

To
The Board of Directors
Persistent Systems Limited
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Independent Auditor's Certificate pursuant to the requirements of regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended)

1. This certificate is issued in accordance with the terms of our engagement letter dated 24 January 2020 with Persistent Systems Limited ('the Company').
2. The Company has passed special resolution in its annual general meeting (AGM) or Extra Ordinary general meeting (EGM) ('Shareholders' Resolution') under section 62(1) of the Companies Act, 2013 ('Act') to approve each of the share-based payment schemes ('Schemes') outlined below:

Schemes	Scheme Year	Date adopted by Members at AGM/EGM
ESOA - X (Scheme X)	Financial year 2010-11	July 20, 2010
PESOS 2014 (Scheme XI)	Financial year 2014-15	July 26, 2014
ESOP 2016 (Scheme XII)	Financial year 2015-16	March 21, 2016
ESOP 2017 (Scheme XIII and Scheme XIV)	Financial year 2017-18	July 20, 2017

In accordance with the requirements of regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended) ('Regulations'), the Management of the Company is required to submit this certificate for aforementioned Schemes at the forthcoming AGM.

Management's Responsibility

3. The Management of the Company is responsible for preparation and maintenance of all accounting, secretarial and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant for such purpose.
4. The Management is also responsible for the implementation of the Schemes in accordance with the provisions of the Regulations and the Shareholders' Resolution, ensuring that the Company complies with the requirements of the Equity Listing Agreement, and furnishing the requisite information to the Securities and Exchange Board of India.

Auditor's Responsibility

5. Pursuant to the requirement of regulation 13 of the Regulations, it is our responsibility to provide reasonable assurance in the form of an opinion that the Schemes have been implemented in compliance with the Regulations, to the extent applicable, and the Shareholders' Resolution.
6. The audited financial statements referred to in paragraph 9 below, have been audited by us, on which we expressed an unmodified audit opinion vide our report dated 5 May 2020. Our audit of these financial statements were conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

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7. We conducted our examination for the purpose of this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('Guidance note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the reporting criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the reporting criteria. We have performed the following procedures:
 - i. Obtained the audited financial statements for the year ended 31 March 2020.
 - ii. Obtained details of eligible directors/employees, status of options granted, vested, exercised, forfeited and expired.
 - iii. Obtained copies of the Schemes duly approved by the Board of Directors of the Company.
 - iv. Obtained a copy of the Shareholders' Resolution and corresponding notice of the AGM
 - v. Reviewed the minutes of the AGM/EGM held noting the approval accorded to management to issue the Schemes to the employees/directors of the Company.
 - vi. Compared the provisions of the Scheme with the Regulations, to the extent applicable, and with the Shareholders' Resolution.
 - vii. Reviewed the secretarial records maintained by the Company.

Opinion

10. Based on our examination, as above, and the information and explanations given to us, along with representations provided by the Management, in our opinion, the Schemes have been implemented in accordance with the provisions of the Regulations, to the extent applicable, and the Shareholders' Resolution.

Restriction on distribution or use

11. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirement of regulation 13 of the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have had as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
12. The certificate is addressed to and provided to the Board of Directors of the Company solely to enable the Board of Directors to place it before the shareholders at the forthcoming AGM of the Company to comply with the requirement of regulation 13 of the Regulations, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandniok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

Bharat Shetty
Partner
Membership No:106815

UDIN No:20106815AAAACC8842

Place: Mumbai
Date: 18 July 2020