>
10	<b>Profit / (Loss) for the period from discontinued operations</b>	--	--	--	--	--	--
11	<b>Tax expense of discontinued operations</b>	--	--	--	--	--	--
12	<b>Profit / (Loss) for the period from discontinued operations (After tax)</b>	--	--	--	--	--	--
13	<b>Profit for the period</b>	<b>826.23</b>	<b>750.89</b>	<b>734.93</b>	<b>1,577.12</b>	<b>1,467.79</b>	<b>3,014.65</b>
14	<b>Other comprehensive income</b>						
A.	<b>Items that will not be reclassified profit and loss</b>						
	- Remeasurements of the defined benefit liabilities / (asset)	14.21	42.53	(135.63)	56.74	(101.99)	(39.13)
		<b>14.21</b>	<b>42.53</b>	<b>(135.63)</b>	<b>56.74</b>	<b>(101.99)</b>	<b>(39.13)</b>
B.	<b>Items that may be reclassified to profit and loss</b>						
	- Effective portion of cash flow hedge	(92.32)	(66.78)	106.47	(159.10)	53.63	116.95
	- Exchange differences in translating the financial statements of foreign operations	50.42	21.67	(53.56)	72.09	31.36	(110.48)
		<b>(41.90)</b>	<b>(45.11)</b>	<b>52.91</b>	<b>(87.01)</b>	<b>84.99</b>	<b>6.47</b>
15	<b>Total comprehensive income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>798.54</b>	<b>748.31</b>	<b>652.21</b>	<b>1,546.85</b>	<b>1,450.79</b>	<b>2,981.99</b>
16	"Paid-up equity share capital (Face value of share ₹ 10 each)"	800.00	800.00	800.00	800.00	800.00	800.00
17	Reserves excluding revaluation reserves	--	--	--	--	--	18,192.63
18	<b>Earnings per equity share (for continuing operations) in ₹</b>						
	- Basic	10.33	9.39	9.19	19.71	18.35	37.68
	- Diluted	10.33	9.39	9.19	19.71	18.35	37.68
19	<b>Earnings per equity share (for discontinued operations) in ₹</b>						
	- Basic	--	--	--	--	--	--
	- Diluted	--	--	--	--	--	--
20	<b>Earnings per equity share (for discontinued and continuing operations) in ₹</b>						
	- Basic	10.33	9.39	9.19	19.71	18.35	37.68
	- Diluted	10.33	9.39	9.19	19.71	18.35	37.68
21	<b>Dividend per share (in ₹)</b>						
	Interim dividend	--	--	--	--	--	6
	Final dividend	--	--	--	--	--	3
	<b>Total dividend</b>	--	--	--	--	--	<b>9</b>

## Segment wise Revenue, Results and Capital Employed

₹ in Million

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended March 31, 2017 (Audited)
		Sept. 30, 2017 (Audited)	June 30, 2017 (Audited)	Sept. 30, 2016 (Audited)	Sept. 30, 2017 (Audited)	Sept. 30, 2016 (Audited)	
1	Segment revenue						
	- Services	3,325.67	3,237.87	3,285.57	6,563.54	6,623.79	13,086.58
	- Digital	1,590.17	1,313.24	1,065.31	2,903.41	2,067.32	4,704.91
	- Alliance	2,081.76	2,123.88	2,069.98	4,205.64	4,180.59	8,466.11
	- Accelerite (Products)	614.92	605.16	619.33	1,220.08	1,186.26	2,526.79
	<b>Total</b>	<b>7,612.52</b>	<b>7,280.15</b>	<b>7,040.19</b>	<b>14,892.67</b>	<b>14,057.96</b>	<b>28,784.39</b>
2	Less: Inter segment revenue	--	--	--	--	--	--
3	Net sales/income from operations	7,612.52	7,280.15	7,040.19	14,892.67	14,057.96	28,784.39
4	Segment results profit/ (loss) before tax, interest and depreciation and amortization						
	- Services	1,297.62	1,247.86	1,440.22	2,545.48	2,860.31	5,524.82
	- Digital	525.38	410.34	320.96	935.72	584.78	1,490.24
	- Alliance	657.09	698.93	543.23	1,356.02	1,201.00	2,559.79
	- Accelerite (Products)	283.03	254.32	250.01	537.35	488.25	1,103.11
	<b>Total</b>	<b>2,763.12</b>	<b>2,611.45</b>	<b>2,554.42</b>	<b>5,374.57</b>	<b>5,134.34</b>	<b>10,677.96</b>
5	Less:						
	- Finance cost	0.16	0.17	0.37	0.33	0.56	0.91
	- Other un-allocable expenses	1,984.74	1,959.79	1,813.33	3,944.53	3,678.53	7,628.77
6	Un-allocable income	336.34	367.91	243.72	704.25	497.19	958.45
7	<b>Total profit before tax</b>	<b>1,114.56</b>	<b>1,019.40</b>	<b>984.44</b>	<b>2,133.96</b>	<b>1,952.44</b>	<b>4,006.73</b>

₹ in Million

8	Segment assets	As at		
		Sept. 30, 2017 (Audited)	Sept. 30, 2016 (Audited)	March 31, 2017 (Audited)
	- Services	2,230.45	2,213.15	2,109.80
	- Digital	1,410.83	949.38	1,318.83
	- Alliance	667.79	605.11	717.31
	- Accelerite (Products)	529.21	410.80	607.89
	<b>Total allocable segment assets</b>	<b>4,838.28</b>	<b>4,178.44</b>	<b>4,753.83</b>
	Unallocable assets	20,078.75	17,815.22	18,709.90
	<b>Total assets</b>	<b>24,917.03</b>	<b>21,993.66</b>	<b>23,463.73</b>

## Audited consolidated statement of assets and liabilities

₹ in Million

Particulars	As at		
	Sept. 30, 2017 (Audited)	Sept. 30, 2016 (Audited)	March 31, 2017 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	2,669.23	2,812.50	2,768.36
Capital work-in-progress	29.14	93.98	48.47
Goodwill	76.80	78.29	76.23
Other Intangible assets	2,834.12	2,521.51	2,515.05
Intangible assets under development	157.51	338.46	241.13
Financial assets			
- Investments	2,547.30	1,929.05	2,339.44
- Loans	133.03	140.45	131.49
- Other non-current financial assets	317.41	936.68	922.36
Deferred tax assets (net)	559.51	133.70	306.39
Other non-current assets	56.63	81.47	71.85
<b>Total non-current assets</b>	<b>9,380.68</b>	<b>9,066.09</b>	<b>9,420.77</b>
<b>Current assets</b>			
Financial assets			
- Investments	4,810.64	4,205.14	4,499.66
- Trade receivables	4,838.28	4,178.44	4,753.83
- Cash and cash equivalents	1,754.18	1,236.18	1,461.38
- Other bank balances	681.97	45.82	48.25
- Loans	11.59	11.11	14.00
- Other current financial assets	2,041.38	2,359.53	2,316.03
Current tax assets (net)	--	169.05	94.42
Other current assets	1,398.31	722.30	855.39
<b>Total current assets</b>	<b>15,536.35</b>	<b>12,927.57</b>	<b>14,042.96</b>
<b>TOTAL ASSETS</b>	<b>24,917.03</b>	<b>21,993.66</b>	<b>23,463.73</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	800.00	800.00	800.00
Other equity	19,457.62	17,215.62	18,192.63
<b>Total Equity</b>	<b>20,257.62</b>	<b>18,015.62</b>	<b>18,992.63</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	20.20	25.77	21.71
- Deferred payment liabilities	--	4.41	19.74
Provisions	167.96	156.94	146.14
Deferred tax liabilities (net)	217.50	--	110.75
<b>Total Non-current liabilities</b>	<b>405.66</b>	<b>187.12</b>	<b>298.34</b>
<b>Current liabilities</b>			
Financial liabilities			
- Trade payables	1,499.03	950.79	1,202.36
- Deferred payment liabilities	--	--	0.86
- Other financial liabilities	487.06	730.94	452.72
Other current liabilities	908.93	859.76	1,125.75
Provisions	1,354.36	1,249.43	1,391.07
Current tax liabilities (net)	4.47	--	--
<b>Total current liabilities</b>	<b>4,253.85</b>	<b>3,790.92</b>	<b>4,172.76</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>24,917.03</b>	<b>21,993.66</b>	<b>23,463.73</b>

## Audited unconsolidated financial information

₹ in Million

Particulars	Quarter ended			Half year ended		Year ended March 31, 2017 (Audited)
	Sept. 30, 2017 (Audited)	June 30, 2017 (Audited)	Sept. 30, 2016 (Audited)	Sept. 30, 2017 (Audited)	Sept. 30, 2016 (Audited)	
Revenue from operations	4,374.91	4,272.44	4,224.94	8,647.35	8,397.89	17,329.64
Profit before tax	1,159.94	1,030.79	957.74	2,190.73	1,998.69	4,037.41
Profit after tax	864.10	751.14	737.23	1,615.24	1,533.97	2,940.32

### 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 CEO and Managing Director.
- Cost 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 financial statements for the quarter and half year ended September 30, 2017, have been taken on record by the Board of Directors at its meeting concluded on October 16, 2017 as recommended by the Audit Committee at its meeting held on October 15, 2017. The statutory auditors have expressed an unqualified audit opinion.
- The Company adopted Indian Accounting Standards (Ind AS) from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The German subsidiary of the parent company has completed the acquisition of PARX Werks AG, a Salesforce Platinum Partner in the DACH region on July 31, 2017. Accordingly, above results include the financial performance of PARX Werks AG.
- The Agreement entered with Mr. Thomas Kendra, Non-Executive Non-Independent Director through his business concern, M/s. Azure Associates LLC, USA for providing business consultation, coaching, advisory and mentoring services to the Company's executives has been extended on the same terms for another period of 12 (Twelve) months with effect from October 1, 2017.
- Figures for the previous periods/year have been regrouped wherever necessary to conform to current period presentation.

By order of Board of Directors of Persistent Systems Limited

Pune  
October 16, 2017

**Dr. Anand Deshpande**  
Chairman and Managing Director

**Pradeep Bhargava**  
Director

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