



Re(AI)magingTM the Enterprise

Where AI Ambition Meets
Engineering Execution



2026
Annual Report

36th Annual General Meeting

Monday, August 3, 2026
1600 Hrs. IST

Venue for Physical Meeting

Persistent Systems Limited, Dewang Mehta Auditorium
'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India

Video Conferencing and e-Voting

[Click here](#)

Members are requested to follow the instructions provided in the Notice of 36th Annual General Meeting in order to attend the AGM in person or via video conferencing and to e-Vote.

Remote e-Voting Period

1. 0900 Hrs. IST on Wednesday, July 29, 2026 —
1700 Hrs. IST on Sunday, August 2, 2026
2. During the AGM and within half an hour from the end of the AGM.

Dividend

The Board has recommended a Final Dividend of INR 18 (INR Eighteen Only) per Equity Share having a face value of INR 5 (INR Five Only) for the Financial Year 2025-26 for the approval of the Members.

Read this Annual Report online:

[Click here](#)

More details of the Annual General Meeting can be found at:



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Re(AI)maging™ the Enterprise

Where AI Ambition Meets
Engineering Execution

Every generation of technology arrives with a promise. The promise of AI is the most consequential in decades, and this time, the potential is real. AI can reshape how organisations build software, serve customers, manage risk, accelerate discovery and make decisions. The investments are justified. The urgency is warranted.

What is also real is this: many organisations are struggling to translate that promise into measurable impact. It is not because they lack access to models, platforms or ambition. The distance between AI strategy and operational reality, between boardroom commitment and production deployment is wider, more structurally complex and harder to close than many anticipated. Pilots that proved the concept have stalled before production. Data that seemed ready has turned out to be fragmented, inconsistent or ungoverned. Agents that performed well in demonstrations have struggled in the messy, regulated and interconnected reality of large organisations. The gap is real and it is costing organisations time, capital and competitive ground.

More fundamentally, AI is reshaping how organisations create value, compete and grow. The next competitive advantage will come from the ability to integrate intelligence into the operating core of the organisation. The organisations that succeed will not simply adopt AI. They will redesign how work gets done around it.

This is the moment Persistent was built for.

We chose this year's theme, *Re(AI)maging™ the Enterprise: Where AI Ambition Meets Engineering Execution*, not to describe an aspiration, but to define where we create value. Persistent sits at the point where AI strategy becomes operational reality and where lasting advantage is created. That standing is earned, not claimed.

Persistent's heritage in software and product engineering places us at the intersection of AI, data and modernisation. For more than three decades, we have helped clients engineer complex technology systems that are resilient, scalable and business-critical. Those strengths are becoming increasingly relevant as organisations move from experimentation towards widespread adoption.

They are reflected in our AI platforms, SASVA™, iAURA and GenAI Hub, and in the 3C Framework of Core, Context and Coordination. Together, they help organisations establish a strong technology foundation, apply intelligence with business context and embed AI into the workflows where decisions and outcomes are created. Importantly, these are not frameworks designed for presentation slides. They are disciplines built through real-world deployment, refined within Persistent as Customer Zero and applied across increasingly complex client environments. That experience continues to shape how we help clients move from fragmented AI investments to trusted outcomes.

The organisations we serve are at an inflection point. AI ambition is funded. The question now is execution.

The next phase belongs to organisations capable of turning pilots into platforms, data into insight and governance into a foundation for growth. The winners will be those that can embed intelligence into the systems, workflows and decisions that drive business performance. This is where Persistent stands apart. We bring the engineering depth, data foundation, platform IP, governance discipline and delivery model required to help clients move from investment to measurable, trusted outcomes.

FY26 showed what becomes possible when AI ambition meets engineering execution. This report is the story of that progress and the foundation for what comes next.

A portrait of Dr. Anand Deshpande, a middle-aged man with glasses, a mustache, and a blue suit with an orange tie. He is smiling slightly and looking towards the camera. The background is a soft gradient of light blue and white.

Message from the Chairman

“As new technologies emerge, the most important differentiator will not simply be access to tools, but the ability to use them to solve real business problems. Technology will change many things, but judgement, creativity and integrity will still matter deeply.”

Dr. Anand Deshpande

Founder, Chairman and Managing Director

Dear Fellow Shareowners,

It is a privilege to share Persistent Systems' 36th Annual Report. Each year provides an opportunity to pause in gratitude, reflect on how far we have come, and consider the changing world around us. Above all, it is an opportunity to acknowledge the trust that has made this journey possible.

When we started Persistent in 1990, we had very limited resources. What we did have was curiosity, determination and a willingness to learn. We believed that if we remained useful to our customers and continued to create value for them, the business would grow. More than three decades later, those fundamentals remain unchanged.

Trust of this kind is never built in boardrooms alone. It is earned every day through the actions of our people. It is built project by project, commitment by commitment, often quietly and away from public view. Behind every customer relationship are teams that work diligently to solve problems, meet commitments and go the extra mile when needed. Their dedication, professionalism and care have helped Persistent earn the confidence of customers around the world, and I remain deeply grateful for their contribution.

This year, much of the world's attention turned decisively towards Artificial Intelligence. Few technologies in recent memory have generated such widespread interest, debate and investment. While every generation believes it is witnessing extraordinary change, there are moments when technology genuinely alters the trajectory of industries and societies. Like the Internet and mobile computing before it, I believe AI represents one such moment.

Over the last several years, enterprises have been exploring how AI can improve

productivity, automate tasks and create new possibilities. Much of the recent attention has focused on agents and automation. These developments are important and are already creating value. However, I believe they represent only the beginning of a much larger transformation.

Over the years, organisations have used software to streamline processes, improve efficiency and create consistency. AI introduces a new possibility: systems that can assist in interpretation, judgement and decision-making. We are entering a period in which intelligence itself is becoming a technology platform. The transition from automation to intelligence is now underway, and its implications extend far beyond technology. It will influence how organisations operate, innovate and compete.

While much of the current discussion focuses on foundation models and their rapidly advancing capabilities, I believe the long-term value of AI will be determined not by the models themselves, but by how effectively organisations combine intelligence with their own data, knowledge and experience. Over time, powerful models will become increasingly accessible. The more important differentiator will be context: an organisation's enterprise data, customer relationships, business processes, operating history and accumulated expertise. Enterprises that successfully combine AI with this context will create advantages that are difficult to replicate.

At the same time, organisations are being required to confront important questions around privacy, security, governance and data sovereignty. These considerations cannot be treated as afterthoughts. The future will require enterprises to balance innovation with trust,

openness with control and technological ambition with responsibility. AI will create significant opportunities, but it also demands thoughtful leadership and careful stewardship.

For Persistent, this transition aligns closely with our heritage and our strengths. For more than thirty-five years, we have helped customers navigate major technology transitions by combining deep engineering expertise with a strong understanding of enterprise systems and data. Throughout this period, our work has focused on helping customers build, modernise and manage the technology foundations that support their businesses. As enterprises move from automation towards intelligence, these foundations become even more important.

We believe that enterprise intelligence will ultimately depend on three elements: the platforms on which intelligence runs, the context that allows intelligence to understand the business and the coordination required to translate intelligence into action. This perspective shapes how we think about the future and how we help customers navigate it. While technologies will continue to evolve rapidly, our focus remains constant: helping customers create lasting value through the thoughtful application of technology.

I am encouraged by how our people are responding to this moment. New technologies will continue to emerge, but the most important differentiators will remain the ability to learn, adapt and solve meaningful problems. Technology changes rapidly, while qualities such as judgement, creativity, integrity and perseverance endure. These qualities have always been central to Persistent’s culture and will become even more important in the years ahead.

Institutions become stronger when learning becomes part of their culture. As the pace of

technological change accelerates, we must continue to create opportunities for our people to develop new skills, challenge assumptions and grow professionally. Persistent University and our broader investments in workforce capability remain important pillars of our long-term strategy. The future will belong to organisations that learn continuously, and we remain committed to building one.

Our growth continued with consistency in FY26, marking our 24th consecutive quarter of growth. This achievement reflects the trust of our customers, the strength of our strategy and the commitment of our people. I thank every employee for the professionalism, resilience and care they bring to their work each day. I would also like to acknowledge the support of their families, whose encouragement and understanding make these achievements possible in countless ways.

I remain deeply grateful to our customers for the trust they place in Persistent. Many of these relationships have evolved over years, and in some cases decades. Technology cycles change quickly. Relationships built on trust, performance and shared success endure. Those relationships continue to shape the company we are becoming and remain among our greatest strengths.

Growth also brings broader responsibilities. Our commitments extend beyond business performance to sustainability, governance, innovation and community impact. Recognition through the Dow Jones Sustainability Indices and other ESG benchmarks is encouraging. More importantly, it reflects our effort to build a business that is responsible, resilient and sustainable over the long term. We remain committed to creating value not only for shareowners, but also for customers, employees and the communities in which we operate.

I remain optimistic about the future. Not because change can be predicted with certainty, but because adaptability, learning and disciplined execution have always been part of Persistent’s foundation. Technology will continue to evolve. Markets will continue to change. New opportunities and new challenges will emerge. What gives me confidence is the quality of our people, the trust of our customers and the values that have guided us for more than three decades. These strengths have carried us through previous transitions, and I believe they will continue to serve us well in the years ahead.

Throughout this journey, you, our shareowners, have remained true partners in Persistent’s growth story. Many of you have supported the company for years, and

I remain deeply appreciative of that trust. Your confidence has helped create long-term value for all of us — shareowners, employees, customers and communities alike.

Finally, I would like to thank our customers, partners, vendors and communities for the role each continues to play in the company we are building together. In the end, companies are built by people, relationships and shared beliefs sustained over many years. We have been fortunate in all three.

With warm regards,
Dr. Anand Deshpande
Founder, Chairman and
Managing Director





Message from the CEO

“The next phase of enterprise transformation will be defined not by access to AI, but by the ability to operationalise it responsibly, at scale and with measurable business impact.”

Sandeep Kalra

Executive Director and Chief Executive Officer

Re(AI)maging™ the Enterprise

Operationalising Intelligence at Scale

Dear Shareholders,

FY26 marked a defining year in the evolution of enterprise AI. Across industries, the conversation shifted decisively from experimentation to execution. Organisations are no longer asking what AI can do; they are asking how quickly and effectively it can be embedded into products, processes, decisions and customer experiences.

Throughout my career, I have witnessed several technology transitions reshape our industry, from distributed computing and the internet to cloud and digital transformation. What makes AI different is its ability to influence not only technology architectures, but also how organisations operate, make decisions and create value. The next competitive advantage will come from how effectively intelligence is integrated into the operating core of the enterprise.

At Persistent, we believe this is where our engineering heritage creates a distinct advantage. Our roots in software and product engineering have shaped our approach to technology innovation for more than three decades. As enterprises seek to operationalise AI, the combination of product engineering excellence, data expertise, domain knowledge and disciplined execution is becoming increasingly important.

Our performance in FY26 reflects the strength of this positioning. Revenue reached \$1.654 billion, growing 17.4% year-over-year, while Q4 marked our 24th consecutive quarter of revenue growth. We are also pleased to

announce a final dividend of INR 18 per share, bringing the total dividend for the year to INR 40 per share. These results reflect the growing demand for AI-led modernisation, the dedication of our teams and the trust our clients continue to place in Persistent.

Through our work with enterprises around the world, we have learned that successful AI adoption depends on three critical capabilities: a strong technology foundation, deep business context and the ability to embed intelligence into workflows where decisions and outcomes are created. We describe this through our 3C Framework — Core, Context and Coordination. Together, these capabilities help enterprises move beyond pilots and translate AI investments into measurable business value.

This represents a significant opportunity for Persistent. Organisations increasingly need partners that can combine AI capabilities with engineering rigour and accountable execution. Our heritage in product engineering, combined with deep expertise in enterprise modernisation, positions us uniquely to help clients operationalise intelligence across their technology landscape, data estate and business operations.

Our AI-led, platform-driven services strategy continues to strengthen this differentiation. By combining software engineering, cloud, data, platforms and AI, we help clients modernise core systems, accelerate innovation and build more intelligent enterprises.

Throughout the year, we continued to invest in the platforms, partnerships and talent required to enable AI adoption at scale. We strengthened strategic relationships across our ecosystem, expanded industry-focused solutions and deepened our capabilities in highly regulated and data-intensive sectors where trust, governance and reliability are paramount.

A defining moment of the year was our recognition as a Microsoft Frontier Firm for leadership in Agentic AI. We were also recognised as the Fastest Growing IT Services Brand globally in the 2026 Brand Finance IT Services 25 report, reinforcing the relevance of our strategy and the growing impact of our work with clients around the world.

Long-term value creation extends beyond financial performance. For the third consecutive year, Persistent achieved carbon neutrality across Scope 1 and Scope 2 emissions while continuing to advance our sustainability commitments.

Our people remain our greatest differentiator. Through Persistent University, we delivered more than 30,000 AI certifications, 24,500+ hyperscaler certifications and 2.6 million learning hours during the year. As technology evolves, we remain committed to helping our people learn, grow and lead in an increasingly AI-driven world.

Beyond business performance, we continue to create meaningful societal impact through Persistent Foundation and Persistent Foundation US, supporting initiatives

in education, healthcare and community development.

Looking ahead, I believe AI will be one of the most powerful drivers of productivity, innovation and economic value creation over the coming decade. Organisations that successfully combine technology, data, talent and governance will be best positioned to capture its full potential.

Persistent enters this next chapter with confidence. Our product engineering DNA, AI-led, platform-driven services strategy, ecosystem partnerships and global talent base position us uniquely to help clients navigate this transformation and create enduring value for all stakeholders.

I extend my sincere gratitude to our clients, colleagues, partners and shareholders for their continued trust and support. Together, we are building a company designed not only to thrive in a rapidly changing world, but to help shape the future of enterprise technology.

We believe the next generation of industry leaders will be defined by how effectively they combine intelligence, engineering and execution. Persistent is uniquely positioned and we remain confident in our ability to create sustainable value for all stakeholders.

With best regards,
Sandeep Kalra
Executive Director and
Chief Executive Officer



FY26 Performance Highlights

\$436.0M

FY26 Q4 Revenue +16.2% YoY

\$1,654.4M

FY26 Revenue +17.4% YoY

\$445.1M

FY26 Q4 Annual Contract Value (ACV) Booking

\$1,780.1M

FY26 Annual Contract Value (ACV)

₹5.29B

FY26 Q4 PAT +33.7% YoY

₹18.65B

FY26 PAT +33.2% YoY

\$8.1B

Market Capitalisation

27,502

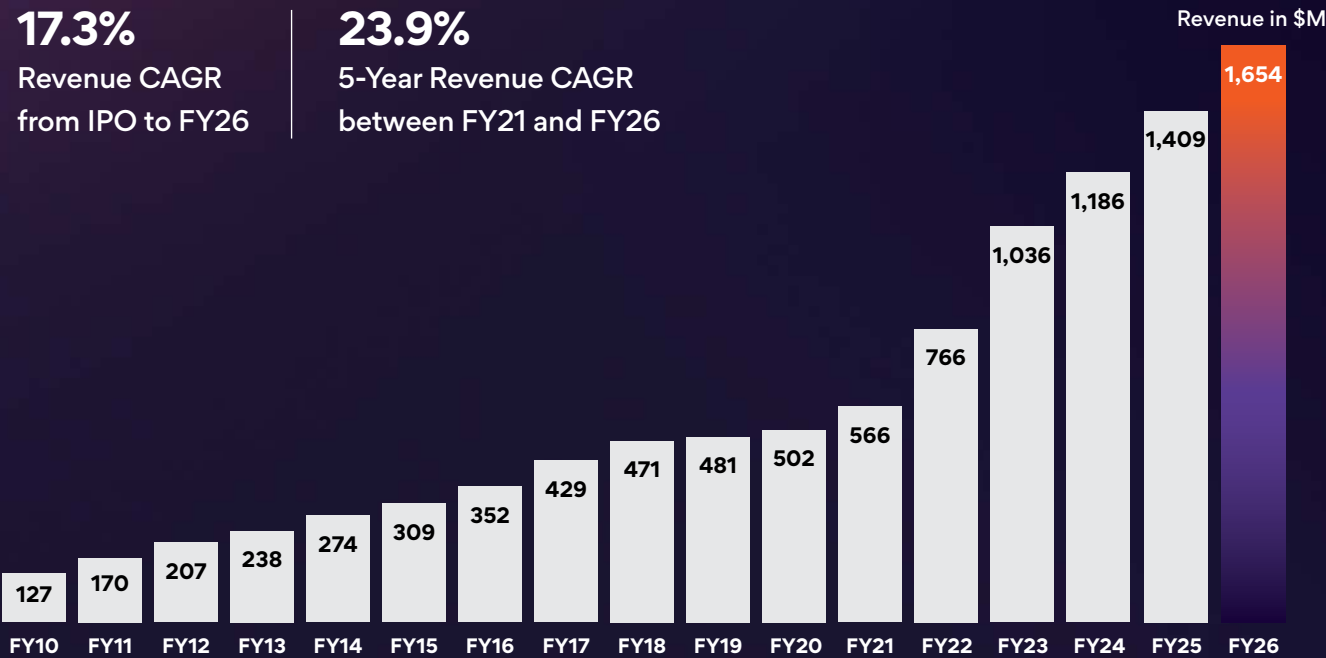
Employees

17.3%

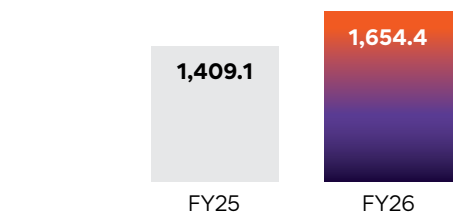
Revenue CAGR from IPO to FY26

23.9%

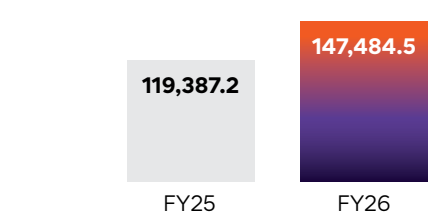
5-Year Revenue CAGR between FY21 and FY26



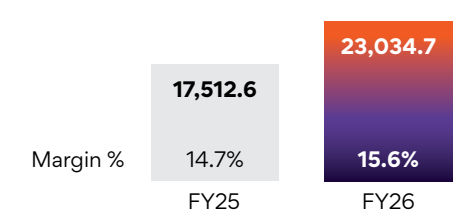
Revenue (\$ Million) ↑ 17.4%



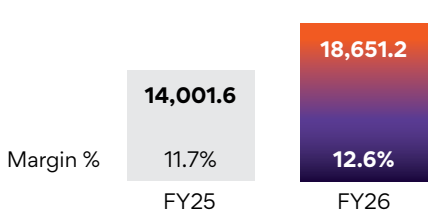
Revenue (INR Million) ↑ 23.5%



EBIT (INR Million) ↑ 31.5%



PAT (INR Million) ↑ 33.2%



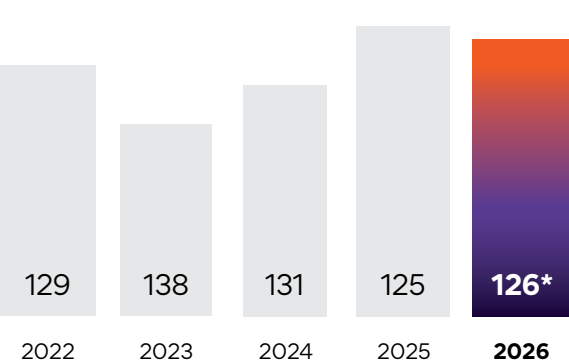
Margin %



Margin %



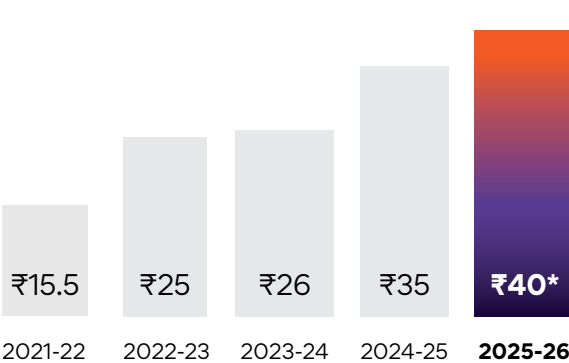
Ranking Based on Market Capitalisation



*As on December 31, 2026

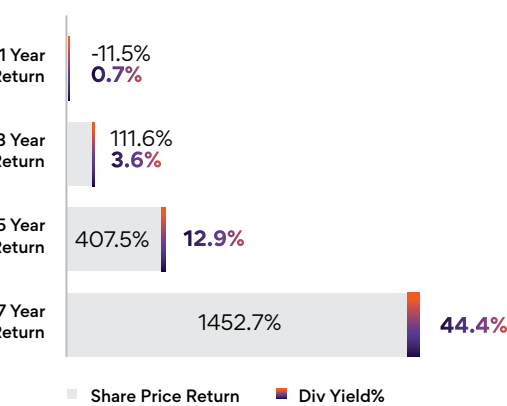
Market Cap in INR Billion		
2022 - 364.18	2023 - 352.28	2024 - 613.81
2025 - 834.49	2026 - 890.34	

Dividend per Share

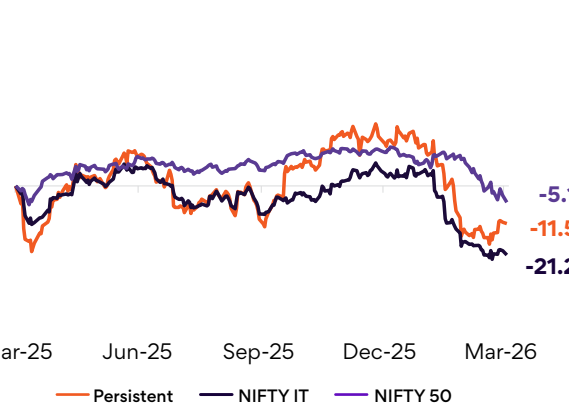


* Subject to Members' approval

Persistent Total Shareholder Return



Persistent 1-Year Stock Performance*



* Stock performance till Mar 31, 2026



Building the Workforce for the Next Era of Enterprise Execution

Persistent's performance is ultimately a reflection of its people. As AI reshapes how organisations build, operate and compete, the quality of outcomes increasingly depends on the people responsible for deploying it.

As AI becomes embedded in how organisations operate, the most valuable human skills are increasingly shifting from execution to judgement, from information gathering to decision-making and from task completion to problem-solving. AI fluency is becoming foundational, but the ability to apply technology with context, discipline and accountability will determine enterprise success.

At Persistent, we believe the advantage of the AI era will not come from technology alone. It will come from the ability to combine engineering expertise, business

understanding, judgement and continuous learning to solve increasingly complex challenges.

During FY26, we expanded AI learning across every role and career stage. Structured pathways covered Generative AI, agentic frameworks, Responsible AI and hyperscaler technologies and advanced specialisation tracks developed expertise for increasingly sophisticated engagements. While organisation-wide programmes established AI fluency as a baseline, we also focused on building deeper, applied capabilities by enabling engineers and consultants to use AI with the context, judgement and discipline that complex engagements demand. This shift to applied expertise enabled our teams to leverage AI to improve outcomes and accelerate delivery and value creation.

Persistent University continues to play a central role in this transformation. During the year, employees earned more than 30,000 internal AI certifications, complemented by 24,500+ hyperscaler certifications and 7,000+ external AI and Machine Learning certifications. Together, these investments continue to expand the depth of AI capability available across our most strategic engagements.

Importantly, many of these solutions are developed, tested and refined within Persistent before being deployed at scale. This Customer Zero approach helps accelerate learning, strengthen execution discipline and improve the quality of AI-led solutions delivered to the market.

This readiness was demonstrated through Semicolons, our annual global hackathon. More than 1,500 participants across 200+ teams in

25 cities came together to solve 35 real-world challenges contributed by over 25 enterprises. Under the theme, *Re(AI)maging the World*, teams produced more than 200 working prototypes in a matter of days, demonstrating the speed, creativity and engineering depth that increasingly define AI execution at scale.

Building AI capability at scale is becoming increasingly difficult, making talent depth an important source of differentiation. Organisations that can apply intelligence with business understanding and discipline will be best positioned to create lasting value.

Persistent continues to invest in building these strengths. These investments help improve the speed, quality and consistency with which we deliver AI-led outcomes while strengthening a long-term source of competitive differentiation for the company.

FY26 People Highlights

Behind 24 quarters of sequential growth, client outcomes, products engineered and transformation programmes delivered stands a community of more than 27,500 employees across 21 countries. As enterprises shift from AI ambition to engineering execution, the work increasingly demands professionals who can combine technical depth, domain context and delivery ownership while translating technology into measurable client outcomes.

The ability to rapidly deploy AI-ready engineering talent is becoming a key competitive advantage in enterprise transformation, and that is the capability Persistent continues to strengthen at scale. As AI compresses delivery cycles and increases execution complexity, engineering agility is becoming a strategic differentiator.

Few measures capture organisational strength more clearly than whether people choose to stay. Our employee retention rate was 86.99% for FY26, a strong indicator of employee confidence and organisational stability. Our most recent engagement pulse registered 8.3 out of 10, above the industry benchmark,

reflecting growing confidence across the organisation.

This combination of engineering capability, workforce agility and retention strength enables Persistent to execute increasingly complex AI programmes with greater speed, responsiveness and execution consistency across industries and markets.

Diversity, equity and inclusion remain important to how Persistent builds teams globally. Diverse perspectives strengthen our ability to solve complex engineering and business challenges across industries, clients and markets. Persistent continues to strengthen this through how talent is hired, developed and advanced into leadership roles.

FY26 reinforced a clear reality. AI will amplify the value of engineering judgement, execution discipline and domain expertise, not replace them. Persistent remains confident in its people to apply judgement, adapt quickly and execute with discipline as AI reshapes how enterprises operate.

27,502
Employees

21
Countries

86.99%
Employee Retention



Pulse 2026

Celebrating Employee-Driven Success



Ranked first in APAC for candidate experience in the CandE Candidate Experience Benchmark & Research Programme



Won three top honours at the People Matters Infini-T Awards 2025: Gold in Tech-Enhanced Workforce Planning, Gold in Talent Acquisition Team and Silver in HCM Innovation



Won a Brandon Hall Gold award for our Architect Competence Development Programme under the “Best Competency Management Strategy” category



Acknowledged for technology-led talent excellence at the People Matters APAC Infini-T Awards SEA 2026



Won six awards at the TISS LeapVault CLO Awards 2025 for excellence in Learning and Development



Won awards in “Excellence in Managing the Distributed Workforce” and “Excellence in Talent Acquisition” categories at the SHRM HR Excellence Awards 2025



Multiple category wins at The Economic Times Human Capital Awards



Received 14 awards at the 16th edition of CII Inter-Industry Kaizen Competition



Awarded for AI excellence at the National AI Awards 2025 by the Confederation of Indian Industry (CII)

MyLife @Persistent

At Persistent, well-being is not a benefit, it is a belief. Created by Dr. Anand Deshpande, MyLife@Persistent continues to be the cultural and structural backbone of how we care for our people. In FY26, the framework evolved from a wellness programme to a holistic charter, to help employees and their families lead healthier, more connected and more fulfilling lives.

Rooted in our philosophy of work-life harmony, MyLife@Persistent operates across the four dimensions of Physical, Emotional, Social and Financial Wellness, delivered through the eight structured offerings of Awareness & Education, Workshops, Communities, Transformation Programmes, Personalised Counselling, Flagship Events, Unwind & Energisers and Team Bonding.

In FY26, we deepened personalisation further through our N=1 approach, scaled the wellness ambassadors programme across global locations and introduced gamified digital challenges that made everyday well-being more engaging.

The result: a vibrant ecosystem where every employee feels seen, supported and celebrated.

Workplace Events

Wellness category	Number of events	Number of participants
Emotional Wellness	33	7,812
Financial Wellness	19	5,423
Physical Wellness	196	44,314
Social Wellness	329	48,986
Total	577	106,535



Flagship Moments of FY26

RUN

Persistent Run is our flagship event promoting physical wellness and teamwork. Held annually across all global locations and open to family and friends, the run brings together first-timers and seasoned athletes across 3K, 5K and 10K categories. FY26 saw our largest turnout ever, with a stronger family-and-friends contingent than any previous edition.

11,370+

Runners

25

Locations

500+

Volunteers



PULSE

PULSE is the platform where employees take centre-stage to showcase their talent. The Grand Finale is a celebration of performing arts and cultural expression, with leadership participation that anchors the event to our organisational values. PULSE 2026 was our most-attended edition yet, with new categories added for digital and spoken-word performances.

11,928

Participants

15

Locations

700+

Volunteers



WOMEN'S DAY

Our International Women's Day celebrations spanned a full week, with curated sessions on financial investments, fitness, image management, workplace equity and leadership conversations. FY26 expanded the programme to include returning-to-work mentoring circles and a new 'Women in Tech' fireside series.

750+

Participants in Leadership Sessions

15+

Locations

350+

Learnathon Certifications



KUDOS

Kudos is our employee appreciation programme, encouraging teammates, managers and leaders to share heartfelt notes that strengthen connections and build a culture of gratitude. In FY26, we introduced milestone-linked Kudos and a 'Kudos Wall of the Year' showcased at our annual awards, driving record engagement.

5,000+

Celebrate Her cards/badges

7,000+

Appreciation cards/badges exchanged

2,000+

Appreciation posts on Viva Engage



Workforce readiness and engineering agility are becoming critical differentiators in enterprise execution and Persistent continues to invest in both at scale. In FY26, Persistent University focused on building the engineering depth required to support larger and more complex AI transformation programmes across industries.

With a strong focus on AI, cloud and digital engineering, Persistent University expanded readiness across critical technology areas while building deeper employee expertise through training grounded in the skills our clients require. Sustained investments in internal and partner-led certifications further strengthened Persistent’s ability to scale AI engagements across engineering, data and enterprise transformation programmes. This growing engineering capability has improved talent

agility, reduced dependence on external hiring for emerging skills and strengthened execution capacity across delivery teams.

These investments received strong industry recognition during the year. Persistent University received the Economic Times Human Capital Award for Transformative L&D Leader and the Udemy Learning Excellence Award for leveraging AI to upskill and reskill employees. Persistent also received multiple honours at the TISS LeapVault CLO Awards, including recognition as the Best Corporate University (Gold), alongside awards for L&D excellence and employee engagement.

By the end of FY26, Persistent cumulatively achieved 30,000+ internal GenAI/ML certifications, 24,500+ hyperscaler certifications

and 7,000+ GenAI/ML external certifications. This breadth of engineering capability enables Persistent to execute larger AI transformation programmes with greater speed, responsiveness and delivery consistency while strengthening collaboration across hyperscaler and partner ecosystems.

A key enabler of this transformation was the continued evolution of the Persistent Digital Engineering Academy (PDEA), which supports talent development across AI, cloud and digital engineering. Designed to align employee upskilling with organisational goals, leadership ensured that skill clusters remained tightly mapped to evolving business needs, while the platform streamlined skill tracking and certification. With 180+ skill clusters and modular learning pathways, PDEA integrated

AI and domain training across certification journeys, enabling employees to rapidly build expertise and apply it in their work.

Engagement was fostered through orientations, workshops and success stories, while continuous feedback and real-time data tracking facilitated ongoing improvement, establishing PDEA as a sustainable framework for workforce readiness and organisational growth. PDEA has become an important engine for rapidly aligning engineering talent with evolving client demand across AI, cloud and digital engineering. This has strengthened deployment readiness and improved responsiveness across enterprise AI programmes.

FY26 Key Highlights

106.8

Average learning hours per FTE

98%

FTE learning coverage

₹11,702

Average training investment per FTE (INR)

20

Internal GenAI/ML courses

24,500+

Cumulative hyperscaler partner certifications

2,626,907

FTE learning hours

24,119

FTE trained

2,450

Contractors trained

26,609

Learner count for FTEs & contractors

500+

Digital, technical and power skill courses

30,000+

Cumulative internal GenAI/ML certifications

7,000+

GenAI and AI/ML external certifications

10,000

Cumulative non-hyperscaler partner certifications

24

Domain and project management e-learning programmes

5,676

Cumulative certifications for SASVA, iAURA, GenAI Hub

Persistent University Awards

We are the “Ecosystem Orchestrator of Choice”

February 2026



Economic Times Human Capital Awards

Transformative L&D Leader



February 2026

The Training MVP Awards (Apex)

Ranked 65th, improving four positions from the previous year



September 2025

Udemy Learning Excellence Award

Leveraging AI to Upskill and Reskill



Tata Institute of Social Sciences

October 2025

TISS LeapVault CLO Awards

Best Corporate University – Gold, L&D Team of the Year – Gold, CLO Chief Learning Officer of the Year – Silver and Best Employee Engagement Program – Silver



The TISS LeapVault CLO Awards





Environmental, Social and Governance

“As AI adoption accelerates, we believe responsible innovation must remain closely tied to transparency, ethics and human impact.”

Chitra Byregowda

Senior Vice President & Global Head – Sustainability & ESG

Dear Stakeholders,

At Persistent, ESG is not a parallel agenda but a core enabler of long-term resilience, responsible growth and stakeholder trust. As technology reshapes industries and societies, we believe enterprises that combine innovation with accountability and growth with stewardship will define responsible leadership in the AI era, resulting in strengthened operational resilience, responsible decision-making and enduring trust with clients, partners, investors and communities.

As a UN Global Compact participant, with Net Zero 2050 targets approved by the Science Based Targets initiative (SBTi), we remain aligned with globally recognised frameworks and climate science.

During FY26, we translated ESG commitments into measurable progress. We achieved a 62.90% reduction in market-based emissions and a 20.20% reduction in location-based emissions across Scope 1, 2 and 3 (from the FY24 baseline), while sustaining carbon neutrality for Scope 1 and Scope 2 emissions for the third year in a row. Global renewable energy adoption rose from 56.83% to 68.22%, with India-owned locations reaching 96.54%. We achieved Zero Waste to Landfill (ZWL) certification for six India-owned operations, along with 100% wastewater recycling, an 11.01% reduction in freshwater consumption, and plantation of nearly two lakh trees through Persistent Foundation initiatives.

Governance remains central to our approach. We strengthened oversight through a double materiality assessment integrated into our Enterprise Risk Management framework and established a value-chain reporting process aligned with SEBI's BRSR requirements. As AI adoption accelerates, we believe responsible innovation must remain closely tied to transparency, ethics and human impact.

On the social front, we achieved 98% overall learning coverage through continuous learning and AI-led skilling, trained 75% of suppliers (by value) on ESG aspects and 99.43% of employees completed training on EHS, Human Rights and the Annual Policy Compliance - Code of Conduct. Our improved Carbon Disclosure Project score from B to A places us among the top 4% of companies globally. With our inclusion in the Dow Jones Best-in-Class World Index and a CSA score of 86, we now rank among the top 10% of IT services companies in the S&P Global Sustainability Yearbook 2026.

Looking ahead, we remain focused on deepening ESG integration across strategy, operations and value chains, balancing innovation, governance and societal impact to build durable long-term value.

Chitra Byregowda

Senior Vice President &
Global Head – Sustainability & ESG

ESG Ratings

Persistent Systems is a signatory to the [UNGC](#)

79
NSE ESG Rating



Constituent of the Dow Jones Best-in-Class World Index, with a 2025 S&P Global CSA score of 86/100 and inclusion in the top 10% of IT Services companies in the S&P Global Sustainability Yearbook

81.7
SES ESG Score



CDP Climate Change rating improved from 'B' to 'A', placing us in the **top 4%** of the companies assessed by CDP

ESG Awards

- Recognised among BW Businessworld's India's Most Sustainable Companies (IMSC) 2024-25, ranking 3rd overall and 2nd in the Information Technology and Digital Services sector
- Honoured with the "Climate Action" Award in the Service Industry category by the Bangalore Chamber of Industry and Commerce (BCIC)
- Awarded an ESG Recognition from DNV, confirming the company's use of certified management systems to support its ESG commitments
- Spotlighted as one of America's Greatest Workplaces for Inclusion & Diversity 2025 by Newsweek and Plant-A Insights Group





Key Achievements

Environmental Stewardship

Carbon Neutrality

achieved for Scope 1 and Scope 2 emissions as per **ISO 14068-1:2023**, for the third year in a row

20.20%

Location-based emissions reduced from FY24 baseline (Scope 1, 2 & 3)

96.54%

Renewable energy consumed within our owned facilities in India

62.90%

Market-based emissions reduced from FY24 baseline (Scope 1, 2 & 3)

68.22%

Global energy from renewable sources

11.01%

Reduction in freshwater consumption

100%

Wastewater recycled

52%

Treated water reused within our own facilities

42,360

Trees planted during the year, bringing the cumulative total to **199,190**

6

India-owned locations certified for Zero Waste to Landfill

Net-Zero Commitment (1.5°C Pathway)

The Company is committed to achieving **net-zero greenhouse gas emissions by 2050**, in line with the **Science Based Targets initiative (SBTi)** and the global objective of limiting temperature rise to **1.5°C**. This commitment underpins its long-term decarbonisation strategy and aligns with global best practices

Social

29.63%

Women in the workforce

64

Nationalities

12.51%

Women in leadership

0.21%

Persons with disabilities

106.8 hours

Average learning hours per FTE

98%

FTE learning coverage

8.3/10

Employee Net Promoter Score (eNPS)

68,097

Lives impacted via CSR initiatives

Zero

Accidents



Governance

7/10

Independent non-executive directors on the board

2/10

Women independent directors on the board

99.43%

Annual Policy Compliance - Code of Conduct

72

NPS; 87% Engagement

ISO 42001:2023

Artificial Intelligence Management

Zero

Regulatory fines

Read FY26 ESG Report:

<https://www.persistent.com/company-overview/environmental-social-and-governance/>



Message from the Chairperson

“The greatest privilege is not what we achieve for ourselves, but the opportunity to help others discover what is possible for them.”

Sonali Deshpande

Trustee & Chairperson at Persistent Foundation

Dear Shareholders,

As Joey Tribbiani of the famous show *Friends* says, “A selfless good deed does not exist,” because doing good makes you feel good. Psychologists and philosophers have believed that every action, however altruistic, is always motivated by the desire to feel happy. I endorse this theory through lived experience. The emotions of gratification, joy, contentment and humility that I feel at the beginning and end of each year add to my repertoire of life’s memories of serving the society.

The Persistent Foundation is 17 years old. We have been in the business of giving back to society and making a difference for close to two decades. The impact created in the neighbourhoods we work with has been tangible and perceptible. The different communities we have served, including school students, women, farmers, infants, girls in college, senior citizens, the specially abled, the mentally ill, rural communities, animals and birds, have benefitted from various interventions such as education scholarships, health screenings, cataract surgeries, cleft surgeries, cochlear implants, vaccinations, afforestation, building wells and dams, cattle breeding, fodder and vaccinations, conserving rare bird species, building an aviary, helping in tiger census exercises, monitoring elephant movement and several other initiatives.

In Health, we continue to help save and change lives through our cleft lip and palate surgeries, paediatric cardiac surgeries, adult cataract surgeries and cochlear implants. The defining moment of the year was when a cardiac surgery was successfully performed on an 8-day-old baby, giving him the chance to grow up and live a healthy life. Our beneficiaries range from 8 days to 85 years old, and everyone in between. Our facial cleft and palate programme is the biggest

health initiative, helping 1,000 children with corrective surgeries and more than 2,000 with speech and language improvement. To see the cochlear implant kids be able to hear and speak is an amazing sight to watch. We helped 67 kids regain their hearing. Two thousand senior citizens had their eyesight restored and were given a new lease of life. Fourteen hundred children were administered nutritional milk supplements, showing significant improvement in their physical milestones. This year, we ventured into the realm of mental health. It is a comprehensive programme that includes awareness, treatment, counselling and rehabilitation for 700 affected individuals.

In Education, our signature initiative is the Kiran programme. Identifying bright young minds in the technology domain and helping them realise their potential is a real-life game changer. To see these young women step out into the world after four years under our guidance and support, entering the corporate world with confidence and equal opportunity, is truly a moment of pride for me. We have helped 600 girls leave their humble beginnings and step into a prosperous and aspirational future. The Foundation was able to provide over 19,000 children with educational aids through support classes and after-school assistance. This has shown significant improvement in academic performance and learning efficiency. Hygiene and cleanliness habits have been inculcated among schoolchildren through WASH interventions. Ninety young Florence Nightingales were able to complete their nursing training and are now employed in hospitals, serving the needy and saving lives. Twenty-five specially abled athletes and ten hearing-impaired sports coaches were provided sports equipment to help improve training. This resulted in many para-athletes winning medals at various

international and domestic tournaments. Two hundred specially abled individuals were given skill-based training and assistance in finding employment. It is always enriching and rewarding to see people find their path and achieve success. To think that a little money and guidance can go such a long way in transforming talented lives is deeply fulfilling.

The Foundation executed several key projects for Community Development. Providing better farming techniques, better quality seeds and fertilisers, training in artificial intelligence and its uses in agricultural practices, efficient irrigation cycles, building dams and bunds to store water, and desalting of streams and canals are some of the initiatives undertaken in rural communities. We planted more than 40,000 trees this year across seven locations, enabling afforestation and helping restore forest cover. We helped install 350 domestic biogas plants in homes across more than 100 villages, providing a sustainable alternative to cooking gas. This initiative was so well received that villagers contributed to the cost themselves. The construction of wells to provide easy access to drinking water has earned us countless blessings. Solar lifts and pumps help irrigate farms. Building reservoirs to store water helps farming communities harvest one additional crop, increasing both yield and income. All of these interventions have contributed to improving agricultural productivity and livelihoods.

The preservation of heritage and wildlife is a new and challenging focus area. We are excited to be able to help animals and birds retain their place in the ecosystem. We try to contribute, in our small way, to conserving nature and its inhabitants. This past year, we funded the operations of an aviary that treats almost 700 birds, of which 500 healthy birds

were released back into the wild. We helped set up a drone-based communication system for tiger census operations in the Tadoba and Pench Reserves. Almost 40 AI-monitored camera traps were set up to track animal movement and locate injured or dead animals. Our efforts to preserve the nests of the white-bellied sea eagle continue to bear fruit. More eagles are being born and their numbers are steadily increasing. We also continue to support the local museum and help preserve ancient tribal languages by printing books for children to learn from in schools.

Our CSR initiatives in the US have been gathering momentum during the past year. We have taken baby steps towards serving local communities there. We were saddened to observe homelessness and hunger within affluent cities. The World Food Movement helped us provide hot meals to underprivileged students, homeless adults and homeless veterans in New York. Elijah’s Promise did the same in New Jersey, as did Sai Ashraya in Santa Clara. The Shakti campaign was launched to help destitute women re-enter the job market and become financially independent. School kits and hygiene kits were assembled and distributed to local schools and veteran organisations. The wheels have been put in motion across seven locations in the US, and positive energy flows in from all directions. Our enthusiastic employees in Dallas and Seattle have also engaged with local schools and veteran communities to provide support for their initiatives. The most thrilling moment for us was participating in the Veterans Day Parade in New York on November 11, commemorating 250 years of the US Military. Fifteen employees from the Bridgewater office in New Jersey walked in the parade, and it was a proud moment for us to be part of such a historic event.

The Persistent Foundation team has always believed that we are Agents of Change. The dedication and commitment that I see from both our teams fill me with great zest and enthusiasm to move ahead. The faith of our Board Members and Trustees has been rock solid. Their support and mentorship have been crucial to our success and growth over the years. Our colleagues have been extremely generous with their time and donations towards volunteering opportunities. Our shareholders have always been supportive and appreciative of our efforts. All of this gives

us encouragement and motivation for the accomplishments that lie ahead. Our NGO partners are the backbone of our service and the champions of our success. I express my sincere gratitude to every person associated with us over the years.

With gratitude and humility,
Sonali Deshpande
Trustee & Chairperson at
Persistent Foundation





At Persistent Foundation, we believe meaningful progress is created when innovation, inclusion and collective action come together with a purpose. As technology reshapes industries and societies at unprecedented speed, we believe it must also expand opportunity, strengthen resilience and contribute meaningfully to the communities and ecosystems that sustain long-term progress.

For more than 17 years, the Foundation has worked alongside marginalised and underprivileged communities, institutions and grassroots partners to help create opportunities that endure beyond individual interventions. Whether through education, healthcare, environmental stewardship or livelihood creation, our focus remains on enabling long-term capability, dignity and self-reliance. Increasingly, we see this work not only as social responsibility, but as part of building a more inclusive and resilient future in which progress is shared more widely and sustainably.

In FY26, Persistent Foundation continued to scale both the reach and depth of its impact, delivering 65 projects across Education, Health, Community Development and the Preservation of Heritage and Wildlife. Together, these initiatives touched the lives of 70,000 individuals and 600 families. We also enabled the plantation of 42,000 trees, reflecting our continued commitment to ecological stewardship and climate resilience.

What distinguishes the Foundation's approach is not only the scale of programmes delivered, but the ecosystems we help strengthen through long-term partnerships, employee participation and community-led action. Across every initiative, our objective is to move beyond short-term intervention towards enabling durable capability and opportunity that can sustain and compound over time.

Education

Education remained Persistent Foundation’s flagship focus area in FY26, reaching 37,512 learners through 29 projects across six locations. Spanning 18 study centres, 48 schools and four colleges, the Foundation strengthened learning ecosystems through integrated school development, scholarships, mentoring, foundational learning interventions, nutrition support, life-skills education and employability programmes. During the year, it also expanded inclusion-focused interventions for children and young people with disabilities, combining education, sports and skill development to build confidence, independence and workforce readiness. Together, these efforts reflect a continuum-based approach that supports aspiration, employability and long-term self-reliance.

29
Projects

6
Locations

31
Partners

37,512
Beneficiaries

Low performing students reduced by 85–97% across subjects. High performing students (76%+) increased nearly 4x at mid-assessment. Majority of learners shifted from remediation to proficiency within six months

The Kiran Girls Scholarship Programme, sponsoring education for girls till the completion of B.E./B.Tech in Computer Science, Information Technology, Data Science or AI/ML, was rated 9/10 by more than 85% of the enrolled students. 100% acknowledged a positive impact through financial support, mentoring and skill development

Trained 15 specially-abled sports trainers with impaired hearing

Trained 200 physically challenged youths with 50% placement achievement





Health

Persistent Foundation's healthcare initiatives expanded access to specialised and life-changing care for underserved communities in FY26. Across 10 projects in 12 locations, the Foundation worked with 15 partners and supported 6,962 beneficiaries through cardiac surgeries, cochlear implants, facial cleft care, cataract surgeries, malnutrition support and community mental health initiatives. These interventions went beyond immediate treatment, helping restore mobility, communication, confidence and quality of life. From infants receiving life-saving procedures within days of birth to individuals undergoing long-term rehabilitation, the Foundation's work reflects a commitment to healthcare equity, dignity and improved long-term outcomes.

10
Projects

12
Locations

15
Partners

6,962
Beneficiaries

Performed life-saving surgeries, including cardiac, cochlear implants, facial cleft corrections and Balshalyakriya procedures, covering patients from 8 days to 85 years old

Achieved near-equal gender outreach at 49% male and 51% female

Our partner organisation is associated with five organisations for the effective implementation of the **Balshalyakriya** project. The project ensures access to major surgeries for patients identified through the government scheme Rashtriya Bal Swasthya Karyakram. This programme aims to improve the overall quality of life of children by providing comprehensive care and early intervention for various health conditions. We support 15 highly critical neurosurgeries through this programme

Community Development

Persistent Foundation’s community development initiatives advanced long-term resilience across rural and underserved communities through water security, clean energy, livelihoods and environmental restoration. In FY26, the Foundation reached 23,623 beneficiaries across 179 villages through 18 projects with 21 partners. Key interventions included watershed development, biogas units, open wells, bore wells, solar infrastructure, livelihood creation and afforestation. Together, these efforts supported watershed development across 495 acres, created a water storage capacity of 257 lakh litres, enabled 350 biogas units and supported the plantation of 42,360 trees. These programmes are helping communities build more self-sustaining, resilient and locally owned futures.

18
Projects

6
Locations

21
Partners

23,623
Beneficiaries

Reached 23,623 beneficiaries across 179 villages in six locations

Planted 42,360 trees across 45.24 hectares in seven locations, exceeding the 40,000-tree target by 6%

Installed 350 biogas units across 123 villages, generating INR 3.85 Cr in cumulative cost savings (avg. INR 1.10 Lakh per family annually)

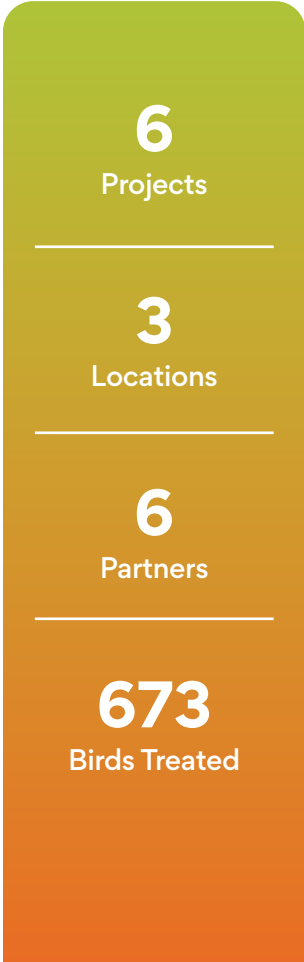
Strengthened water infrastructure through watershed development across 495 acres (257 lakh litre storage) and open/bore wells serving 1,465 individuals (3.88 crore litre capacity)





Preservation of Heritage and Wildlife

Persistent Foundation’s work in heritage and wildlife preservation reflects its commitment to protecting the ecological and cultural systems that sustain biodiversity and enrich communities. In FY26, the Foundation supported six projects across three locations with six partner organisations, enabling the treatment and rehabilitation of 673 injured birds across six species, with 509 released back into the wild. It also continued to support conservation awareness, field-based wildlife rehabilitation and cultural heritage preservation. Though smaller in scale than other focus areas, these programmes play a vital role in protecting fragile ecosystems and preserving cultural and natural heritage increasingly vulnerable to environmental and societal pressures.



Treated 673 birds across 6 species in the aviary, with 509 (76%) successfully rehabilitated and released back into the wild

Deployed AI cameras for tiger census operations in Pench and Tadoba reserves, advancing wildlife monitoring through technology

Employee Engagement

Employee participation remains a defining strength and a clear expression of Persistent’s culture of collective contribution. In FY26, 10,296 employees volunteered 11,683 hours across 70 activities in 14 locations, with 5,843 unique volunteers participating throughout the year. These contributions reflect a deeply embedded culture of purpose-led action that extends the Foundation’s impact beyond formal programmes. The year also highlighted the power of combining innovation, environmental stewardship and employee participation through an award-winning sustainability solution developed with Poornam Ecovision Foundation.

118
Unique Instances

14
Locations

10,296
Volunteers

11,683
Hours

Mobilised 10,296 volunteers (5,843 unique) across 14 locations, achieving 25% unique employee participation and logging 11,683 hours

Pune led in scale with 4,045 unique volunteers (39% of staff), while Goa topped engagement intensity at 37% participation and 1,393 hours

Average contribution of ~2 hours per unique volunteer, with Pune (7,583 hrs) and Goa (1,393 hrs) driving the majority of volunteering hours



Persistent Foundation US Chapter

Persistent Foundation launched its US chapter in 2025 at the Nasdaq MarketSite in New York with an initial commitment of \$1 million.

In the first year of our impact, we deepened our commitment to serving communities in seven states. Through 26 projects spanning Community Development, Education, Veteran Support and Environmental Action, the Foundation touched more than 1,700 lives, supported by over 450 volunteers who gave their time and energy to causes that matter. From donating refurbished laptops and hosting financial literacy sessions for women survivors through Project Shakti, to providing hygiene kits, meal support and essential supplies for unhoused individuals and veterans, each initiative reflected a simple but powerful belief: meaningful change begins when communities come together to care, uplift and empower. This growing momentum is now helping build stronger, more inclusive futures for those who need it most.

Project Shakti

Reached women through 30 refurbished laptops donated in New Jersey, a financial foundation session for women survivors, and 100 sanitary and hygiene kits assembled in Bellevue

Community Care Initiatives

Supported unhoused individuals and families through meal distribution, hygiene kits, wishlist fulfilment and essential supplies across multiple community drives

Veteran Support

Strengthened outreach for veterans through essential kit support, local volunteering efforts and participation in community-led veteran engagement initiatives

Education and Inclusion

Improved digital access and learning support for underserved communities through laptop donations and education-focused local partnerships



FY26 Awards and Analyst Recognitions



Featured among **America's Greatest Workplaces in Tech 2025** by Newsweek and Plant-A Insights Group



Dr. Anand Deshpande received the **Lifetime Achievement Award** at the CNBC-TV18 India Business Leader Awards 2025



Conferred '**Most Honored Company**' status in Extel's 2025 Asia (ex-Mainland China) Executive Team survey



Recognised as the **Fastest Growing IT Services Brand Globally** in the 2026 Brand Finance IT Services 25 Report



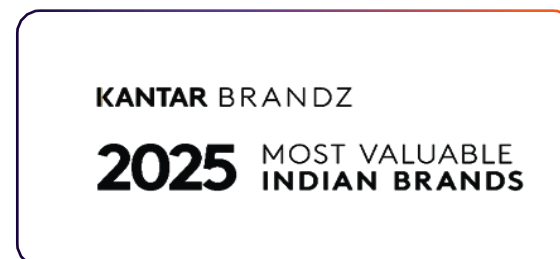
Dr. Anand Deshpande was honoured with the **Lifetime Achievement Award** at the **SEAP Star Awards 2026**



Dr. Anand Deshpande and Sandeep Kalra jointly recognised by **Fortune India as India's Best CEOs in the IT Services** (mid-cap) category for 2025



Acknowledged as the **Fastest Growing Indian IT Services brand** by Brand Finance



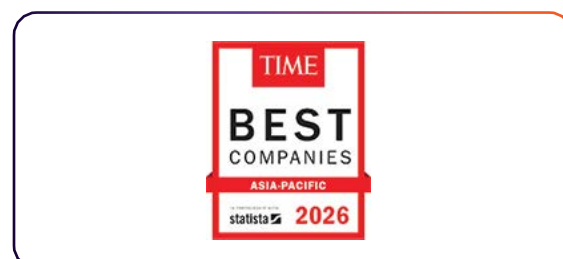
Named among **India's Most Valuable Brands** in Kantar BrandZ 2025



Sandeep Kalra was named **Impactful Large Enterprise CEO** at the ET Edge India's Impactful CEO Awards 2025



Dr. Anand Deshpande was elected a **Fellow of the Indian National Science Academy**



Ranked among **Asia-Pacific's Top 10 Professional Services Companies** in the TIME 2026 List



Spotlighted as one of **America's Greatest Workplaces for Inclusion & Diversity 2025** by Newsweek and Plant-A Insights Group



Dr. Anand Deshpande was recognised with the **Eminent Engineers' Award 2024** in the Industry Category by the Engineering Council of India



Sandeep Kalra was conferred the **Distinguished Alumnus Award** from Indian Institute of Management, Calcutta

FY26 Awards and Analyst Recognitions



Won multiple **ISG Customer Experience (CX) Star Performer Awards** based on the **voice of the customer**



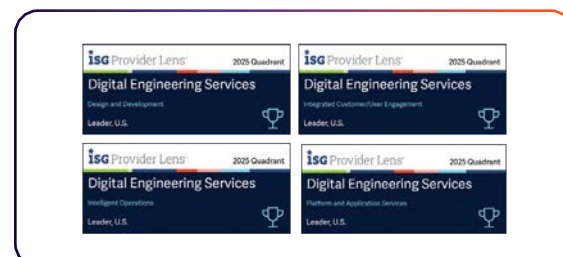
Awarded **'Growth Honor of the Year'** at the 2025 Everest Group Elevate Honors



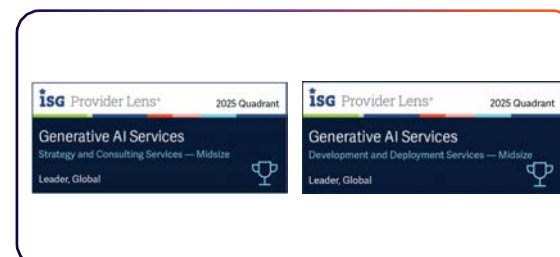
Leader in Everest Group **Private Equity (PE) Services** PEAK Matrix® Assessment 2026



Leader in Everest Group **Custom Application Development Services** PEAK Matrix® Assessment 2025



Leader in ISG Provider Lens™ 2025 for **Digital Engineering Services**



Leader in 2025 ISG Provider Lens™ **Generative AI Services**



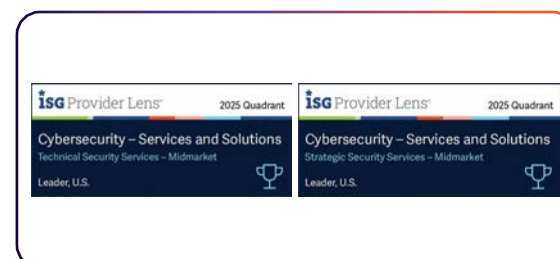
Won the 2025 ISG Star of Excellence™ Award for **AI and Data Excellence**



Leader in Everest Group **Software Product Engineering** PEAK Matrix® Assessment 2026



Leader in 3 Everest Group **Talent Readiness for Next-generation Services** PEAK Matrix® Assessments 2025



Named a **Leader** in ISG Provider Lens™ 2025 for **Cybersecurity Services & Solutions (Midmarket)**

Re(AI)maging™ AI

As a System to Deliver Enterprise Outcomes

Enterprise AI has moved from promise to priority. Spend is rising, roadmaps are ambitious and boards have made AI a strategic mandate. The opportunity now is to turn that commitment into results that scale across the business.

A capable model is no longer the scarce part. Powerful models are widely available, and most enterprises can deploy one in weeks. What decides whether AI delivers at scale is the architecture around the model: the systems it connects to, the data it can trust, the governance it runs under, the overall trustworthiness of the entire system and the way it works alongside people and existing processes. That is the architecture challenge Persistent is built to solve.

On its own, a model has no governed environment to run in, no trusted enterprise knowledge to draw on and no way to work with the people and systems that run the business. It stays a capable tool in one corner of the enterprise. Impressive in a demo, hard to scale.

Closing that distance is what the 3C Framework was built to do. Persistent’s approach to scaled enterprise AI rests on three layers working together: Core, Context and Coordination. Core provides the governed foundation. Context gives AI trusted enterprise knowledge. Coordination connects people, agents, applications and systems into an accountable and trustworthy execution.

Together, these three layers form the architecture behind Persistent’s AI strategy, connecting our platforms, delivery models, Responsible AI practices and client outcomes into one operating model for enterprise transformation.

This is how AI moves from experimentation to execution.

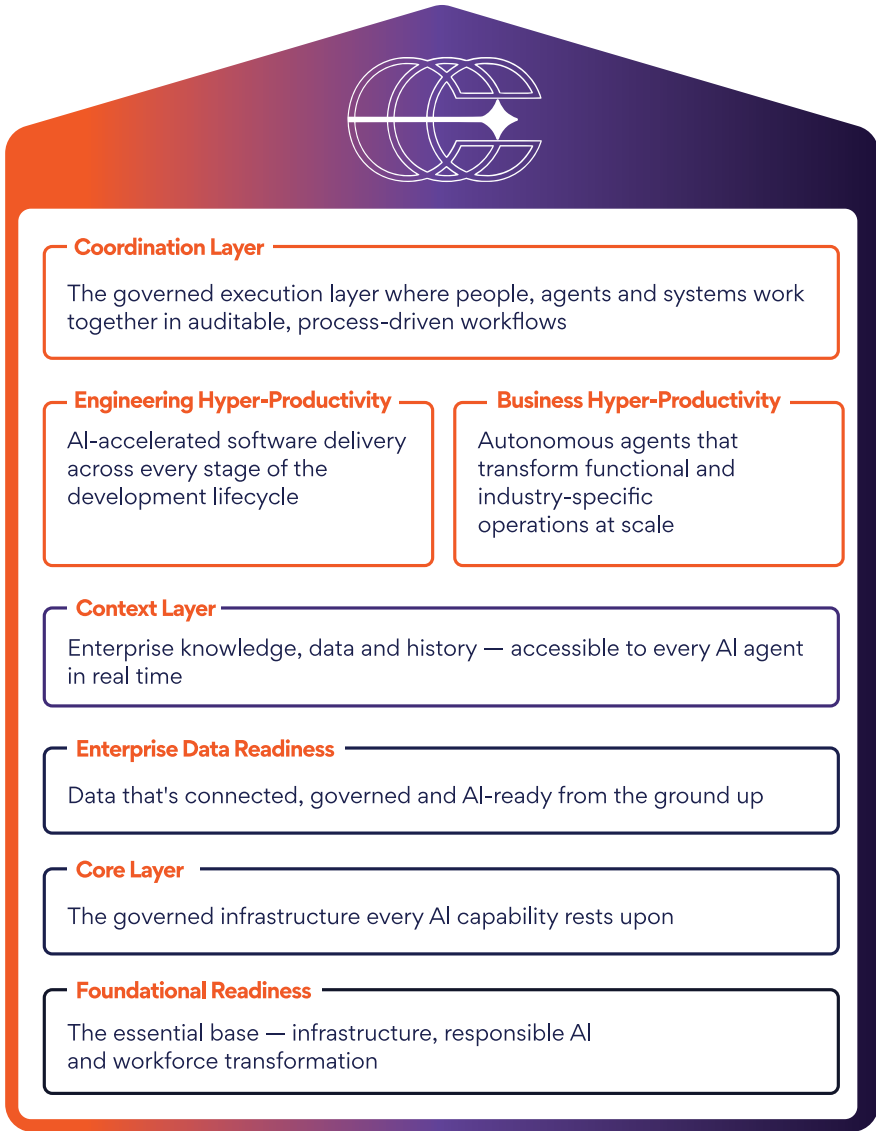
The same architecture runs across Engineering Hyper-Productivity, Business Hyper-Productivity and Enterprise Data Readiness, built on proprietary IP: 125+ patents filed in 15 months spanning the full stack of enterprise AI execution.

“The question is no longer whether AI can create value. The question is whether enterprises have the architecture to scale that value.”

THE VALUE ARCHITECTURE

The AI-Orchestrated Enterprise

The architecture that turns scattered AI investments into enterprise-wide results.



The 3C Framework: Core · Context · Coordination

In practice, a single request moves through all three layers. Core governs access, policy, model routing and cost visibility. Context resolves the entities involved, aligns definitions through the semantic layer and surfaces relevant history. Coordination then assigns the work across agents and people, enforces approval gates, updates the systems of record and captures a complete audit trail.

THE SHIFT

From Capability to Operating Model

The enterprises scaling AI are no longer treating it as a capability to bolt on. They are treating it as an operating model to rebuild.

Scaled AI does not sit on top of existing systems and processes. It runs through them, removing handoffs, preserving institutional knowledge and connecting decisions directly to execution so intelligence shapes the way work actually moves across the enterprise. That is a structural change in how the business runs.

Making that work calls for infrastructure that can govern AI at scale, data the model can trust, workflows that agents can take part in and clear points where people stay in control, wherever judgement, empathy, compliance and accountability matter, thus ensuring that the entire system is trustworthy.

Persistent built the 3C architecture in response to exactly these realities. As **Customer Zero**, we apply our own platforms, architectures and methodologies inside Persistent before taking them to clients, testing what works, measuring outcomes, strengthening governance & trust and turning internal learning into client-ready execution models. The result is an AI strategy grounded in enterprise architecture rather than isolated tools.

In the **Core** layer, the governing principle is abstraction: separating what AI does from

how it runs. When a new model arrives, Core absorbs it through its routing layer. When a new agent framework emerges, Core provides the runtime, the governance policy and the sandbox. Existing workflows keep running while new capabilities plug in without disruption. Core also makes AI spend legible. Every model call carries an identity and a cost, so when finance asks what AI costs, the answer comes back by team, workflow and business unit. Model choice becomes a policy decision and Responsible AI enforcement moves from policy intent to operational control.

In the **Context** layer, even a powerful AI system remains limited if it is detached from how the organisation actually works. Context closes that gap with four things working together: an ontology that models the business, a live knowledge graph that captures how customers, products, policies and events connect, a memory that carries institutional knowledge across sessions and a semantic layer that ensures every agent interprets business terms identically. When an agent can resolve 'our top customer' against the graph, check the definition of 'revenue' against the semantic layer and recall a similar analysis from three months ago, it produces answers the business can act on. Domain-tuned models extend this further, with purpose-built models tuned on enterprise data for accuracy in tasks



“The enterprises getting the most return from AI are not adding it to their operations. They are rebuilding their operations around it.”

such as claims adjudication, chart review, underwriting and code analysis.

In the **Coordination** layer, every action traces to a defined business process rather than a single prompt. People stay in the loop where they add value, in judgement, empathy and accountability, and step out where they do not. In practice, a sales agent, a pricing model, a compliance officer and an ERP platform can all take part in the same workflow, with clear handoffs, approval

gates and a complete audit trail. Because agents work across vendors and tools through open protocols such as MCP and A2A, workflows cross system boundaries without brittle point-to-point integrations. Agents are created, tested, versioned and deployed to a common standard, which is what makes them reusable, governed assets rather than one-off scripts that break when requirements change.

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“Individual productivity tools make developers faster. Only team intelligence makes programmes succeed, delivering the entire release to market faster, at acceptable quality.”

ENGINEERING HYPER-PRODUCTIVITY

From Individual Productivity to Team Intelligence

The AI coding tools that have shaped the engineering conversation over the past two years were built on a simple premise: make each developer faster and the enterprise will deliver faster. That premise is useful but incomplete.

Enterprise software delivery does not slow down only because individual developers need help writing code. It slows down because of what happens across teams, systems, decisions, dependencies and handoffs. Context has to be rebuilt every time work moves from one team to another. Architectural decisions are often disconnected from downstream execution. Institutional knowledge stays trapped in the heads of a few people. Programmes discover conflicts too late, often at integration, when the cost of correction is highest.

These are not individual productivity problems. They are coordination problems.

Engineering Hyper-Productivity is Persistent’s answer to this shift. It moves the AI conversation beyond code assistance to enterprise-scale software delivery, where humans, AI agents, architecture, governance and institutional knowledge work together as one system.

Powered by **SASVA™ 4.0**, Persistent enables enterprises to move from fragmented developer acceleration to coordinated engineering transformation. SASVA’s Brain creates a living, shared model of the programme, connecting codebase context, architecture history, dependencies, delivery patterns and team knowledge. This lets teams simulate, validate and orchestrate work before execution begins, reducing late-stage rework and improving delivery predictability across the most complex programmes.

The result is a new model for engineering: humans and AI working together across the full software lifecycle, from planning and architecture to development, testing, modernisation, deployment and support. Coordination carries this through from ticket to production, with Context supplying the architectural memory and code graphs that keep delivery coherent at scale.

SASVA 4.0 is model-agnostic, works across enterprise environments and supports outcome-led delivery models designed for complex, regulated and large-scale engineering programmes.

BUSINESS HYPER-PRODUCTIVITY

Closing the Gap Between Pilot and Production

A familiar pattern plays out across industries. A use case proves itself in a controlled environment, the model performs and the business case holds. Then the work meets the real enterprise, with its workflows, systems, compliance requirements, data gaps, approvals and operating constraints. Then momentum slows.

This is the pilot-to-production gap, and it is one of the defining challenges of enterprise AI today.

The gap is not about the technology being insufficient. Production AI simply needs more than a capable model. It needs a workflow architecture that connects AI to real business processes and a data layer that gives the model verified enterprise knowledge instead of generic inference. It also needs governance, auditability and human oversight wherever accountability demands it.

This is where Business Hyper-Productivity begins: governed agentic workflows connected to real enterprise processes, rather than isolated automation.

GenAI Hub provides the secure enterprise platform to design, deploy, govern, observe and optimise GenAI and agentic AI applications. **Agent Studio** enables business users and domain experts to design and orchestrate agents without deep technical expertise. **ProcessIntel** converts process documentation, workflow knowledge and existing automation assets into execution-ready agentic workflows, so enterprises can move existing processes into the agentic layer without starting

from scratch. Together, they help enterprises move from fragmented experimentation to governed, production-ready agentic workflows, spanning **500+ enterprise agents** across financial services, healthcare and life sciences, technology, cybersecurity, document intelligence and business process transformation.

The outcomes are measurable. Enterprises running governed agentic workflows with Persistent have accelerated process transformation by up to 60%, processed work up to 80% faster, auto-resolved up to 70% of issues through Agentic Managed Services and cut operating costs by up to 50%.

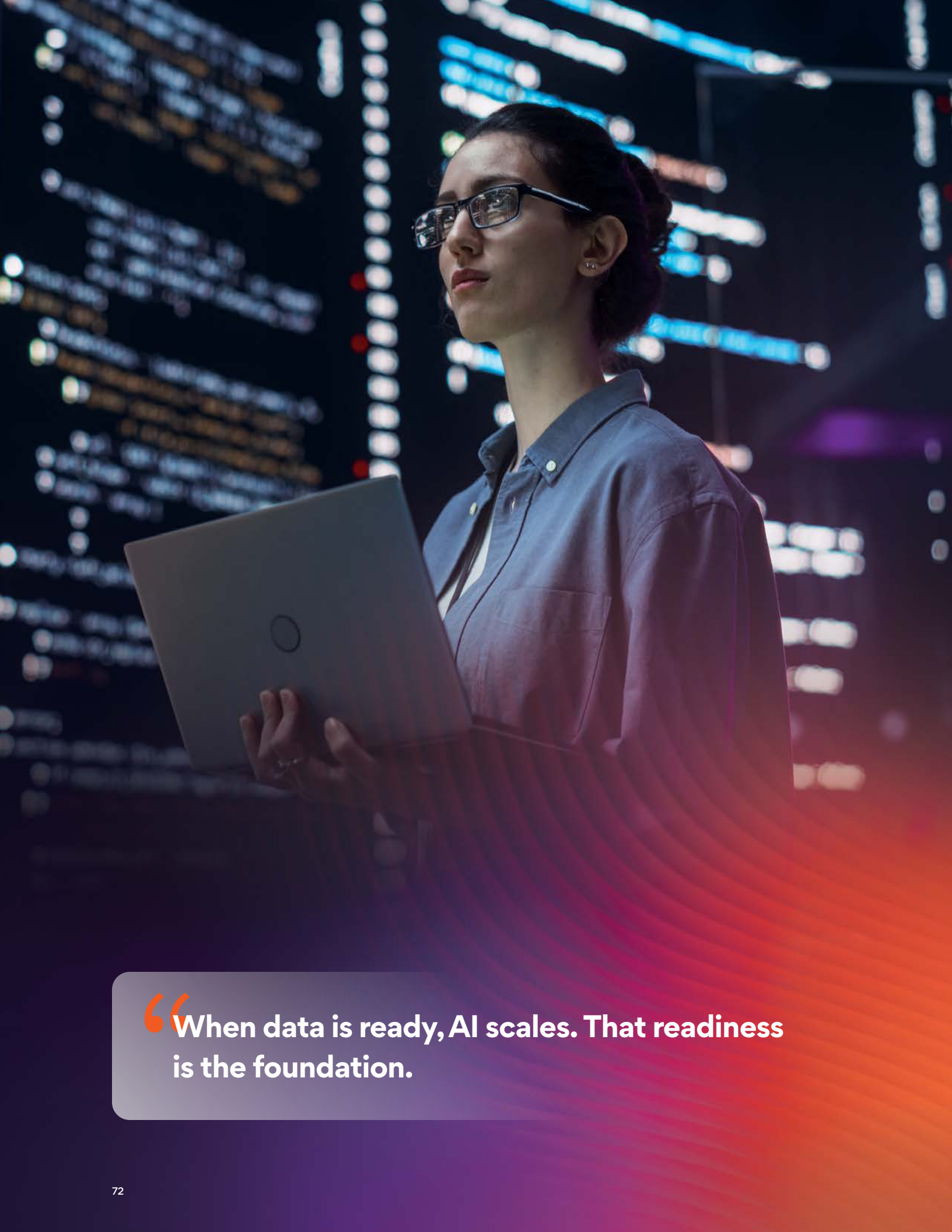
The context around the model is what carries AI into production. Persistent helps enterprises move beyond generic AI by combining context engineering with model tuning, pairing a structured enterprise context layer, built from business data, rules and workflows, with domain-specific SLMs and ELMs tuned to each environment, so AI decisions are grounded in the organisation's own reality rather than generic knowledge. The result is Business Hyper-Productivity: people, processes and AI working as one coordinated system.

Business Hyper-Productivity is about removing friction from the enterprise so people can focus on judgement, creativity, exception handling and outcomes, rather than replacing human decision-making.

AI proposes. Rules verify. Humans decide where accountability matters. The enterprise moves faster.



“AI does not transform a business by speeding up its processes. It transforms it by reimagining them.”



“When data is ready, AI scales. That readiness is the foundation.”

ENTERPRISE DATA READINESS

The Foundation That Lets AI Scale

Scaling AI well almost always comes down to the state of the underlying data, and that is the part most organisations underestimate.

The issue is rarely a shortage of data. Most large enterprises hold more data than they can productively use. The challenge is the state it is in: fragmented across legacy systems, defined inconsistently from team to team, built for reporting rather than real-time inference and short on lineage, governance and business context. In that state, data is not ready for AI to use safely or at scale.

This is why enterprise data readiness is not a prerequisite to AI. It is the AI investment.

Organisations that build this foundation before scaling AI compound their returns over time, while those that skip it keep running into the same limits in production: uneven data quality, inconsistent outputs and slower adoption.

iAURA is Persistent’s platform for solving this at scale. It brings AI into the data lifecycle itself, using agentic capabilities to assess, modernise, govern and operationalise enterprise data with greater speed, consistency and control. It turns fragmented data estates into trusted, contextual and governed foundations for enterprise intelligence, with a shared semantic layer

that opens up data access so humans and agents across the organisation work from the same business vocabulary.

Across insights, observability, migration, data operations and platform buildout, agentic AI is now embedded into every stage of the data lifecycle. AI agents assess legacy estates, modernise pipelines, profile data quality, monitor freshness and automate the operational tasks that once consumed significant engineering capacity. The result is data that stays continuously AI-ready, rather than cleaned once and left to drift.

The outcomes are measurable. Enterprises working with Persistent’s data readiness practice have reached decisions up to 70% faster, reduced audit exposure by up to 60%, automated up to 60% of repetitive data operations tasks and achieved 15–25% infrastructure cost reductions through AI-driven managed services. These are the returns on treating data readiness as the AI investment.

AI cannot scale on disconnected data, act on unclear meaning or be governed without lineage. Data readiness is where AI ambition becomes enterprise capability.

RESPONSIBLE AI

Trust Is Not a Feature. It Is the Foundation.

At Persistent, we believe that every AI system is a Responsible AI system.

Twelve months ago, the common question was: can AI do this? Today, the question is sharper: can we trust how this AI works, how it decides, how it is governed and how it will stand up to scrutiny?

Enterprises cannot scale AI into high-value workflows unless trust is built into the architecture of AI itself, across security, privacy, reliability, transparency, accountability, ethics and compliance on one hand and business outcomes on the other. This matters most in areas such as credit decisions, clinical recommendations, regulatory reporting, customer communications, engineering systems and cybersecurity.

Persistent's Responsible AI story is part of a broader **Digital Trust** approach. Enterprise-grade trust takes more than policies. It calls for formal organisational programmes across Responsible AI, cybersecurity, data privacy, ethics and compliance, with structured frameworks, operating models, controls, audit readiness and continuous improvement, and it depends on building those principles into AI systems and the wider digital ecosystem from the design stage.

This is why Persistent helps enterprises operationalise trust through three connected motions.

Build programme trust by designing and operationalising enterprise digital trust programmes for compliance, accountability,

governance, policies, controls and audit readiness.

Automate trust through specialised platforms, tooling and accelerators, because trust is no longer viable across the enterprise via documents and spreadsheets alone.

Embed trust controls into individual AI and digital systems, so trust is engineered into how systems operate from the start rather than applied after deployment.

Across all three layers, a deterministic layer enforces business rules, validation gates and policy checks, so AI proposes and rules verify before any action completes. This approach helps enterprises reduce compliance risk, improve audit readiness and strengthen their overall trust posture as AI adoption scales.

In FY26, this commitment was independently reinforced through Persistent's **ISO 42001 certification**, the global standard for AI Management Systems. We also advanced structured Responsible AI and Privacy implementation frameworks, giving enterprises a scalable mechanism to govern their own AI programmes with greater rigour.

Because trust depends on people as much as systems, we keep investing in workforce enablement, AI literacy and responsible adoption practices across the organisation. The human capability behind Responsible AI keeps evolving, so that trust continues to compound.



“Trust cannot be optional. It must be engineered from the start.”



“The next decade of enterprise AI will not be defined by who experiments fastest. It will be defined by who builds the architecture that lets AI compound.

The Compounding Advantage

Every deployment should make enterprise data richer. Every workflow should make context deeper. Every agent should make execution faster. Every governance layer should make trust stronger.

That compounding is not automatic. It takes deliberate infrastructure, deliberate data strategy, deliberate workflow design and deliberate governance. The 3C Framework is the architecture that makes it possible.

Persistent enters FY27 with this architecture in place across SASVA™, iAURA, GenAI Hub, Agent Studio, ProcessIntel, Responsible AI and our broader AI-led engineering ecosystem. Our partner ecosystem extends this architecture into the infrastructure, data and application environments where enterprises already operate. Our Customer Zero approach tests and refines our platforms inside Persistent before they reach clients.

Behind all of it is a workforce built for this moment. In FY26 alone, Persistent

professionals earned more than 30,000 internal AI certifications, covering the tools and the discipline of applying AI in complex, regulated, real-world environments. They bring the engineering depth, domain knowledge and execution rigour that no platform delivers on its own.

The compounding advantage is not just technical. It is human.

We are helping enterprises move from pilots to production. From experimentation to execution. From fragmented AI activity to coordinated enterprise transformation.

The next phase of enterprise AI is not AI as a tool. It is AI as an operating model.

That is what it means to **Re(AI)magine™ the Enterprise**: moving from AI ambition to engineered execution.

Navigating the Failure Trap with **AI Value Compass**

A Strategic Framework for Evaluating AI Initiatives

95%

Generative AI
pilots stall before
production

80%

AI focus remains
concentrated in
operations, sales and
customer service, and IT

50%

Enterprise AI investments
are primarily driven by
efficiency and
productivity gains

Most enterprises have strong AI ambition and growing momentum.

With the AI Value Compass, Persistent helps bring structure to that momentum, turning AI opportunity into scalable execution and measurable long-term value.

That is the challenge Persistent set out to address with the AI Value Compass.

Developed in collaboration with **IIM Ahmedabad**, the **AI Value Compass** enables leaders to make confident decisions on AI initiatives. It brings together Persistent's enterprise execution insight across approximately 100 enterprises across eight industry segments and IIM-A's academic depth in decision science, management and behavioural research. The result is a practical evaluation model that helps leaders assess AI initiatives early, compare them objectively and translate ambition into execution.



Five Vectors. One Decisive Path.

The AI Value Compass evaluates enterprise AI initiatives across five critical vectors:



Business
Value clarity. ROI. Time to impact.
Prevents low-value experimentation

Data
Quality. Freshness. Infrastructure readiness.
Reduces hallucination and scale risk

People
Adoption readiness. Trust. Change friction.
AI scales only when people adopt it

Risk & Governance
Explainability. Compliance. Controls. Enables
safe, responsible enterprise adoption

Operations
Workflow integration. Reliability. Productivity.
Ensures AI can run inside the business

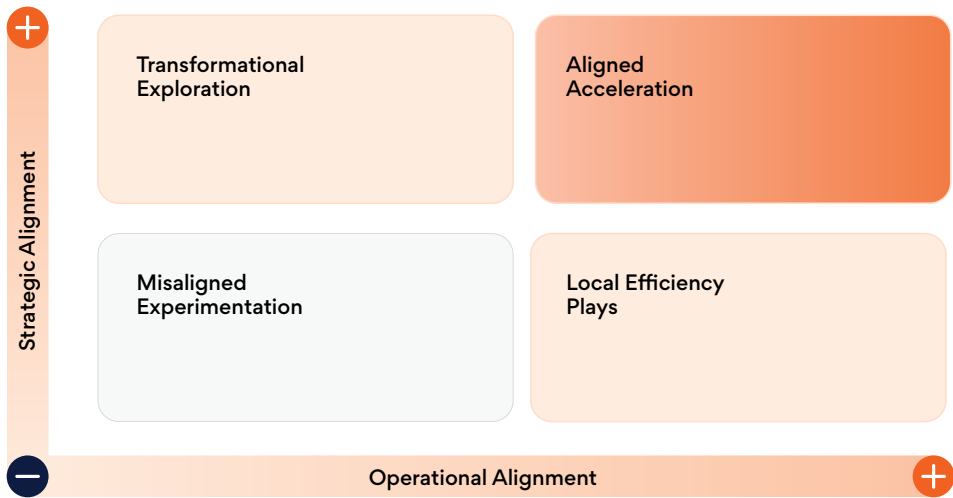
Together, these vectors help leaders see beyond technical feasibility and assess the full set of conditions required for AI to deliver sustained value.

From Scoring to Decisive Action

The output of the AI Value Compass is not just a score. **It is a decision.**

The framework helps leaders move from evaluation to action by combining structured scoring with informed human judgement. Scores reveal strengths, gaps and hidden dependencies across the five vectors. Human judgement then interprets those signals in the context of enterprise priorities, sequencing, risk appetite and strategic ambition.

To make that judgement actionable, initiatives are mapped onto the **Execution Prioritisation Matrix**, which plots Strategic Alignment against Operational Alignment. This creates a clear path forward by showing whether an initiative should be accelerated, strengthened, sequenced for later, or paused.



Execution Prioritisation Matrix

This shifts the conversation from intuition and fragmented debate to a shared, evidence-based language for deciding where AI investment should go next.

For enterprises ready to move from AI ambition to measurable outcomes, the AI Value Compass provides a sharper starting point and a more disciplined path to scale.



Scan to download the AI Value Compass report
persistent.com/insights/navigating-the-failure-trap-with-ai-value-compass/

Based on Persistent Systems' analysis of approximately 100 enterprises across banking, financial services, insurance, healthcare, life sciences, software, hi-tech and emerging industries, in collaboration with IIM Ahmedabad.



Re(AI)maging™ Client Success

For enterprises, the defining challenge of AI is no longer imagination. It is execution. Pilots have shown what is possible. The next test is harder: scaling AI inside the systems, workflows and regulatory environments where the business actually runs.

At enterprise scale, value is not created by intelligence alone. It is created when intelligence is engineered into the operating fabric of the organisation.

Across banking, financial services, insurance, healthcare, life sciences and technology, our clients are moving from AI experimentation to AI-enabled performance. Pricing changes that once took six weeks now happen in minutes. Claims that once took days to review become decision-ready in minutes. Workflows that depended on manual effort now move with greater speed, consistency and confidence.

These outcomes did not come from a model performing well in isolation. They came from pairing AI ambition with engineering discipline, trusted data, domain context and the operating architecture required to carry an idea from first proof into production.

The stories that follow show how AI becomes enterprise value when it is engineered for scale, trust and measurable impact. They are about durable outcomes our clients can build on, and about what becomes possible when intelligence is embedded into the way an enterprise actually works.

This is what Re(AI)maging™ Client Success means at Persistent.

Learn more about our client successes

<https://www.persistent.com/client-success/>

From Six Weeks to Minutes: Pricing Agility at Scale

In retail banking today, consumers expect rates and offers to be responsive, real-time and personalised. Inside the financial institutions delivering that responsiveness, however, the infrastructure often tells a different story. At a leading fintech platform powering pricing and profitability decisions for some of the world's largest banks, that gap had become stark. A customer could receive a personalised mortgage rate in seconds, while behind the scenes, updating that same rate in the platform could take six weeks.

Configuration changes were tightly coupled to engineering release cycles. Every update had to be coded, tested and deployed, regardless of complexity. Over time, more than 1,000 legacy issues and 100 outdated components accumulated across five fragmented workspaces.

The constraint wasn't pricing intelligence. It was platform agility.

Persistent was brought in with a singular question: what if routine pricing configuration no longer depended on code?

Using **SASVA™**, Persistent's Generative AI-accelerated engineering platform, the team decoupled the configuration layer from the core codebase. What was once deeply embedded became accessible through a real-time admin

interface. Business users could now make pricing changes instantly, without developer intervention or deployment dependencies.

Configuration updates that previously spanned multiple sprints could now be completed in minutes, directly from the admin panel.

That first breakthrough opened the door to deeper platform modernisation. Over six months, more than 1,000 technical and security issues were resolved, 100+ components were modernised and five siloed workspaces were consolidated into a scalable, unified core.

Developer onboarding time dropped from six to eight weeks to under two. Delivery costs came in at 45% below internal estimates. Release cycles were reduced by 50%. For the first time, pricing control shifted from engineering teams to business users shaping pricing strategy.

The result was a structural reset that enabled the platform to evolve with its users, not behind them.

Once the new configuration engine was in place, the fintech could introduce embedded analytics, smart autocomplete and ML-driven pricing recommendations at scale. What was once a reactive platform became one engineered for continuous iteration.

6–8 Weeks → Minutes

Pricing change turnaround, from engineering release cycles
to real-time admin configuration

<2 weeks

Developer onboarding,
down from 6–8 weeks

50%

Faster release cycles

45%

Lower delivery costs vs
internal estimates

Real-time rates for customers, backed by a real-time platform.



The Claim That Took a Week to Read

A claims adjudicator at one of the leading managed care organisations, specialising in workers’ compensation claims, could spend an entire working week on a single case since the evidence was scattered across the claim record.

30 to 160+ documents per patient — discharge summaries, prescriptions, X-rays, physician notes, each from a different provider, each in a different format. All requiring a human to read, interpret and piece together before a decision could be made.

The bottleneck was architectural. Adjudicators were moving as quickly as the system allowed, but the platform had been built to retrieve documents, while the real need was to reason across them.

Fatigue was inevitable. Details were missed. Outcomes became inconsistent. Reimbursements slowed.

Every unresolved claim added friction, delaying settlement, slowing payouts to providers or patients and eroding trust in the experience.

When every claim requires a week to verify, speed becomes the difference between service excellence and system gridlock.

Persistent co-created an Agentic AI-powered Intelligent Document Processing platform that changed the claims review architecture entirely. Built on DocIntel, Persistent’s agentic document intelligence accelerator, the platform did not simply read documents. It understood them.

Entity extraction identified demographics, injury details, ICD and CPT codes and treatment histories, improving adjudication accuracy by more than 60%. Timeline assembly transformed fragmented records into a longitudinal view of the patient’s treatment journey. Intelligent summarisation produced both note-level abstracts and longitudinal progress summaries across the full continuum of care.

Each claim became a dynamic, interpretable dataset, structured and ready for review in minutes.

The gains did not stop at claims. The same agentic framework is now being extended across broader health and casualty lines, into core enterprise platforms, and across document-intensive workflows in healthcare, legal and financial services.

What began as a claims transformation became a new operating model for enterprise decision-making.

95%

Reduction in claims review cycle time

5–7 days

Previous review time

<10 min

With Agentic AI

70%+

Productivity gain

60%+

Accuracy improvement

40%

Throughput increase

AI does not replace expertise. It amplifies it.

Making Regulatory Data Modernisation Explainable, Traceable and Audit-Ready

A leading European financial institution operates one of the most complex regulatory data environments in global banking. Its compliance and risk functions depend on thousands of ETL pipelines built over decades on legacy Informatica and Teradata platforms, supporting quarterly regulatory submissions and compliance obligations under Basel III, GDPR and European Central Bank reporting mandates.

With data volumes tripling over five years and on-premises licensing costs running into millions annually, modernisation had become a strategic priority. However, migrating without full visibility into the business logic embedded across thousands of legacy pipelines carried significant regulatory and operational risk. Undocumented transformations, opaque data lineage and dependence on scarce specialist knowledge made explainability essential before any modernisation could begin.

Persistent deployed iAURA Assessment, an Agentic AI-powered accelerator designed to decode, document and explain legacy code at scale. Integrated with secure, industry standard enterprise language models, the solution was deployed entirely within the bank's secured environment. No data crossed the enterprise boundary, ensuring alignment with GDPR and internal governance requirements.

The objective was to create a single source of truth for business, compliance, risk and IT teams. iAURA analysed more than 25,000 lines of Informatica and Teradata code, identifying data sources, transformations, controls, dependencies

and embedded business logic across regulatory pipelines. Technical logic was translated into natural language narratives explaining what each rule did and why it existed. Multi-agent orchestration generated dynamic flowcharts, sequence diagrams and dependency graphs showing how tables, workflows, transformations and regulatory outputs were connected.

Delivered over eight weeks, iAURA was fine-tuned to the bank's functional context and produced HTML dashboards and structured Excel inventories accessible to non-technical stakeholders across compliance, risk and business teams.

Documentation designed for compliance teams, built by AI.

The impact was significant. A documentation cycle that would typically take four to six months was completed in under six weeks, reducing effort by approximately 70%. Regulatory reviews became more traceable and repeatable. Business-critical logic was preserved and validated before any platform changes were initiated. Reliance on scarce Teradata and Informatica specialists for manual documentation was significantly reduced.

The engagement has established the foundation for a broader modernisation programme. The bank is now evaluating the reverse-engineering of more than 10,000 additional data integration jobs, integration of iAURA with cloud data modernisation pipelines and a governed knowledge base connecting technical metadata with business rules for continuous compliance readiness.



~70%

Faster documentation cycles — four to six months reduced to under six weeks

25,000+

Lines of legacy Informatica and Teradata code analysed

8 weeks

Solution delivered entirely within the bank's secured environment

Audit-ready

AI-generated narratives, lineage views and dependency maps supporting regulatory review

Documentation stopped being overhead. It became the foundation for confident modernisation.



\$1M+

Annual cost savings from replacing third-party reporting software

25%	80%	60%	30-40%
Productivity uplift through GenAI adoption across the SDLC	Critical test cases automated using GenAI-enabled QA	Reduction in severe post-production customer defects	Task-level productivity gains across teams using GenAI

A modernisation programme became a growth engine.

Rebuilding a Sales Enablement Leader for the Generative AI Era

A global leader in sales enablement technology serves more than 2,000 enterprise customers, including several Fortune 500 companies, helping go-to-market teams deliver personalised, data-driven buyer experiences through content automation, analytics, learning and seller productivity tools.

As the sales enablement market evolved rapidly, the company needed to strengthen its competitive edge on three fronts: accelerate innovation, expand platform adoption and reduce the cost and complexity of delivery. Persistent was engaged as a strategic product engineering partner to help modernise the platform and embed GenAI across engineering and product workflows.

The engagement unfolded across three phases. First came stabilisation: Persistent mobilised a 100-member India-based product engineering team, embedded GenAI tools into quality engineering and improved release velocity. Then came modernisation: legacy applications were consolidated, core technology components were upgraded, cloud infrastructure was optimised and monolithic services were re-architected to improve scalability and performance. Finally, came innovation: AI was embedded into workflows, agent-friendly APIs were developed and new customer-facing capabilities were delivered at pace.

Velocity became the measure of competitive advantage.

Persistent integrated GitHub Copilot and GenAI accelerators across the software development lifecycle, helping drive a 25% productivity uplift across developer and seller workflows. GenAI-enabled testing increased automation coverage from 15% to 48%, with 80% of critical test cases automated. This contributed to a 60% reduction in severe post-production defects, improving release quality and strengthening customer confidence.

Platform modernisation ran in parallel. Persistent simplified the client's legacy technology landscape, optimised cloud infrastructure and improved platform scalability and performance. An in-house AI-driven reporting suite replaced third-party software, delivering more than \$1 million in annual cost savings.

The transformation also strengthened the seller experience. Deeper integrations with collaboration, CRM, meeting and cloud storage platforms helped create a more unified workspace. Configurable GenAI prompts enabled more intelligent, contextual search, while new AI capabilities laid the foundation for more adaptive and agentic workflows.

Across teams adopting GenAI for learning, experimentation, development and execution, task-level productivity gains reached 30-40%. What began as a modernisation programme became a growth engine, helping the client improve speed, quality, cost efficiency and AI readiness at enterprise scale.

Knowledge Transfer, Engineered for Speed

Every product transition carries hidden risk. Documentation is never complete. Institutional knowledge lives in the heads of engineers who are already moving on. The window for knowledge transfer is short, the appetite for disruption is zero and the customer on the other end notices everything.

A leading global urban mobility platform needed to transfer ownership of a non-strategic product to Persistent, freeing its core engineering teams to focus on the next generation of its city mobility solutions. The product had grown in complexity over years. Security vulnerabilities needed to be identified, prioritised and built into the transition plan. Critical application knowledge needed to be captured quickly before the client's engineering capacity shifted to its broader roadmap. The transition had to close with zero impact on end customers.

The depth of preparation determined the quality of the handover.

Persistent deployed SASVA™, its Generative AI-powered software assessment platform, before ownership formally changed hands.

SASVA™ ingested the full codebase, mapped the application architecture, surfaced and ranked security vulnerabilities and generated a structured

transition backlog. SASVA™ accelerated an assessment that would otherwise have extended the transition timeline, giving Persistent a clear view of exactly what it was inheriting and what needed to be stabilised first.

Persistent presented the findings to the client, walking through the architecture, the vulnerability landscape and the mitigation strategy. The depth of understanding shifted the conversation. This was a team that knew the product before Day 1.

Persistent walked in knowing more than most teams learn in months.

The transition progressed with full continuity of service. Customer experience was uninterrupted. The client's engineering capacity could be redirected towards its broader platform roadmap.

This was the first product takeover in the engagement. The structured, evidence-based approach established the foundation for a longer-term managed engineering relationship, with Persistent positioned to support ongoing product health and evolution.

The question was whether the transition could close without anyone noticing. It did.



SASVA™

Accelerated pre-transition assessment, reducing the overall risk profile of the handover

25%

Reduction in Knowledge
Transition duration

30%

Reduction in shadow and handholding phase

Risk-first

Security vulnerabilities identified and mitigation strategy in place before Day 1

Ongoing

Transition established foundation for long-term managed partnership



77%

Reduction in critical and high vulnerabilities across applications and infrastructure

38%

Faster vulnerability triage and remediation using GenAI

22%

Improved closure velocity through standardised processes

60+ teams

Unified under a single governed vulnerability management practice

Governed

Vulnerability management embedded with audits, exception handling and defined ownership

The transformation brought intelligence, governance and consistency to the full remediation lifecycle.

From Vulnerability Backlog to Security Posture Strength

A leading cybersecurity software company offers SaaS products across data loss prevention, identity and cloud security, compliance and governance. Its products protect enterprise customers with stringent security and compliance needs. Managing the security of its own applications and infrastructure to the same standard it sets for customers was non-negotiable.

The challenge was scale and fragmentation. A large vulnerability backlog had accumulated across applications and infrastructure, spanning OS, container and code-level exposures. Visibility across tools including Tenable, Wiz and Snyk was inconsistent. Ownership was distributed across more than 60 teams, leading to varied remediation practices and patching gaps. Tracking residual vulnerabilities after remediation and maintaining audit-ready reporting added further complexity.

Persistent implemented a holistic vulnerability management and patching transformation, combining process standardisation, automation and GenAI-led intelligence across the full remediation lifecycle.

Reactive vulnerability management became a proactive, governed practice.

GenAI-assisted analysis helped interpret vulnerability descriptions, CVEs and security advisories to summarise risk impact and recommend prioritisation beyond standard CVSS scores, factoring in exploitability and exposure. Automated remediation guidance was generated at the code and configuration level, covering dependency upgrade paths, patch instructions

and configuration fixes. This accelerated resolution for recurring vulnerabilities across products and reduced reliance on manual analysis at every step.

AI-driven reporting gave leadership real-time visibility into risk posture, closure trends and residual risks, with executive summaries generated automatically from vulnerability data. A centralised knowledge base and GenAI-generated remediation playbooks standardised fixes for recurring CVEs and product-specific patterns, improving onboarding speed and operational consistency across all 60-plus teams.

Unified visibility replaced fragmented ownership across the estate.

The results were significant. Critical and high vulnerabilities fell by 77%. Vulnerability triage and remediation ran 38% faster using GenAI. Closure velocity improved by 22% through standardised processes, freeing engineering teams to focus on higher-value work. Single-pane visibility across assets and vulnerabilities improved audit readiness, with full traceability and reporting embedded into the operating model.

The engagement established a business-as-usual vulnerability management practice with a defined governance model spanning application, security and infrastructure teams. Institutionalised reporting, audits and exception handling gave the client a repeatable, scalable foundation for managing security posture as its product portfolio and infrastructure continue to grow.

Engineering Velocity at Scale Through Generative AI Adoption

A leading global technology company develops and markets a broad portfolio of data, automation, security and infrastructure products. Among its most strategic investments is a suite of GenAI products designed to accelerate how enterprises build, develop and operate software. Deploying those same capabilities across its own engineering teams was both a natural extension of the strategy and a real-world test of enterprise-scale value.

The need became urgent following a critical customer incident. Excessive memory utilisation caused system outages that disrupted a billing platform, with significant downstream business impact. Diagnosing the root cause required deep investigation into a 25-year-old database engine, where legacy memory management complexity extended the time required for diagnosis and resolution. Resolving the issue faster and strengthening the team's ability to handle similar incidents in the future required a different approach.

The same GenAI capabilities built for customers had to deliver for the engineering teams building them.

Persistent took over the client's own GenAI product across the software development lifecycle, from requirements documentation through to pull-request review. For the billing platform incident, the team used the GenAI platform to diagnose a complex memory deallocation issue buried within multi-layered exception blocks, a class of problem that would typically require extended specialist

investigation. The combination of deep product knowledge and the platform's data processing capabilities accelerated both diagnosis and resolution.

The approach extended well beyond the incident. GenAI was applied across product development activities, supporting requirement generation, code development, testing and review. Teams built familiarity and confidence with the tools, improving both speed and quality across routine engineering work as well as complex legacy problem-solving.

Productivity gains compounded as GenAI was embedded deeper into the engineering workflow.

The results validated the investment. Productivity improved by approximately 20% across the software development lifecycle. Time to market for critical escalations improved by 30 to 50%. The billing platform incident that had previously required an extended investigation was resolved significantly faster. Across the team, confidence grew, both in the GenAI tooling and in the team's ability to tackle complex legacy issues with greater speed and precision.

The engagement demonstrated something the client could take back to its own customers: GenAI delivers measurable engineering value not just in greenfield development, but in the most complex corners of legacy infrastructure.



~20%

Productivity improvement across the software development lifecycle

30–50%

Improvement in time to market for critical escalations

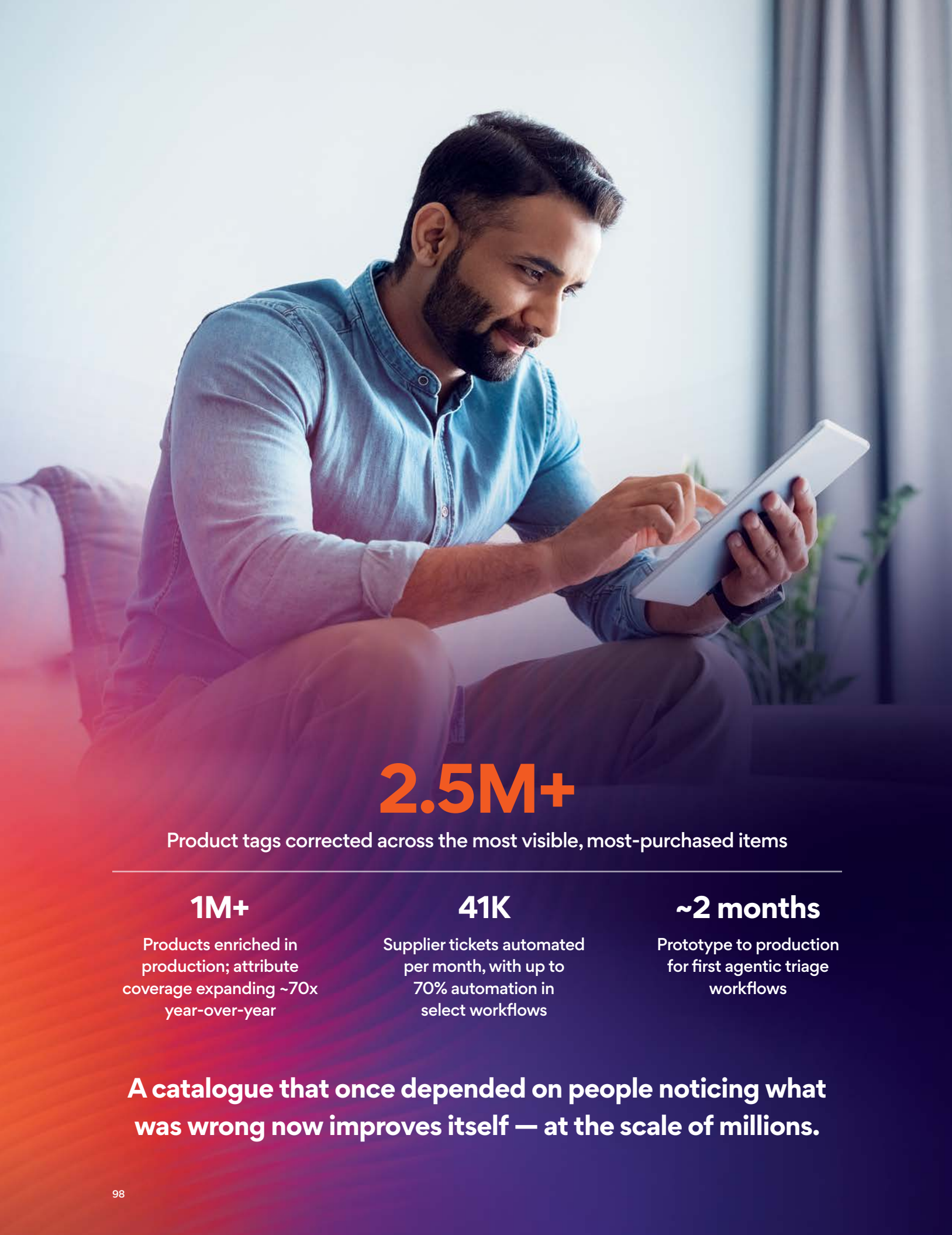
25+ years

Legacy database engine complexity navigated using GenAI-assisted diagnosis

Full SDLC

GenAI embedded across every stage of the software development lifecycle

GenAI delivered measurable value across new development and the hardest legacy problems.



2.5M+

Product tags corrected across the most visible, most-purchased items

1M+

Products enriched in production; attribute coverage expanding ~70x year-over-year

41K

Supplier tickets automated per month, with up to 70% automation in select workflows

~2 months

Prototype to production for first agentic triage workflows

A catalogue that once depended on people noticing what was wrong now improves itself — at the scale of millions.

Rewiring Catalogue Intelligence for a 30-Million-Product Storefront

For a leading global online home goods retailer, the product catalogue is the digital storefront. Every product attribute — colour, material, dimension, finish — influences how customers search, compare, trust and buy. At a scale of approximately 30 million items across nearly 1,000 product classes, catalogue quality is not an operational detail. It is a growth lever.

The retailer engaged Persistent to modernise how product content is created, enriched and maintained across its ecosystem. The objective was to move beyond manual corrections and bespoke models towards a reusable intelligence layer embedded directly into catalogue and supplier operations.

The constraint was never AI capability. It was 47,000 attributes and one architecture to serve them all.

Catalogue quality depended heavily on suppliers and customers identifying inaccuracies after they occurred. Early AI models built for individual tags worked technically, but were expensive to build, difficult to maintain and not viable across roughly 47,000 attributes. The larger constraint was the human effort required to define, interpret and route every attribute and supplier issue accurately.

Persistent designed and delivered a Product Content Intelligence programme that replaced fragmented manual workflows with a modular, schema-driven enrichment platform built for production use.

At the core of the solution was a tag-agnostic enrichment engine connecting two reusable services. The Product Enricher orchestrates product

data across the ecosystem and applies contextual meaning to each attribute. Tagging-as-a-Service provides a production-grade inference and storage pipeline that classifies attributes consistently across product classes.

To industrialise GenAI access, Persistent also built an LLM Gateway — a governed, scalable entry point that gives enrichment workloads reliable access to large language models. Trust was engineered into the workflow. High-confidence updates are applied automatically and suppliers are notified. Lower-confidence or high-risk changes are routed for supplier confirmation before publication.

The result is a cloud-native, horizontally scalable platform built on GoLang, Python, Google BigQuery, GraphQL and Kubernetes — and designed to grow with the catalogue it serves.

The impact was not incremental. It was structural.

More than 2.5 million product tags were corrected across more than one million of the retailer's most visible and most-purchased items. More than one million products are now enriched in production, with new attribute coverage expanding approximately 70x year-over-year. Supplier support was also transformed, with 41,000 tickets automated each month and up to 70% automation achieved in select workflows. The first agentic triage workflows moved from prototype to production in approximately 2 months.

Six Platforms. One Team. Sixty-Five Thousand Sellers Moving Faster

At one of the world's largest enterprise software and cloud companies, tens of thousands of sellers were moving as fast as the system allowed. The system wasn't fast enough.

Six mission-critical internal platforms powered everything from seller compensation and deal intelligence to customer engagement, support operations and product discovery across a global field and partner organisation running billions in annual revenue.

Assembling a view of a high-value account could take the better part of a day. Pay disputes surfaced after compensation had already gone out. Support tickets remained unresolved for days. A marketing campaign operating on a multi-million-dollar budget ran on a planning cycle that took over a month to complete. Meanwhile, the engineering teams responsible for all six platforms powering this sales ecosystem were caught in their own version of the same problem — backlogs that grew faster than they cleared, release cycles that overran by as much as 80% and security, accessibility and compliance debt that compounded quietly across dozens of repositories.

Six platforms. Multiple vendors. Contracts billed by the hour, with no shared line of accountability for what actually changed in the business.

Capacity was always the answer. And capacity was never enough.

Persistent replaced the model with an AI-led, outcome-accountable delivery approach. A compact AI-led team took end-to-end ownership of the full portfolio, with every commitment tied to a measurable business result and every result visible to the client in real time. Compensation accuracy. Ticket resolution rate. Deal data freshness. These became contractual obligations, evidenced continuously, not estimated in advance and reviewed in arrears.

The first signal came from a pay run. Anomalies were detected before they reached seller accounts. No manual reconciliation. No post-pay escalations. A complete audit trail produced automatically. For a finance organisation that had normalised dispute cycles, the absence of noise was the proof of concept.

From there, the transformation extended across the portfolio. Sellers found a single, continuously refreshed pipeline view replacing hours of manual stitching across disconnected sources. Account signals arrived in time to act on, not days after the window had closed. Support requests that once sat in queues for days were resolved in hours, most without any human intervention at all. A seller seeking the right product configuration could find it without raising a presales request.

The engineering cadence shifted as well. Releases moved faster. Rework dropped. Security, accessibility and compliance debt that had accumulated over years was systematically reduced. Across the portfolio, an always-on observability layer detected anomalies, correlated incidents and generated fix candidates autonomously. Issues that had previously required human triage were being resolved around the clock without one. And throughout, agents earned the right to act without human sign-off progressively — autonomy expanding workflow by workflow only as each outcome was independently verified, with human oversight remaining on every high-stakes decision. The team delivering the work became leaner over time — not because the scope reduced, but because the model was designed to compound.

The engagement began with a portfolio challenge. It became a new standard for AI-led enterprise delivery.

Outcome-priced. Evidence-governed. AI-led. Built to get leaner as it gets better.



35–50%

Reduction in overall development cost against the traditional multi-vendor model

**~50%
faster**

Spec-to-delivery
across all six
platforms

60%+

Tickets auto-
resolved; MTTR
days → hours

80%+

Pay accuracy;
disputes
eliminated at
source

**30%
uplift**

Deal velocity
across the global
sales ecosystem

**10,000+
hrs/wk**

Manual effort
eliminated across
60+ automated
workflows

Effort was never the measure. Outcome always was.



Billions of Signals. One Question. How Fast Can You Find What Matters?

An analyst at a global leader in mission-grade risk intelligence could spend days on a single investigation and still not be confident the most critical signal had surfaced.

Their proprietary intelligence platform aggregates, processes and surfaces signals from billions of open-source, deep web and dark web records across more than two hundred languages, in real time, for analysts operating in some of the world's most demanding investigative environments across government, defence and regulated sectors.

Billions of records across two hundred languages, streaming continuously from open sources, the deep web and the dark web. The data was there. But finding what mattered, in time to act on it, required manually searching, reconciling and interpreting across systems that had never been designed to work together. Meanwhile, the threat landscape was evolving faster than investigative methods could track — synthetic identities, coordinated disinformation, adversarial signals deliberately engineered to look like noise. The harder analysts worked, the wider the gap grew.

The bottleneck was not intelligence. It was the infrastructure built to deliver it.

Persistent took end-to-end managed ownership — not just of the technology build, but of the recurring collection, repair and new spider development that kept the intelligence pipeline running. This shared-accountability model meant outcomes were Persistent's responsibility, not just delivery milestones. Using its production-grade agentic framework — a pre-assembled, pre-integrated harness that teams step into and start delivering with immediately — fragmented manual workflows were replaced with a governed swarm of specialist

agents. Failure detection, root-cause analysis and validation across the full collection and intelligence pipeline were automated from day one, with the system designed to progress deliberately from human-in-the-loop oversight towards autonomous execution as each capability proved itself in production. Data assets that had previously required manual retrieval were containerised and made agent-discoverable, and spiders requiring engineering intervention to repair or extend were brought under continuous autonomous monitoring.

The result was a pipeline that did not wait for analysts to find the signal. It surfaced the signal, validated it and delivered it decision-ready — continuously, across every language and data source in scope.

In parallel, the Insights platform itself was modernised — services abstracted, infrastructure containerised, data assets restructured to be agent-discoverable and automation-ready. The intelligence platform was no longer just a repository. It became a living, queryable layer that agents and analysts could work from in real time.

Analyst capacity that had been consumed by search and triage was redirected towards judgement and action. The intelligence that had always existed, buried in the volume, became reachable — and reachable in time to matter.

What began as a workflow fix became a new operating model for how mission-grade intelligence gets produced.

The challenge was never access to data. It was the distance between data and decision.

~35%

Analyst productivity gain in Year 1 as triage gives way to agent-led workflows

- Always-on**

Continuous autonomous monitoring across the full pipeline
- Days → minutes**

Signal to decision-ready insight at global scale
- 200+ languages**

Coverage across open, deep and dark web sources
- Judgement over search**

Analyst capacity redirected from triage to analysis

In high-stakes environments, the speed of intelligence is the intelligence.

Making Engineering Design Reviews Faster, More Consistent and Explainable

A global technology leader operating at significant data centre scale depends on rigorous engineering governance to keep its infrastructure expansion on track. Every equipment design submittal has to be validated against defined industry standards before it can move into approval and manufacturing. As the client's infrastructure footprint expanded, the volume and complexity of design submittals grew faster than the existing review model could comfortably handle.

The friction showed up in four ways. Engineering teams spent significant time comparing technical drawings and specifications against reference standards line by line. Because validation depended heavily on human interpretation, evaluation outcomes could vary from one reviewer to another. Review delays slowed the next stage in the lifecycle, extending turnaround times across the data centre ecosystem. And as submission volumes grew, dependence on a limited pool of specialist engineers made higher throughput harder to sustain.

Consistent, explainable review at scale became the priority.

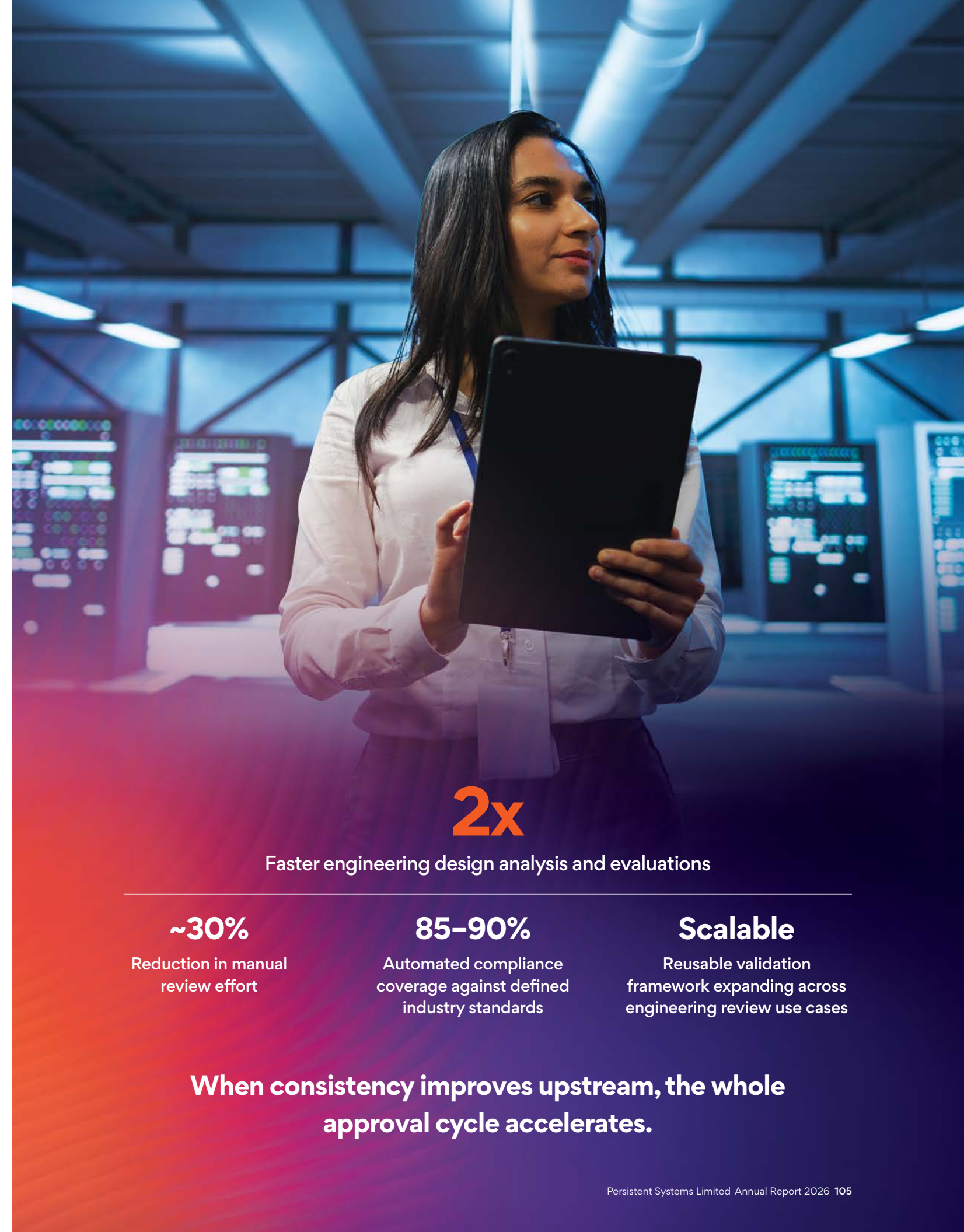
Persistent built a GenAI-powered engineering design evaluation solution using its proprietary DesignEvalArmor accelerator. The platform analyses design submittals, maps them to applicable industry standards including IEEE and generates explainable outputs that support faster engineering review. Engineers upload the design submittal along with the relevant guideline documents, after which the platform evaluates compliance, flags deviations, recommends remediation actions and produces decision-ready outputs for sign-off.

Four design choices shaped the solution. DesignEvalArmor provided the core foundation, enabling faster time to value through a reusable framework purpose-built for engineering design evaluation. The solution interprets engineering drawings and design documents using similarity scoring, contextual reasoning and standards-aware evaluation. Rather than producing generic summaries, the platform highlights deviations, explains non-alignment and recommends remediation actions engineers can take back to vendors. A built-in SME feedback loop allows engineers to validate outputs, correct them where needed and continuously improve the system over time.

Expert review, made scalable.

The results were measurable. Engineering design analysis and evaluations ran twice as fast. Manual review effort dropped by approximately 30%. Automated compliance coverage against defined industry standards reached 85 to 90%. Turnaround times for design submittal approvals were reduced, and evaluations became more consistent across teams. Explainable outputs improved trust in the process and helped SME expertise go further.

The engagement established a foundation for broader transformation across the client's data centre engineering landscape. The next phase is focused on expanding AI-assisted evaluation into additional engineering review use cases, building a reusable validation framework across future submittal types and advancing the client's broader AI transformation agenda through domain-specific, explainable AI.



2x

Faster engineering design analysis and evaluations

~30%

Reduction in manual review effort

85–90%

Automated compliance coverage against defined industry standards

Scalable

Reusable validation framework expanding across engineering review use cases

When consistency improves upstream, the whole approval cycle accelerates.



60%

Reduction in time spent on biomedical content retrieval

45%
faster

Speed-to-response
for HCP queries

5
departments

Cross-functional
reuse of the
GenAI fabric

Full
traceability

Audit-ready
output for every
AI-assisted decision

Millions
saved

Manual effort
reallocated to
higher-value work

When GenAI has the right foundation, every use case
builds on the last.

From Fragmented Pilots to Enterprise Intelligence: How a Global Biopharma Scaled Generative AI

At one of the world's leading biopharmaceutical companies, the challenge was not a lack of digital ambition. It was a need for stronger enterprise architecture. Generative AI (GenAI) experiments were running across R&D, medical affairs and manufacturing. Each one produced something useful. Yet the impact remained fragmented.

Scientific liaisons waited days for evidence-backed answers to complex HCP queries — answers assembled by hand from disconnected document repositories. R&D literature reviews consumed weeks of analyst capacity. Manufacturing deviation handling and clinical data queries required the same slow, manual effort at every turn.

Five departments. Multiple vendors. Promising experiments that had not yet scaled across the enterprise.

The pilots worked. The platform did not exist yet.

Persistent was engaged to help the enterprise move beyond isolated experiments and create a scalable foundation for GenAI. The approach began with a mindset shift: treat GenAI not as a product, but as infrastructure.

Rather than delivering isolated applications, Persistent built a unified, reusable GenAI fabric anchored on Pi-OmniKG — a biomedical knowledge graph co-developed with Google Cloud that connected regulatory, clinical and scientific content into a single contextual intelligence layer.

This was not a single-use assistant. It was a reusable enterprise GenAI layer designed so every new use case could build on the last.

Built-in compliance aligned with HIPAA, GDPR and FDA 21 CFR Part 11 was embedded from day one, not added later.

Medical Affairs became the first testbed. A GenAI-powered assistant was deployed to enable scientific liaisons to respond to complex HCP queries with real-time, evidence-backed answers — complete with citations, confidence scores, regulatory risk flags and a full audit trail.

The legacy workflow had been manual, time-consuming and risk-prone. The new workflow returned enriched, reference-backed responses in minutes. Medical teams spent less time hunting for documents and more time engaging with physicians. The proof of value was immediate.

As confidence in the platform grew, adoption scaled. R&D literature summarisation, manufacturing deviation handling and clinical data query resolution were all brought onto the same foundation. New use cases are plugged into shared infrastructure rather than requiring a new build. Each one made the next one faster.

The enterprise's internal AI Centre of Excellence now governs a reusable capability rather than managing scattered pilots. It could build faster, govern better and reuse more. Momentum was no longer accidental. It was designed.

The scattered experiments of yesterday gave way to a unified capability layer. GenAI evolved from theory to transformation.

Weeks to Days: How AI Accelerated Clinical Trial Protocol Development for a Global Life Sciences Leader

In drug development, speed and delay are measured in lives as much as in dollars. For one global life sciences organisation deeply involved in clinical research, the pressure to launch new studies faster without compromising quality, compliance or auditability had never been greater. Teams were managing rising study complexity, growing documentation demands and a chronic shortage of expert medical writers.

Every new clinical study begins with an approved protocol — a foundational document defining scientific objectives, methodology, eligibility criteria, endpoints and compliance requirements. Creating these documents was a highly manual, labour-intensive process. Each protocol could require weeks of drafting, dozens of reference checks and multiple review cycles, all dependent on a limited pool of overburdened medical writing experts.

As protocols grew longer and more complex, the bottleneck became harder to ignore. Manual drafting slowed approvals. Reference validation consumed expert time. Review cycles stretched. Missed deadlines created downstream risk for patients, research teams and clinical pipelines.

Without a better model, clinical trial protocol development was becoming an operational choke point.

Persistent was engaged to rethink the process from the ground up. Rather than treating AI as a drafting shortcut, the team collaborated with the client's medical writers and regulatory experts to understand the full workflow — from study requirements and source references to compliance checks, review cycles and final approval.

The answer was not automation alone. It was a governed AI-assisted authoring system where AI handled the heavy lifting across drafting, research and validation, while domain experts retained control over judgement, nuance and final sign-off.

The solution unfolded in three phases.

First, Persistent built a structured, indexed knowledge repository of previous protocols, scientific literature, regulatory guidelines and institutional best practices, with automated pipelines to keep the content current and compliant.

Second, a domain-tuned GenAI model was developed to generate draft protocol sections from study requirements, pre-populate key content and suggest regulatory language. Every AI-generated section included in-line references and traceability to supporting sources.

Third, automated validation checks were embedded into the workflow to flag missing elements, citation gaps and compliance risks before human review. Feedback from medical writers was captured through governed loops to continuously improve output quality.

The platform was designed for adoption from day one. Medical writers could review, edit and approve content within familiar authoring tools. There was no disruption to daily workflows. Just stronger traceability and more time for strategic oversight.

Piloted on high-priority studies, the solution delivered visible impact within months. Protocols that once took weeks were completed in days. Junior team members could contribute more confidently, guided by AI-enabled consistency and compliance checks. Reusable templates and approved protocol components helped teams accelerate similar studies without duplicating effort.

Persistent brought together GenAI engineering, clinical research domain understanding and regulated-environment delivery experience to ensure the platform was not only intelligent, but explainable, auditable and adoption-ready.

Speed, quality and compliance became the default. Not the exception.



60% Faster

Protocol authoring — weeks compressed to days

50% lower

Cost per protocol

40% better

Citation quality

Expanded capacity

Junior writers enabled by AI guidance

The right AI platform doesn't just accelerate research. It raises the bar for every study that follows.



Partnering to Transform, Innovate and **Re(AI)magine**

Persistent's partner ecosystem is a force multiplier that turns AI innovation into enterprise reality. Across hyperscalers, data platforms and cybersecurity providers, our alliances give us early access to emerging capabilities, deeper co-engineering opportunities and the ability to shape solutions closer to the frontier of what AI can do. Combined with our proprietary accelerators, industry context and end-to-end execution, this allows us to move faster from experimentation to production, embedding intelligence into workflows in ways that are secure, governed and scalable. The result is an ecosystem that helps clients realise AI value not as a future ambition, but as a practical engine of transformation today.

Turning Strategic Proximity with AWS into First-Mover Advantage for Businesses

Enterprises that have adopted AWS are increasingly shifting their focus from cloud adoption to maximising business value from AI investments. Persistent is well-positioned to address this opportunity by helping enterprises translate emerging AI capabilities into measurable business outcomes on AWS.

Our differentiation within the AWS partner ecosystem is anchored in our 360-degree relationship and proximity to the hyperscaler. A multi-year Strategic Collaboration Agreement allows us early access to AWS AI services, including Amazon Bedrock and Amazon Q, enabling us to deliver well-architected solutions to our clients. Combined with deep software engineering expertise and strong domain capabilities, we leverage AWS technology and platforms to develop industry-relevant AI and cloud solutions that help businesses progress from pilots to production-scale deployment with greater agility, speed and confidence.

During FY26, we expanded our capabilities and work across AWS's evolving AI portfolio. Our contributions to Amazon Quick Suite, including action connectors, workflow orchestration and validation support, reflect alignment with AWS's AI-led enterprise modernisation initiatives. Our investments in agentic AI on Amazon Q and AI-powered Amazon Connect deployments are opening new avenues for growth across automation, customer experience and enterprise productivity.

With Premier Tier Partner status (an accolade reserved for the top 1% of AWS partners), continued investments in emerging capabilities and a focus on sector-relevant execution, Persistent continues to strengthen client relationships and participate in this evolving opportunity.

15

Years as AWS
Premier Tier Partner

18

Competencies &
Services Delivery
designations

2,660+

AWS Cloud
certifications

175+

AWS Cloud team
members

3,250+

Client
engagements



Engineering Domain AI Outcomes with Google Cloud

Whether they are healthcare payers untangling approval workflows, retailers rebuilding fragmented supply chains or state agencies modernising two-decade-old case management systems, Persistent's Google Cloud partnership does its most distinctive work here. Together, we engineer paths from Google's AI innovation to production-grade solutions that transform how organisations operate in the AI-first era.

Persistent's deep AI and data expertise, in-depth domain knowledge across BFSI, Healthcare and Hi-Tech and more than three-decade-long

engineering prowess enable us to harness Google Cloud's capabilities and build solutions that are aligned to our clients' specific business needs. Our combined strategy and engineering-led execution ensure that embedding AI becomes a natural outcome of building the right foundation, data architecture, governance layer and managed services.

Leveraging Google Cloud's AI stack, Persistent has built domain-specific, ready-to-deploy solutions, such as:

Pi-OmniKG: Gives biotech analysts a knowledge graph interface to make sense of complex clinical data through GenAI-powered conversation

Pi-AlphaFold Drug Discovery: Embeds Google's AI tools directly into drug discovery workflows, improving success rates at the research stage

Pi-CanImageln: Applies AI and machine learning to CT scans for early lung cancer detection

Pi-EmPATHy: Analyses large volumes of medical images to accelerate cancer detection and reporting

This same thinking has shaped our joint research on AI-powered CX strategies, which found that 75% of enterprises now consider implementation partners essential to modernisation, with AI expertise as the primary selection criterion. Our partnership with Google is built at this intersection.

Our consistent execution across the transformation stack earned us back-to-back Google Partner of

the Year recognitions, such as the Infrastructure Modernisation for Asia Pacific in 2025 and Supply Chain & Logistics in 2026.

The partnership is moving from delivery excellence to co-innovation. As a Premier Partner, Persistent is best positioned to shape the next chapter of growth with Google Cloud.

10+

Years as Google
Cloud Premier Partner

8

Partner
specialisations

2,390+

Google Cloud
certifications

350

Sales engineers

550+

Google Cloud engagements

Google Partner of the Year - Supply Chain & Logistics
<https://www.persistent.com/partner-ecosystem/google/>

A Frontier Firm in the Microsoft Ecosystem

When Microsoft CEO Satya Nadella took the stage at his AI Tour keynote in India in December 2025, he named Persistent a Frontier Firm and called out AssistX, Persistent's multi-agent ecosystem, as an example of where enterprise AI is headed. That recognition reflects a 33-year partnership that has consistently been early to each Microsoft platform shift and is now positioned at the front of the agentic AI wave.

Few partners cover the full Microsoft stack across applications, cloud and data centres, while also bringing production-grade agentic AI platforms and Copilots to market at the pace enterprise clients now expect.

Enterprise adoption is moving from AI assistance to AI agents that can reason, orchestrate work across systems and drive measurable business outcomes. Persistent helps clients build, deploy and scale secure, governed agentic solutions, alongside domain-specific Copilots that compress time to value for AI-powered applications.

AssistX, the platform Nadella highlighted, is a central, orchestrated multi-agent ecosystem that combines human ingenuity with AI-driven automation across functions such as talent development, project delivery, sales acceleration and leadership decision-making. The broader Copilot portfolio spans Client Advisor, Researcher, Chat With Your Data, Document Generator, Conversational Knowledge Mining and Code Generation.

Persistent holds designations across all six Microsoft solution areas with specialisations, operates as a Solution Partner, Direct CSP and Reseller, and brings 7,520+ Microsoft certifications, 50+ IP and assets and 30+ Marketplace offers.

With agentic AI moving from early adoption to enterprise scale, Persistent enters this phase with the credentials, the platforms and the public recognition to lead.

33+

Years of 360°
partnership

7,520+

Microsoft
certifications

100,000+

Workloads
migrated

50+

IP assets

30+

Marketplace offers

**Microsoft
Frontier Firm**



A Portfolio Co-Engineered with IBM, Not Just Implemented



The IBM partnership is one of the most strategically valuable relationships in Persistent's portfolio and has evolved into a meaningful long-term growth engine.

Over 24 years, Persistent has built a 360° relationship with IBM that spans engineering, platform transformation and joint go-to-market, serving more than 400 shared customers globally. In a partnership that goes beyond implementation, Persistent co-engineers IBM technology, having built more than 30 IBM products to date, with just under 10% of the workforce dedicated to the IBM portfolio across Netezza, watsonx, MDM, ELM, Verify, IBM webMethods, Concert and Infrastructure, including Cloud & Power. Few partners in the ecosystem can match this depth and continuity, which allow Persistent to participate in IBM's highest-value programmes.

The commercial momentum rests on three reinforcing pillars. The engineering partnership positions Persistent at the core of IBM's product innovation. Engineering carve-outs allow ownership of strategic IBM assets, driving efficiency and new sources of recurring value. The Sell-With IBM motion expands reach into

IBM's customer base, shortening deal cycles and creating a co-sell pipeline that would not be accessible independently.

Over the last year, Persistent expanded its engineering footprint across IBM's core software portfolio, advanced adoption of IBM Data solutions within large enterprise transformation programmes and strengthened the Sell-With motion with an improved co-sell pipeline. Active engagement in the IBM Champions and Rising Champions programmes has further elevated our ecosystem influence.

The joint go-to-market is organised around five enterprise priorities: Connected Data Journey; AI-Powered Business Transformation through watsonx; Hybrid Cloud and Automation; Accelerated Migration and Modernisation and Industry Solutions and Accelerators that compress time-to-value.

The partnership is entering a phase where two decades of engineering depth, an expanded AI portfolio and a sharpened joint GTM converge to create durable, compounding value for clients and shareholders alike.

24+ Years of strategic partnership	1,540+ IBM badges	30+ Practitioner advanced badges	100+ watsonx proficiency badges
400+ Shared clients	80+ Active annual engagements	2,300+ Trained engineers	10+ Product proficiency groups

Top 10 Global Salesforce Partner, Built on Delivery Excellence

A 5/5 customer satisfaction score across 2,500 engagements is among the rarest performance signals in the global Salesforce ecosystem, and it sits at the centre of Persistent's positioning as a Top 10 Global Salesforce Partner. For more than two decades as a Salesforce Summit Partner, this delivery consistency has compounded into one of the strongest reputational moats in our portfolio of strategic alliances.

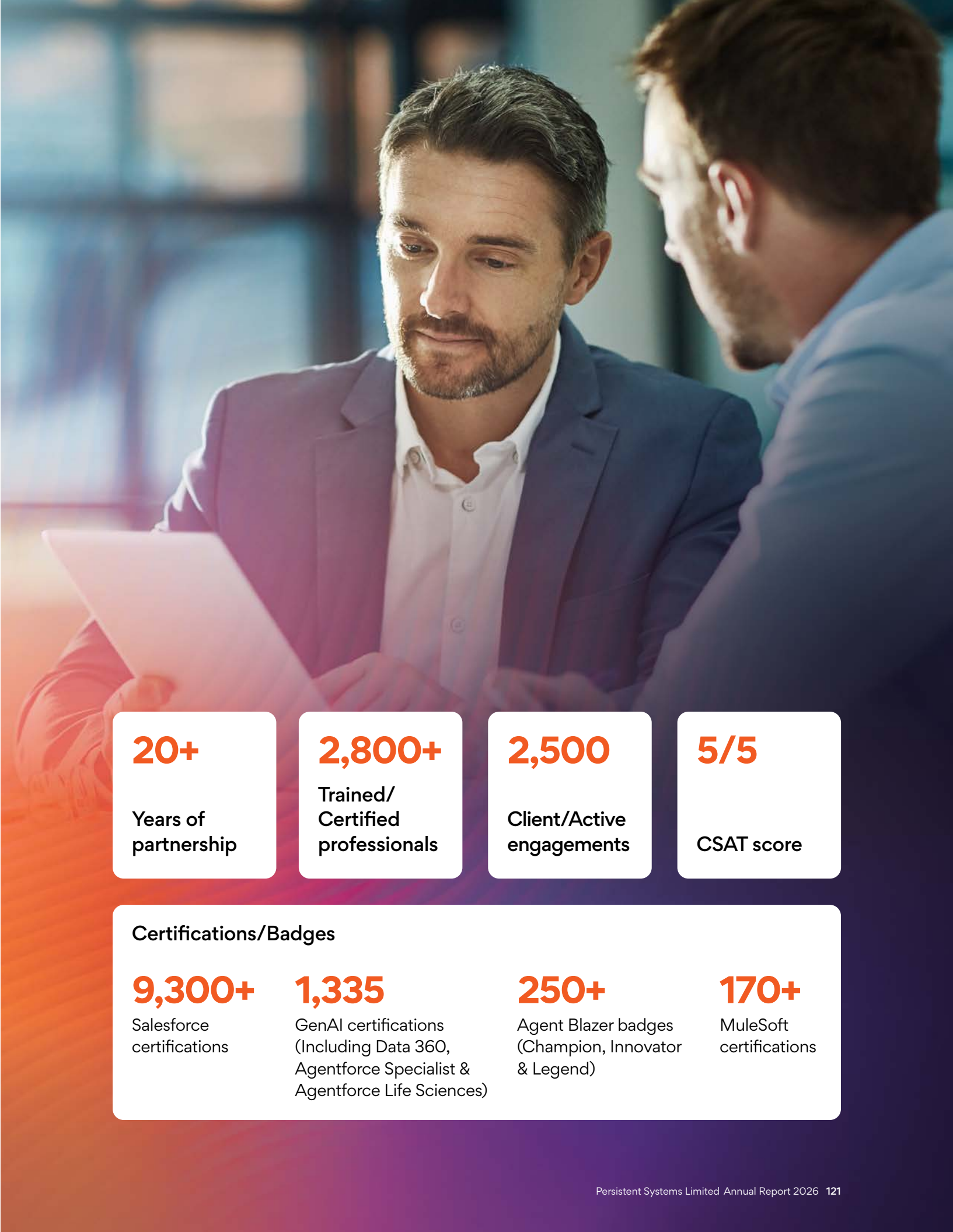
Persistent has continued to deepen its Salesforce credentials with broad capability coverage spanning core clouds, industry clouds, such as Financial Services Cloud, Health Cloud, Life Sciences Cloud, Automotive Cloud, marketing automation, managed application services, Data 360, Informatica, MuleSoft, Tableau and emerging AI-led experiences such as Agentforce, enabling us to support clients across the customer engagement value chain.

Behind the 5/5 score sits a combination of scaled certification depth and industry-specific applied AI. With more than 9,300 Salesforce certifications, more than 1,300 GenAI certifications, including Data 360, Agentforce Specialist and Agentforce Life Sciences, more than 250 Agent

Blazer badges, Persistent leads the global system integrator community in per capita certifications, a measure that directly correlates with delivery quality and client outcomes.

We are now applying this depth to the next phase of Salesforce-led transformation. Persistent has built 24 industry-specific offerings across BFSI, Healthcare and Life Sciences, Hi-Tech and Communications, Media and Telecommunications, supported by 100 ROI-driven use cases. Our Genesis framework helps accelerate enterprise-wide Agentforce adoption by identifying and addressing gaps in data utilisation and process flows, while D(AI)sy, Persistent's AI-enabled QA automation platform, helps compress testing cycles across Salesforce implementations. All of this is backed by Persistent iAURA, our data accelerator that helps set the foundation for AI scale-up.

As clients move from CRM modernisation to Agentforce-led autonomous workflows, Persistent enters this phase with the certification scale, industry depth and proprietary IP to capture a disproportionate share of high-value engagements.



20+ Years of partnership	2,800+ Trained/ Certified professionals	2,500 Client/Active engagements	5/5 CSAT score
Certifications/Badges			
9,300+ Salesforce certifications	1,335 GenAI certifications (Including Data 360, Agentforce Specialist & Agentforce Life Sciences)	250+ Agent Blazer badges (Champion, Innovator & Legend)	170+ MuleSoft certifications



NVIDIA Elevates Persistent to Advanced Technology Partner Program

In just 13 months, Persistent has witnessed a meaningful elevation within NVIDIA's partner ecosystem, progressing from a Service Delivery Partner to an Advanced Technology Partner. The new designation puts Persistent into NVIDIA's most strategic tier of collaboration, reserved for partners with deep capabilities in AI model development, data engineering and industry-led innovation.

What distinguishes Persistent within this ecosystem is its ability to combine NVIDIA's AI technologies with deep industry context and enterprise transformation experience. We have built NVIDIA-powered AI accelerators that connect infrastructure, data and business workflows to deliver real-world industry impact. Three flagship accelerators anchor the partnership. A drug discovery pipeline built on NVIDIA BioNeMo helps pharmaceutical clients reduce the cost and time of early-stage R&D. ProcessIQ,

an agentic AI platform for enterprise workflow automation, delivers measurable productivity gains across business operations. A wealth management solution applies NVIDIA's AI capabilities to advisory and portfolio decisioning.

Our joint go-to-market initiatives now span Healthcare, BFSI, Manufacturing, Telecommunications and Retail, with active engagements across leading global pharmaceutical companies.

With closer access to NVIDIA's engineering teams, early visibility into platform direction and deeper joint solution development opportunities, Persistent cements the foundation to help clients move from AI experimentation to scaled enterprise adoption with greater speed, confidence and business relevance.

Cyber Fusion Centre, Built on Palo Alto Networks



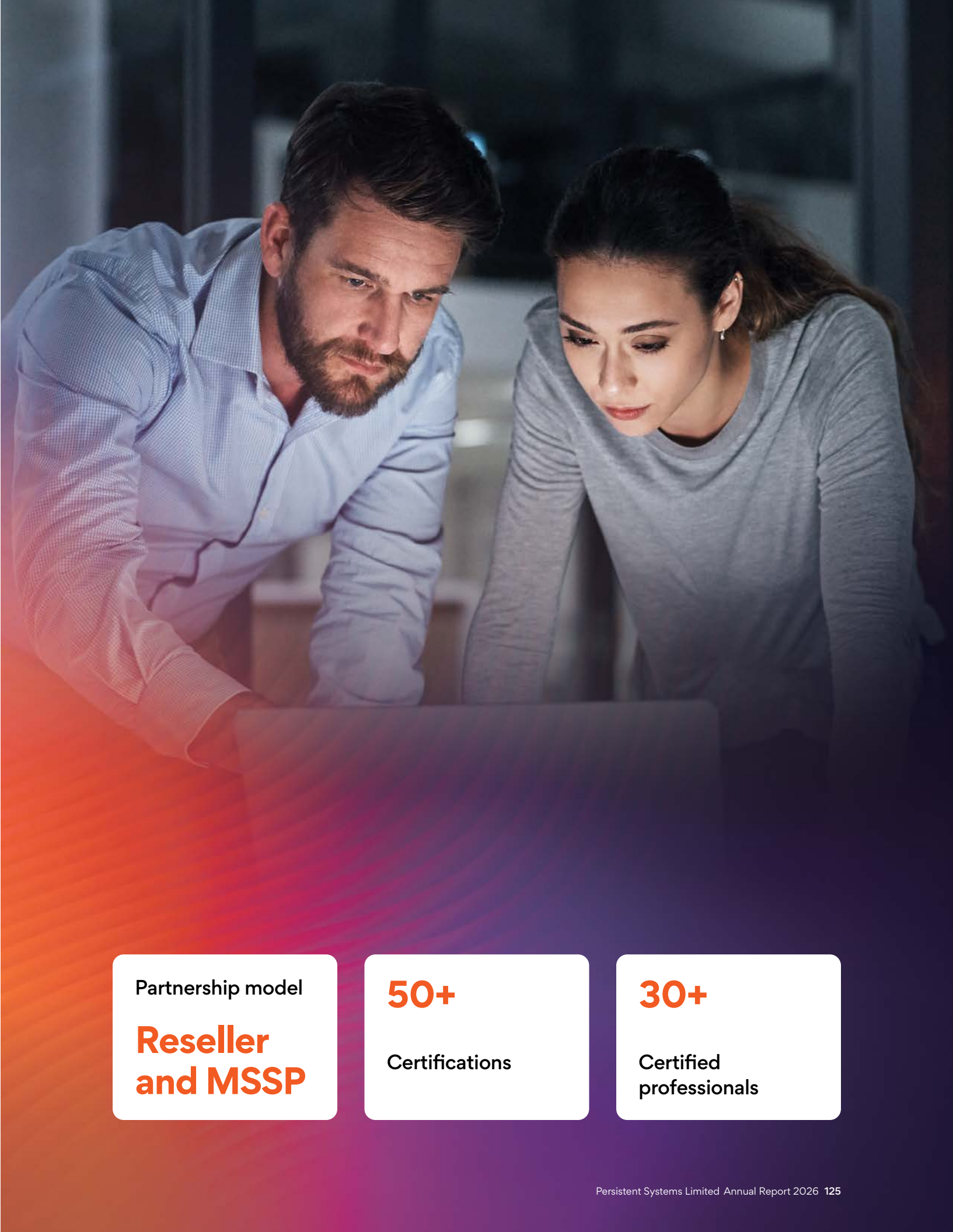
Persistent's elevation to MSSP partner with Palo Alto Networks in 2025 is a marker of capability, not just affiliation. The designation reflects a validated ability to manage security operations at enterprise scale, with the technical depth and operational maturity required by the status. It moves Persistent beyond reselling and deployment into running security operations as a managed, ongoing discipline, positioning Persistent to meet rising enterprise demand for transforming how security is operated.

Where most reseller partners stop at platform deployment, Persistent leads with practitioner-led delivery. Cyber Fusion Centre, our Managed Security Operations Centre offering, is built on Cortex XSIAM and Cortex XSOAR and combines assessment, deployment and 24x7 managed operations under a single execution model. Our Palo Alto-certified teams assess clients' security maturity and roadmap, ensure integration with IT service management, cloud and security information data sources to enable end-to-end security workflows.

Two go-to-market motions extend this position into the broader enterprise market. The Beyond QRadar migration motion targets enterprises moving off legacy security platforms, with proven execution for QRadar-on-Cloud to XSIAM transitions. The Bring Your Own SIEM model allows enterprises that prefer to retain their existing security investment to add automation, playbooks and simplified overwatch, broadening the addressable opportunity for Persistent.

Early client outcomes validate the model. For a portfolio of US-based clients, Persistent has reduced security alert acknowledgement and response times by 60% through XSOAR-led hyperscale automation, while also enabling automated containment actions for high-severity malware events.

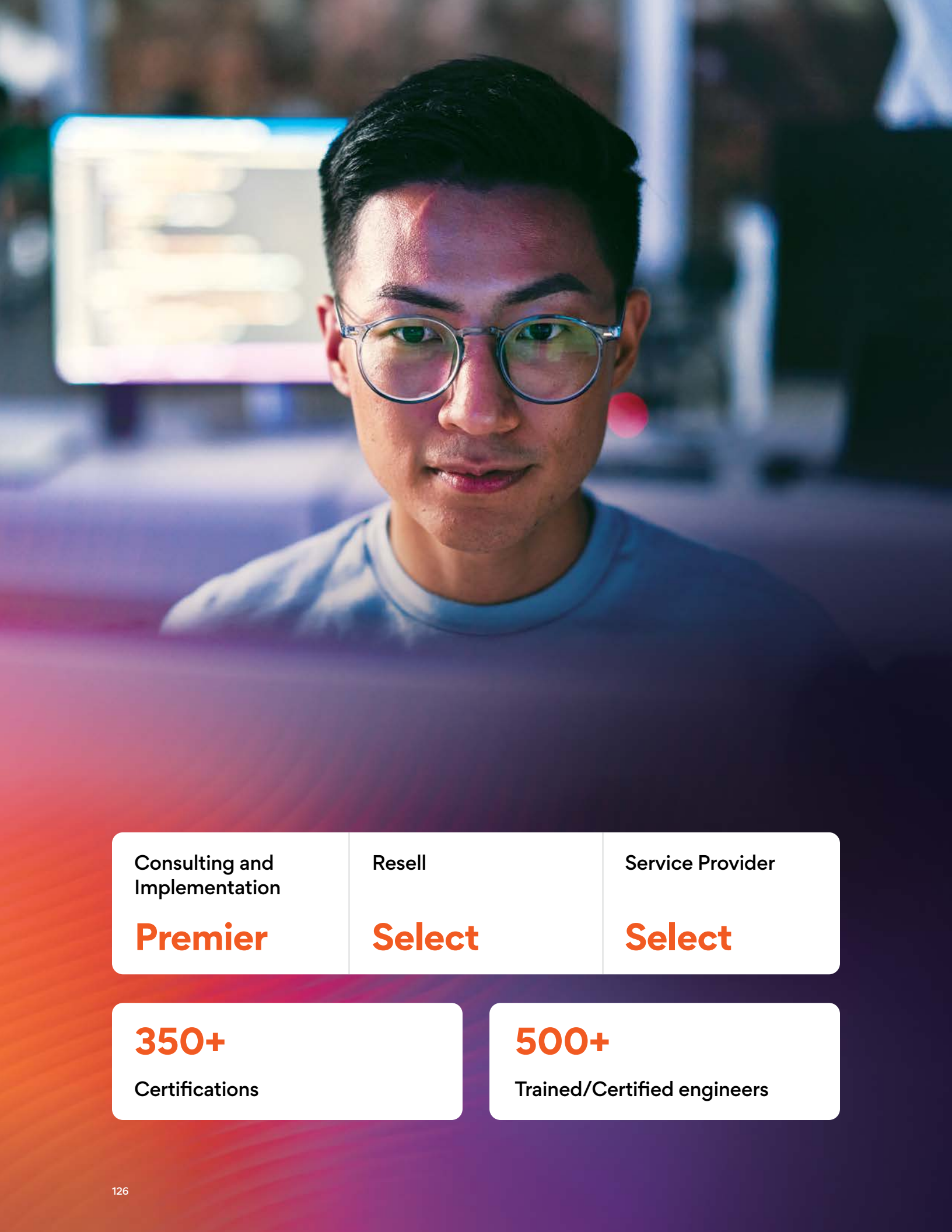
With the MSSP designation secured and a client portfolio scaling across the US, UK and India, Palo Alto Networks represents one of Persistent's most promising new alliances in a high-growth category.



Partnership model
**Reseller
and MSSP**

50+
Certifications

30+
Certified
professionals



Turning ServiceNow Investments into Operational Advantage



Persistent is one of a small group of partners that hold top-tier status across all three ServiceNow partnership tracks: Premier as a Consulting and Implementation Partner and Select as both a Resell Partner and a Service Provider Partner. This breadth allows us to support clients across the full lifecycle of a ServiceNow investment, from licensing decisions to implementation to ongoing managed services, a combination few partners in the ecosystem can match.

Complementing this lifecycle positioning are our IP accelerators, which push our ServiceNow engagements beyond standard platform implementation. We have built 10 unique offerings on ServiceNow's native capabilities, including a specialised solution for private equity portfolio companies that delivers compliant, secure IT environments from a standing start. This capability is particularly valuable in carve-out and post-acquisition scenarios where speed of setup directly affects investment returns.

The partnership is also focused on enterprise risk and compliance, an area where boards and regulators are demanding greater transparency. Persistent's Integrated Risk Management implementations help clients reduce threat exposure, improve regulatory compliance and bring greater visibility to operational risk, applying ServiceNow's workflow capabilities to one of the highest-priority enterprise agendas.

Our ServiceNow practice has grown to 500+ trained engineers and 350+ certifications. Persistent supports more than 22 active enterprise engagements where ServiceNow is being applied to digitise workflows, remove friction from business processes and convert platform investments into measurable operational gains.

For enterprises focused on extracting more value from existing technology spend, Persistent's ServiceNow alliance offers one of the clearest paths to operational returns.

Consulting and Implementation Premier	Resell Select	Service Provider Select

350+
Certifications

500+
Trained/Certified engineers

Snowflake's Global Technology Validation Partner

In a partnership that has held strong for more than 11 years, Persistent and Snowflake have together helped clients modernise their data estates and scale AI responsibly. Persistent is a Snowflake Premier Partner and one of its global technology validation partners, bringing domain expertise and technical know-how that complement the Snowflake Data Cloud to set up secure AI foundations.

The commercial value of this position rests on two things: the validated technical trust the designations reflect and a strong portfolio of pre-built solutions that converts it into client outcomes. The validation role gives Persistent early visibility into Snowflake's product direction, enabling us to build capabilities ahead of the broader market and bring new offerings to clients sooner. Persistent's iAURA 2.0 suite of accelerators reinforces this advantage by reducing the time, cost and risk for clients moving to Snowflake or scaling AI on top of it.

The alliance is focused on the highest-value enterprise opportunities. Persistent's solutions help banks detect fraud in real time, accelerate clinical trials for healthcare and life sciences companies, and help retailers build more responsive supply chains. Each of these solutions uses Snowflake's AI capabilities to move beyond reporting and analytics into AI-driven decisions that directly improve business outcomes.

The operational scale supports this position, with more than 600 Snowflake experts, 180 certifications and 25 active enterprise engagements across migration, modernisation and AI deployment.

As enterprise data modernisation becomes the foundation of every AI strategy, Persistent's Snowflake alliance positions us at the centre of this shift.

11
Years of
partnership

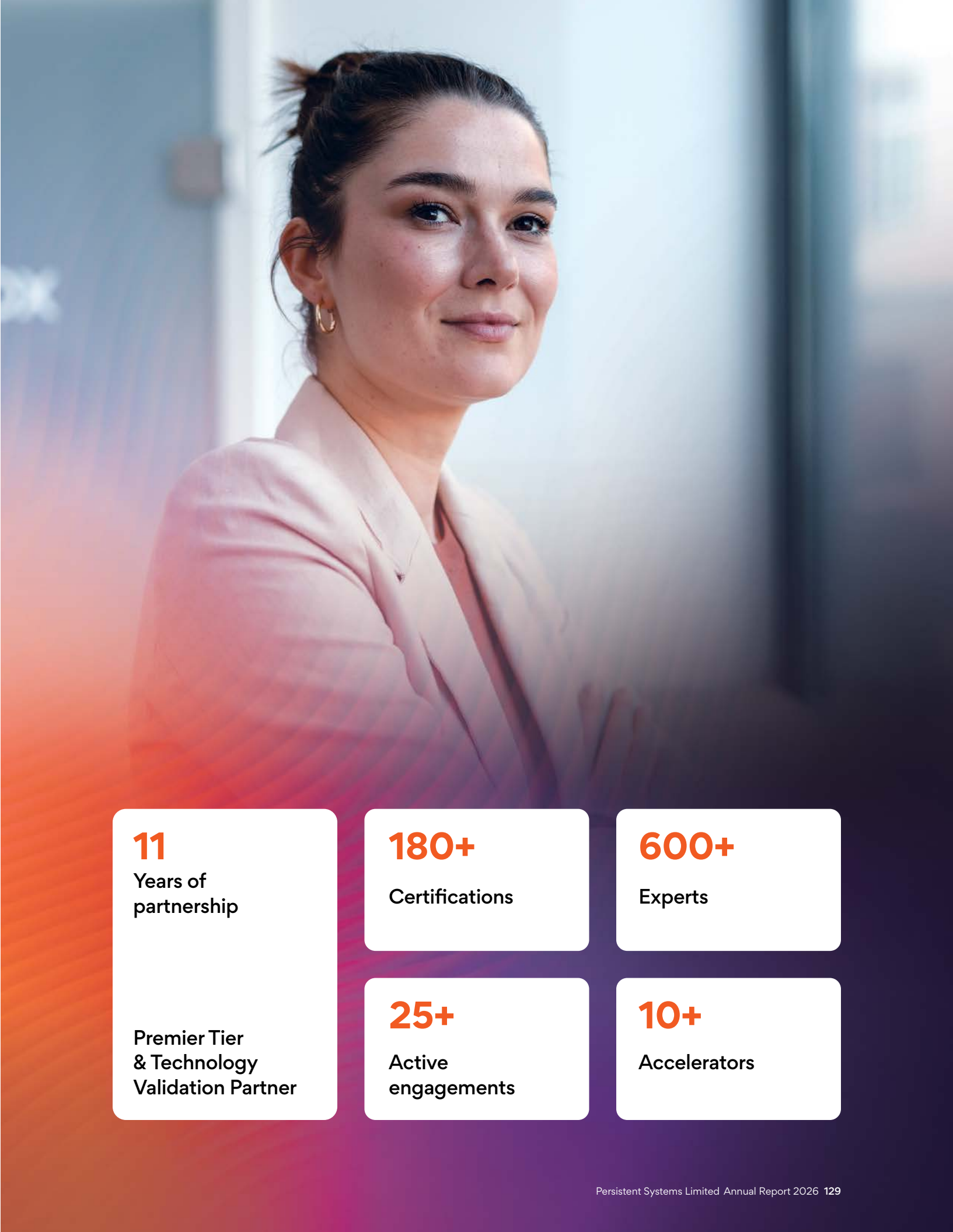
Premier Tier
& Technology
Validation Partner

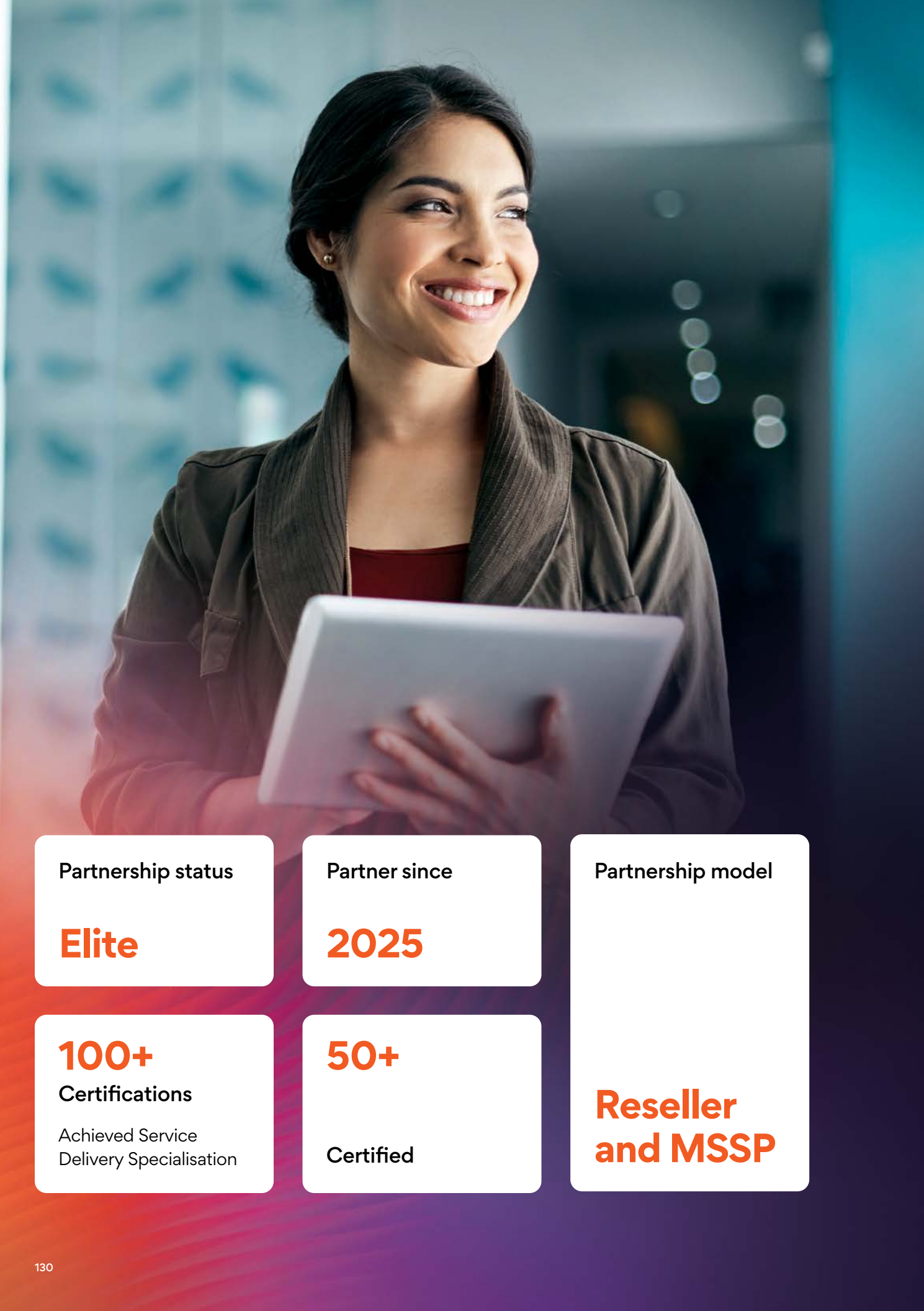
180+
Certifications

25+
Active
engagements

600+
Experts

10+
Accelerators





Netskope's GSI Rising Star Partner of the Year



Netskope has named Persistent its GSI Rising Star Partner of the Year, an award that recognises the significance of the alliance and the strength of joint execution in one of the fastest-growing segments in enterprise security. The recognition arrives alongside Persistent's elevation to Elite Tier status, the highest designation in the Netskope partner ecosystem, signalling that the partnership has reached strategic standing within a comparatively short window.

As the market shifts to Secure Access Service Edge, or SASE, a category that focuses on securing cloud applications, remote workforces and distributed data, its adoption is now one of the highest-priority agendas on enterprise roadmaps. The partnership with Netskope places us in a position to participate meaningfully in this shift through resell, implementation and managed services motions.

Practitioner-led delivery is what sets us apart. Persistent's model spans assessment,

deployment, integration and 24x7 managed operations under a single execution framework, supported by 100+ certifications, 50+ certified specialists and the Service Delivery Specialisation designation from Netskope. Two anchor offerings extend this capability into specific client conversations: a Zero Trust Assessment that helps enterprises evaluate their security posture against modern threat models, and a Security Health Check that identifies remediation priorities in active environments.

The combination of Elite Tier status, MSSP designation and the Rising Star recognition, all secured in 2025, signals steady progress and trust in our ability to deliver in a rapidly evolving market for enterprise security. As enterprises move security spend towards SASE-led architectures, Netskope is positioned to be one of Persistent's most accretive new alliances in the cybersecurity portfolio.

Partnership status

Elite

Partner since

2025

Partnership model

**Reseller
and MSSP**

100+
Certifications

Achieved Service
Delivery Specialisation

50+

Certified

Zero Trust, Delivered with Zscaler

Zero Trust has been the organising principle for modern enterprise security, replacing the perimeter-based models that defined an earlier era of IT. Zscaler is the platform setting the pace in this category, and Persistent is positioned to capture the enterprise spend now flowing towards Zero Trust adoption at scale.

Persistent brings a combination of technical depth, delivery quality and demonstrated outcomes. Our alliance with Zscaler has matured since 2021, building a capability base of 200+ certifications and 75+ certified professionals with deep expertise in Zero Trust architecture, secure access and cloud security operations.

The commercial model is built for end-to-end client ownership. Persistent's offerings span assessment, design, deployment, integration

and managed services under a single delivery framework, supported by accelerators, playbooks and automation-led onboarding that accelerates time to value. This combination of resell, implementation and managed services capabilities creates lifecycle revenue from each Zscaler engagement and broadens the addressable opportunity beyond pure implementation work.

Combined with Persistent's multi-vendor security expertise across the broader cybersecurity ecosystem, the Zscaler alliance fits within a cybersecurity portfolio that now spans Zero Trust, Secure Access Service Edge and Security Operations transformation.

As enterprises consolidate security spend around Zero Trust platforms, this partnership gives Persistent an edge as strategic stakes and deal sizes continue to accelerate.

Partnership model

Resell and MSSP

Partner since

2021

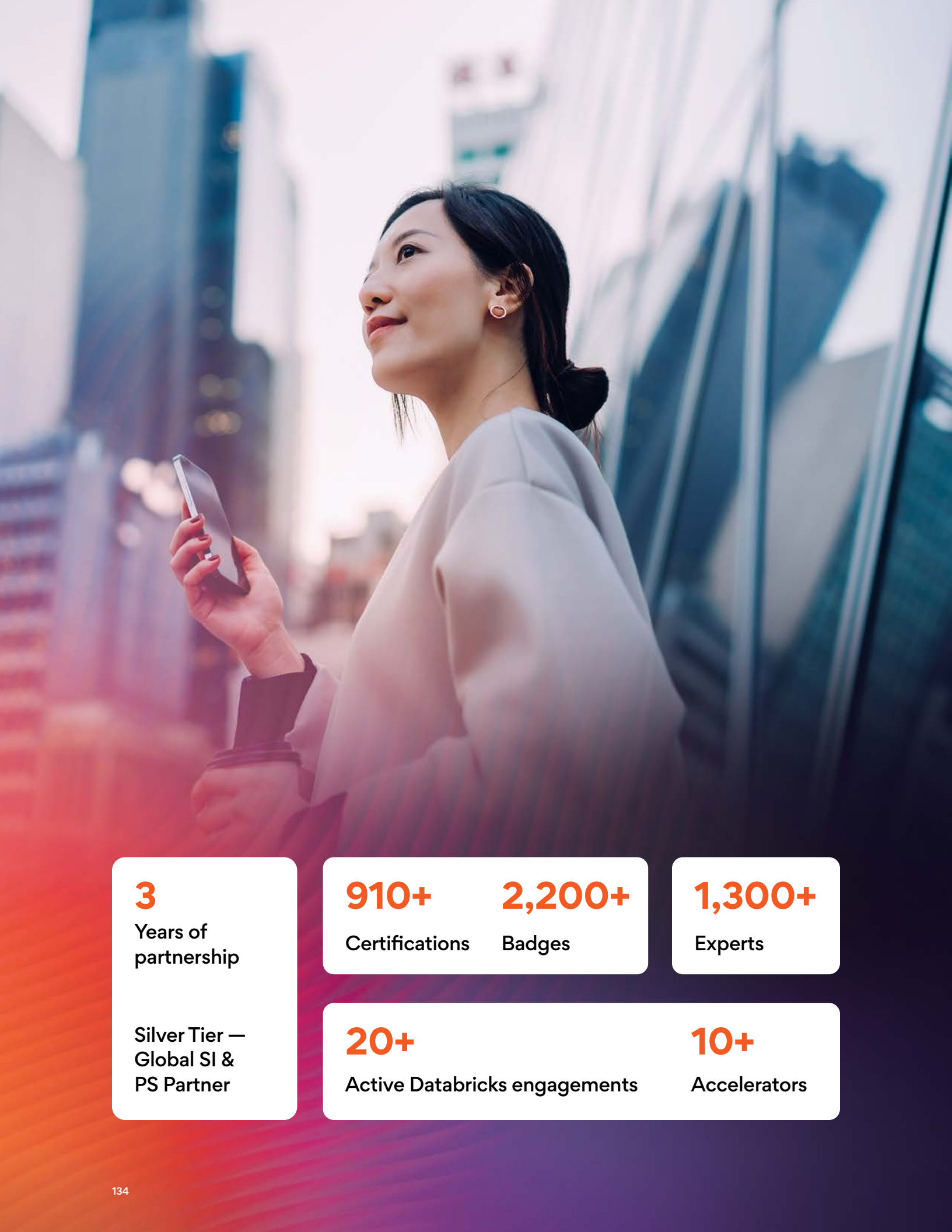
200+

Certifications/Badges

75+

Certified professionals





Scaling AI on a Trusted Data Foundation with Databricks

In just three years, the Databricks partnership has evolved from a new alliance to one of the fastest growth vectors in Persistent's portfolio, a trajectory that reflects both the depth of our data engineering heritage and the growing enterprise demand for the Databricks Data Intelligence Platform amongst our client base.

While most Databricks partners compete on technical implementation, Persistent competes on data sanity and Responsible AI frameworks that govern production-grade AI models. This is the cornerstone of enterprise AI scale-up, where most adoption stalls between proof of concept and production. Persistent's deep data engineering heritage empowers clients to overcome this barrier with the governance, quality and trust frameworks that production AI demands. For instance, we helped the US arm of one of Japan's largest banks modernise its Databricks environment through automated governance, a standardised data playbook and an AI-driven data quality framework, delivering 100% governance compliance, around 70% reduction in manual effort, while also optimising cloud costs.

This positioning is further reinforced by our investments in IP and industry depth.

Persistent's iAURA Suite of accelerators is listed on the Databricks Brickbuilder Solutions, placing Persistent among a select group of partners with productised assets in the ecosystem. iAURA was featured in Databricks' GenAI H2 Campaign and Persistent was recognised as part of the Lakebase Launch Partner List. Industry-specific solutions such as Risky Merchant Detection for BFSI, Clinical AI-Site Selection for Healthcare and Life Sciences and Supply Chain Analytics for Retail extend this IP into revenue-generating use cases.

External validation has accelerated alongside execution. Persistent secured the HLS Brickbuilder Specialisation and finished second among 100 Databricks Rising Partners in the Q4 Certification Challenge, achieving more than 500 certifications in a single quarter. This signals how rapidly the alliance is gaining momentum and earning recognition within the Databricks ecosystem.

As enterprise data modernisation becomes the precondition for AI at scale, Persistent is positioned to convert this momentum into a meaningful growth contribution.

3
Years of
partnership

Silver Tier —
Global SI &
PS Partner

910+
Certifications

2,200+
Badges

1,300+
Experts

20+
Active Databricks engagements

10+
Accelerators

Re(AI)maging™ the Enterprise

From Ambition to Engineered Advantage

FY26 demonstrated the strength of an organisation preparing for the next era of enterprise technology.

Artificial Intelligence remains the defining technology shift of our time. Across industries, organisations are moving beyond experimentation and embedding intelligence into products, workflows and business processes. The opportunity is significant, but so is the challenge. The organisations that create lasting advantage will be those that can translate innovation into execution and ambition into measurable outcomes.

Throughout the year, Persistent strengthened the capabilities that increasingly determine success in the AI era: engineering depth, platform innovation, workforce transformation, ecosystem partnerships and trusted client relationships. The 3C Framework gave enterprise AI a foundation to run on, carried into outcomes across Engineering Hyper-Productivity, Business Hyper-Productivity and Enterprise Data Readiness and held to a standard enterprises can trust through Responsible AI.

Together, these investments reflect a fundamental belief: that successful transformation requires more than technology alone. It requires the ability to combine engineering discipline, business context, trusted data, ecosystem collaboration and continuous learning.

As technology cycles continue to accelerate, the ability to learn, adapt and operationalise innovation is becoming a competitive advantage in its own right. Persistent's Customer Zero approach, deep partner ecosystem and ongoing workforce transformation help accelerate those learning cycles, allowing new technologies to move more quickly from possibility to enterprise value.

Across this report, a consistent theme emerges: organisations increasingly need partners that can bridge the gap between innovation and execution. This is the role Persistent is built to play. It also points to a larger shift. AI is becoming less a tool the enterprise adopts and more the operating model it runs on.

For more than three decades, we have helped clients navigate successive waves of technological change. AI represents the next chapter in that journey, but the foundations remain the same: engineering excellence, trusted execution, continuous learning and long-term relationships.

The organisations that lead in the next decade will be those that can consistently translate innovation into value at scale. Persistent enters that future with confidence.

This is what Re(AI)maging™ the Enterprise means at Persistent.



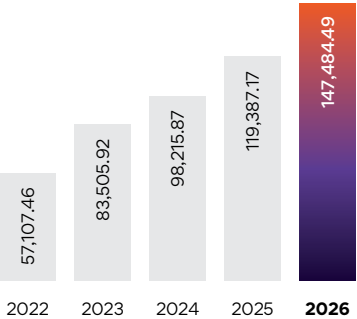
Corporate Information



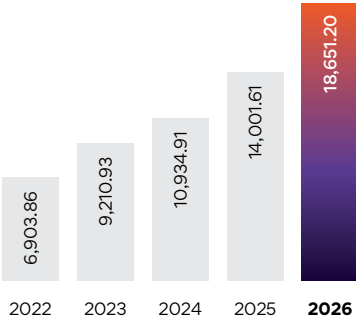
Financial Highlights

Financial Year ended on March 31, 2026

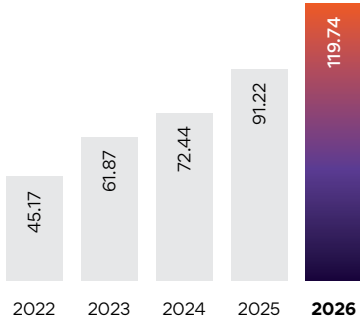
Total Revenue In INR Million



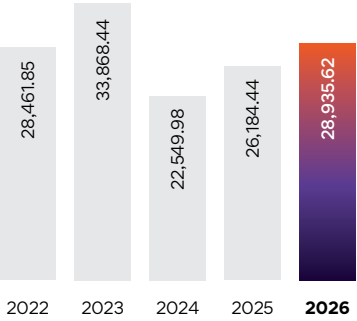
Profit After Tax In INR Million
After extraordinary items



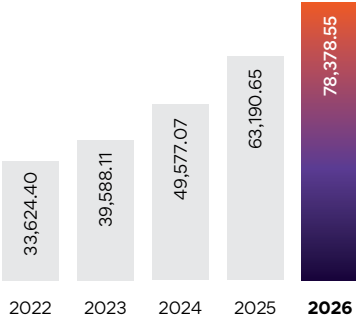
Earnings Per Equity Share (Basic)[®] In INR



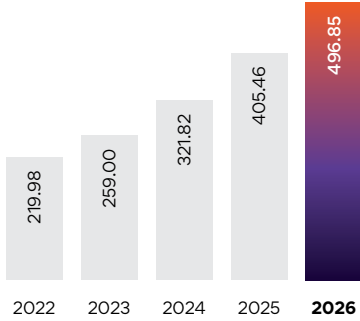
Fixed Assets In INR Million
Gross block, including Capital work-in-progress



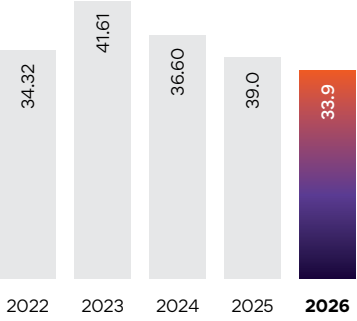
Net Worth[#] In INR Million



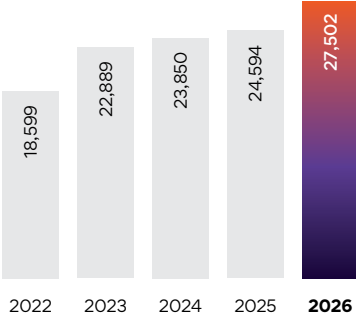
Book Value per Share[®] In INR



Dividend Payout Ratio[^] In %



Persistent Team In Numbers
Including trainees and associates



[®] EPS is computed after considering the impact of exceptional item.

[#] Equity Share Capital, Reserves and Surplus (excluding Gain on bargain purchase) and other comprehensive income are considered for the purpose of computing Net Worth and Book Value per share.

[^] Considering aggregate payout of dividend and dividend distribution tax (including proposed dividend and tax thereon).

Financial Performance

Based on consolidated figures

Profit and Loss Statement

In INR Million

Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Income					
Revenue	147,484.49	119,387.17	98,215.87	83,505.92	57,107.46
Other Income	1,804.26	1,381.54	1,280.20	706.17	1,439.55
Total	149,288.75	120,768.71	99,496.07	84,212.09	58,547.01
Personnel expenses (including cost of professionals)	101,481.56	86,228.82	71,102.40	60,121.66	42,567.28
Operating and other expenses	18,048.50	12,576.42	10,356.61	8,193.01	4,958.47
Profit before interest, depreciation and amortisation, exceptional item and tax	29,758.69	21,963.47	18,037.06	15,897.42	11,021.26
Interest*	726.82	671.29	467.27	473.40	118.35
Depreciation and amortisation	4,029.50	3,069.10	3,093.73	2,718.95	1,660.12
Exceptional item (expense)	890.25	-	-	(296.55)	-
Provision for taxation	5,460.92	4,221.47	3,541.15	3,197.59	2,338.93
Profit After Tax (PAT)	18,651.20	14,001.61	10,934.91	9,210.93	6,903.86
Dividend (including proposed dividend) and tax thereon	5,816.50	4,657.50	4,002.10	3,832.25	2,369.18

*Finance costs include interest on lease liability of INR 330.35 million (Previous year INR 253.05 million) and notional interest on amounts due to selling shareholders INR 99.62 million (Previous year INR 15.27 million).

Profit and Loss Account (Ratios)

Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Personnel expenses / Revenue (%)	68.81	72.23	72.39	72.00	74.54
Operating and other expenses / Revenue (%)	12.24	10.53	10.54	9.81	8.68
Profit before interest, depreciation and amortisation, exceptional item and tax / Revenue (%)	20.18	18.40	18.36	19.04	19.30
Interest / Revenue (%)	0.49	0.56	0.48	0.57	0.21
Depreciation and amortisation / Revenue (%)	2.73	2.57	3.15	3.26	2.91
Exceptional item / Revenue (%)	0.60	-	-	(0.36)	-
Tax / Revenue (%)	3.70	3.54	3.61	3.83	4.10
PAT / Revenue (%)	12.65	11.73	11.13	11.03	12.09
ROCE (%)**	29.27	27.65	28.58	30.43	24.00

**ROCE calculation is based on post tax return and average of opening and closing capital employed.

Committees of the Board

As on June 8, 2026

Audit Committee

Praveen Kadle
Chairman of the Committee
and Independent Director

Avani Davda
Non-Executive
Independent Director

Dr. Ajit Ranade
Non-Executive
Independent Director

Risk Management Committee

Praveen Kadle
Chairman of the Committee
and Independent Director

Arvind Goel
Non-Executive
Independent Director

Dr. Ajit Ranade
Non-Executive
Independent Director

Sandeep Kalra
Executive Director
and Chief Executive Officer

Vinit Teredesai
Executive Director
and Chief Financial Officer

Debashis Singh
Chief Information Officer

Nomination and Remuneration Committee

Dr. Ambuj Goyal
Chairman of the Committee
and Independent Director

Arvind Goel
Non-Executive
Independent Director

Dan'l Lewin
Non-Executive
Independent Director

Dr. Ajit Ranade
Non-Executive
Independent Director

Stakeholders' Relationship and ESG Committee

Arvind Goel
Chairman of the Committee
and Independent Director

Avani Davda
Non-Executive
Independent Director

Dr. Anand Deshpande
Chairman and
Managing Director

Vinit Teredesai
Executive Director
and Chief Financial Officer

Corporate Social Responsibility Committee

Avani Davda
Chairperson of the Committee
and Independent Director

Dr. Anand Deshpande
Chairman and
Managing Director

Arvind Goel
Non-Executive
Independent Director

Executive Committee

Dr. Ambuj Goyal
Chairman of the
Committee and
Independent Director

Praveen Kadle
Non-Executive
Independent
Director

Avani Davda
Non-Executive
Independent
Director

Anjali Joshi
Non-Executive
Independent
Director

Sandeep Kalra
Executive Director
and Chief Executive
Officer

Investment Committee

Praveen Kadle
Chairman of the Committee
and Independent Director

Dr. Ambuj Goyal
Non-Executive
Independent Director

Anjali Joshi
Non-Executive
Independent Director

Avani Davda
Non-Executive
Independent Director



Directors' Profiles

- 1 Dr. Anand Deshpande**
Founder, Chairman and
Managing Director

4 Avani Davda
Non-Executive
Independent Director

7 Anjali Joshi
Non-Executive
Independent Director

10 Dr. Ajit Ranade
Non-Executive
Independent Director
- 2 Sandeep Kalra**
Executive Director and
Chief Executive Officer

5 Dr. Ambuj Goyal
Non-Executive
Independent Director

8 Praveen Kadle
Non-Executive
Independent Director
- 3 Vinit Teredesai**
Executive Director
and Chief Financial Officer

6 Arvind Goel
Non-Executive
Independent Director

9 Dan'l Lewin
Non-Executive
Independent Director



Dr. Anand Deshpande

Founder, Chairman and Managing Director

SRC CSR

Dr. Anand Deshpande is the Founder, Chairman and Managing Director of Persistent Systems and one of India's pioneering technology entrepreneurs. Over the last three and a half decades, he has helped build Persistent from a small start-up in Pune into a globally recognised digital engineering company, contributing to India's emergence as a trusted destination for technology innovation and product development.

Anand has long believed that engineering, entrepreneurship and strong institutions are the foundations of enduring economic and social progress. Throughout his career, he has worked at the intersection of technology, education, research and public impact, helping create organisations and platforms that expand opportunity, strengthen institutions and build long-term capability.

He holds a B.Tech. (Hons.) in Computer Science and Engineering from the Indian Institute of Technology, Kharagpur and an M.S. and Ph.D. in Computer Science from Indiana University, Bloomington (USA). His contributions to engineering, technology and innovation have been recognised by both his alma maters, with the Career Achievement Award from Indiana University in 2007 and the Distinguished Alumni Award from IIT Kharagpur in 2012.

Prior to founding Persistent in 1990, he worked as a Member of Technical Staff at

Hewlett-Packard Laboratories in Palo Alto, California.

Anand is a Fellow of the Indian National Academy of Engineering (INAE) and the Indian National Science Academy (INSA). His contributions to technology, entrepreneurship and institution building have been recognised through several distinguished honours, including the EY Entrepreneur Of The Year™ Award in the Services category in 2023, the ACM Presidential Award and the Engineering Council of India's Eminent Engineers' Award in 2024 and the CNBC-TV18 India Business Leader Awards Lifetime Achievement Award in 2025.

Beyond Persistent, Anand has dedicated significant time to strengthening India's innovation, research and entrepreneurship ecosystem. He is a founding trustee of Persistent Foundation and Persistent India Foundation, Co-Chair of the Biotechnology Research and Innovation Council (BRIC), established by the Department of Biotechnology, Government of India and Professor of Practice at both IIT Bombay and IIT Kharagpur.

His previous leadership and public service roles include serving as a part-time Member of the Unique Identification Authority of India (UIDAI), Chairman of the Board of Governors of IIT Patna, Chairman of the Board of Governors of VJTI Mumbai, Interim Chairman of IIIT Allahabad, Trustee of the VLDB

Endowment and member of the governing boards of several academic and research institutions. He was the founding President of ACM India and has been associated with organisations such as iSPIRT, I4C, NASSCOM and the Computer History Museum.

Since transitioning from the role of Chief Executive Officer in 2019, Anand has increasingly focused on entrepreneurship, higher education, healthcare and institution-building. Through the deAsra Foundation, established by Anand and his family, more than 750,000 nano-entrepreneurs have been supported on their journey towards self-employment and business growth. Through the Second Orbit programme, created in collaboration with Dr. Ashok Korwar, he has helped hundreds of founders

and business leaders build stronger, more scalable organisations.

He is also actively involved in initiatives that use data, technology and research to improve healthcare outcomes in India, particularly in cancer and diabetes. His work in these areas reflects a continuing belief that technology and data can be harnessed to address some of society's most important challenges.

Across business, academia, public policy and social initiatives, Anand has consistently championed engineering excellence, entrepreneurship and institution building as powerful drivers of long-term economic and social progress.

Anand is married to Sonali and they have an entrepreneur daughter, a son and a daughter-in-law.



Sandeep Kalra

Executive Director and Chief Executive Officer

RMC EC

Sandeep Kalra serves as Executive Director and Chief Executive Officer of Persistent Systems. He has led the Company's transformation into a leading AI-led digital engineering and enterprise modernisation partner, helping global enterprises accelerate innovation and navigate technology transformation in the AI era.

With more than 30 years of experience in the global technology services industry,

Sandeep is recognised for driving growth, scaling businesses and creating long-term stakeholder value. He combines strategic vision with operational discipline, fostering innovation while delivering consistent business performance.

Under his leadership, Persistent has surpassed \$1.6 billion in annual revenue and significantly expanded its capabilities across digital engineering, cloud, data and analytics,

application modernisation, cybersecurity and enterprise AI. He has championed the Company’s AI-first strategy, accelerating the adoption of AI and Generative AI across client engagements, platforms, solutions and internal operations while reinforcing Persistent’s position as a trusted partner for enterprise transformation.

Sandeep has also advanced Persistent’s ESG agenda, contributing to the Company’s inclusion in leading sustainability indices and recognition as an ESG leader. He is equally committed to developing future leaders and fostering a culture grounded in accountability, innovation, continuous learning and reinvention.

Over the past six years, Persistent has delivered a sustained period of growth and transformation, earning recognition from leading industry analysts, advisors, customers and investors. The Company has strengthened its capital market standing

through inclusion in major indices, including the MSCI India Index, the S&P BSE 100 and the S&P BSE SENSEX Next 50.

Sandeep’s leadership has been recognised through several industry honours, including Business Today’s Best CEO in the IT & ITES Industry award, Fortune India’s Best CEO recognition in the IT Services category and Business Today’s Tech Titan recognition.

Before joining Persistent, Sandeep held senior leadership positions at HCL Technologies and later at HARMAN International following the acquisition of Symphony Teleca, where he led large-scale digital transformation businesses serving global enterprises.

A graduate of the Indian Institute of Management Calcutta and recipient of its Distinguished Alumnus Award, the Institute’s highest alumni honour, Sandeep is also a Founders Circle member of Indiaspora.



Vinit Teredesai
Executive Director and Chief Financial Officer
RMC SRC

As Executive Director and Chief Financial Officer, Vinit Teredesai leads Corporate Finance, Treasury, Financial Reporting, Taxation, Administration, Risk Management, Corporate Secretarial, ESG/Sustainability, Enterprise Information System (EIS) and Investor Relations functions.

He joined Persistent in May 2024 and brings nearly three decades of experience across corporate finance, international and domestic taxation and management accounting. Prior to Persistent, he served as Chief Financial Officer of LTIMindtree following the 2022 merger of L&T Infotech and Mindtree. Earlier, he held

senior finance leadership roles at Mindtree and KPIT Technologies. His stewardship reflects a disciplined approach to capital allocation, financial resilience and long-term value creation.

He is a Chartered Accountant, Cost and Works Accountant and Certified Public Accountant (USA) and has completed a General Management course at the MIT Sloan School of Management, Cambridge,



Avani Davda
Non-Executive Independent Director
AC SRC CSR EC IC

Avani Davda is a distinguished business leader with broad experience across the consumer, retail and hospitality sectors. She is recognised for shaping premium brands, leading transformation and building differentiated consumer experiences at scale.

Avani grew up in Mumbai and holds a Bachelor’s degree in Commerce with Honours in Advertising and Media from the University of Mumbai, and a Master of Management Studies from Narsee Monjee Institute of Management Studies, University of Mumbai, where she graduated with a gold medal.

Avani is an eminent business leader with over two decades of experience across the consumer, retail and hospitality sectors, with a strong track record of building and scaling businesses and leading transformations in

Massachusetts, with a focus on strategy, innovation and technology.

He has been recognised with leading industry honours, including the CFO of the Year - Large Enterprise award at The Economic Times ETCFO Awards and Best CFO recognitions from ASSOCHAM and ICAI.

Vinit is married to Rashmi and they have two daughters.

complex and evolving markets. She is currently the Chief Executive Officer for the Indian Luxury Brands portfolio at Reliance Retail Limited, where she oversees a portfolio of leading Indian designer businesses. In this role she holds full P&L responsibility across the portfolio, driving brand development, category expansion, retail scaling and international growth, working closely with founders and leadership teams to scale businesses across domestic and global markets.

She began her professional career with the Tata Group, joining through the Tata Administrative Services (TAS) leadership programme in 2002, and held roles across The Indian Hotels Company Ltd. (Taj Hotels) and Tata Consumer Products Ltd. As Founder Chief Executive Officer of Tata Starbucks Private Limited, she led the successful market entry and scale-up

of Starbucks in India, establishing it as one of the fastest growing international markets for the brand, with over 85 stores across six cities within three years of launch. She subsequently served as Managing Director of Godrej Nature's Basket, where she led the turnaround of the omni-channel business and its strategic sale to the Spencer Group in 2019, and later, as an Advisor at Bain & Company, advised leading consumer and retail companies across India and Asia on growth strategy, market entry, M&A and organisational transformation.

Avani serves as an Independent Director across multiple listed companies, contributing

across risk, audit, nomination and governance committees. She is also an Advisory Board member of the Akshaya Patra Foundation, where she supports initiatives to build sustainable and scalable solutions for child nutrition. She has been featured in Fortune US's annual global list of '40 under 40 leaders' (2013), ranked 13 on 'The Most Innovative Women in Food and Drink' list in Fortune and Food & Wine (2014), nominated as a Young Global Leader by the World Economic Forum, Geneva (2014), and featured in 'ET & Spencer Stuart Women Ahead' (2019).

Avani is married to Vishal and they have a son.



Dr. Ambuj Goyal
Non-Executive Independent Director

NRC EC IC

Dr. Ambuj Goyal holds a Bachelor's degree in Technology from IIT Kanpur and a Ph.D. from the University of Texas at Austin. He is a Fellow of the Institute of Electrical and Electronics Engineers and the Association for Computing Machinery and is recognised for his distinguished contributions to technology and innovation.

Dr. Goyal currently advises multiple startups and private equity firms, bringing strategic insight shaped by decades of global technology leadership. Earlier, he served as Chief Executive Officer of Magine, a Stockholm-based start-up.

He began his career at IBM Research and went on to hold a succession of senior leadership roles across the organisation over two decades. These included leading Computer Science Research with more than 1,500 scientists, building a multibillion-dollar software and services portfolio as General Manager for Information Management and Analytics and overseeing products worth \$20 billion as General Manager for Development, IBM Systems and Microelectronics.

Dr. Goyal brings deep experience across advanced systems and software businesses with a strong understanding of technology,

strategy and the commercial forces shaping global markets. He has led worldwide research and large business teams across geographies and held profit and loss

responsibility for businesses generating more than \$10 billion in revenue.

Dr. Goyal is married to Barbara and they have two daughters.



Arvind Goel
Non-Executive Independent Director

RMC NRC SRC CSR

Arvind Goel holds a Bachelor's degree in Mechanical Engineering from the National Institute of Technology, Kurukshetra. He has completed advanced leadership and management programmes at Harvard Business School, the NYU Stern School of Business and the Centre for Creative Leadership in Singapore.

Arvind is currently the Executive Chairman of Tata AutoComp Systems Limited. Earlier, he served as Managing Director and Chief Executive Officer of the company until October 2022. Since joining the Tata Group in 2018, he has held leadership roles, including Chief Operating Officer and President and has played a pivotal role in establishing multiple joint ventures and leading the acquisition of TitanX.

Over a career spanning more than four decades in the automotive industry, he has held senior leadership roles at MAN Trucks,

Force Motors, Bajaj Tempo and Kirloskar Oil Engines.

Arvind is an active member of several industry bodies and currently serves as Vice President of the Mahratta Chamber of Commerce, Industries and Agriculture, Chairman of the Western Region Automotive Components Manufacturers Association and an elected member of the CII National Council and CII Western Regional Council.

His leadership has been recognised through several honours, including India's Most Inspirational Leader 2020 by White Page International, Global Indian of the Year 2020–21 by AsiaOne, Auto Component Leader of the Year 2021 by Auto Components India Magazine and Economic Times Inspiring CEO 2021.

Arvind is married to Dr. Suniti and they have a son and a daughter.



Anjali Joshi

Non-Executive Independent Director

EC IC

Anjali Joshi is a distinguished technology and product leader and a professional Director with more than 30 years of experience across engineering and product management. She holds a Bachelor of Technology in Electrical Engineering from IIT Kanpur and a Master's degree in Computer Engineering from the State University of New York and a Master's degree in Engineering Management from Stanford University. She is also a recipient of the Distinguished Alumni Award from the Indian Institute of Technology, Kanpur.

She currently serves on the boards of Xero and LocoNav and has previously served as a director of Alteryx, Lattice Semiconductor, Iteris, MobileIron and McClatchy. She also

holds advisory roles at the Markkula Center for Applied Ethics at Santa Clara University, the National AI Institute for Exceptional Education at SUNY Buffalo and Insight Partners in New York.

Anjali spent 13 years in senior product leadership at Google, where she helped build and scale products including Search and Maps across internet, mobile and video platforms worldwide. Before joining Google, she held engineering leadership roles at Covad Communications and systems engineering positions at AT&T Bell Labs.

Anjali is married to Sanjay and they have two daughters.



Praveen Kadle

Non-Executive Independent Director

AC RMC EC IC

Praveen Kadle holds a Bachelor's degree with Honours in Commerce and Accountancy from Bombay University. He is a member of the Institute of Chartered Accountants of India, a qualified Cost Accountant from the

Institute of Cost Accountants of India and a professionally qualified Company Secretary from the Institute of Company Secretaries of India.

Praveen was the Non-Executive Chairman of Tata AutoComp Systems Limited and has been associated with the Tata Group for nearly three decades. He also serves on the boards of several Tata and non-Tata companies.

His leadership has been recognised through multiple honours, including CFO of the Year in 2004 and 2006, Best CFO in the Auto

Sector in 2007 and induction into the CFO Hall of Fame in 2008. He was also recognised as Indian Business Leader of the Year in 2015 by Horasis and as Best Indian CEO in the Financial Services sector by FinanceAsia in 2017.

Praveen is married to Chetana, who is an accomplished artist and they have a son.



Dan'l Lewin

Non-Executive Independent Director

NRC

Dan'l Lewin joined the Board as an Independent Director in June 2022. He holds an A.B. degree in Politics from Princeton University.

He served as President and Chief Executive Officer of the Computer History Museum, a US-based non-profit organisation, where he led strategic planning, fundraising and operations.

Prior to the Computer History Museum, he spent 17 years at Microsoft leading initiatives that applied technology for public good. His portfolio included building Microsoft's global start-up and venture capital engagement model, advancing campaign and civic technology engagement, expanding affordable internet access, supporting environmental sustainability and forging partnerships with leading research universities.

Earlier, Dan'l built more than three decades of leadership experience in Silicon Valley. He led the initial launch of the Macintosh into higher education for Apple Computer, Inc., later co-founded NeXT, Inc. as Vice President of Marketing and Sales, led sales and marketing for GO Corporation and served as Chief Executive Officer of Aurigin Systems, Inc.

He brings deep experience in helping organisations establish long-term competitive positioning, strengthen governance, guide strategy and foster scalable growth. He has served on the boards of the Silicon Valley Community Foundation, UI Labs and Advanced Energy Economy and currently serves as a Board Director at StartX. He is a member of the Advisory Council for the Department of Politics at Princeton University.

Dan'l has two sons and three grandchildren.



Dr. Ajit Ranade
Non-Executive Independent Director

AC RMC NRC

Dr. Ajit Ranade is a distinguished economist whose 35-year career spans both academia and industry. He holds a Ph.D. in Economics from Brown University, a Post Graduate Diploma in Management from the Indian Institute of Management Ahmedabad and a Bachelor of Technology in Electrical Engineering from the Indian Institute of Technology Bombay. He received the Distinguished Alumnus Award from IIT Bombay in 2009.

Dr. Ranade has served as Vice-Chancellor and a member of the Board of Management at the Gokhale Institute of Politics and Economics. Prior to that, he was the Group Executive President and Chief Economist of the Aditya Birla Group.

He has served on the executive committees of leading industry chambers including CII, FICCI and MCCIA, and has taught at universities in both India and the United States. He has served on the Boards of several companies and trusts and has written for more than two decades as a columnist on economics and contemporary issues. He is the co-author of the award-winning book Rising to the China Challenge (2021).

Dr. Ranade is a co-founder and trustee of the Association for Democratic Reforms, a trustee of the Pune International Centre and an Honorary Senior Fellow at the Takshashila Institution.

Dr. Ranade is married to Alpana and they have two daughters.

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Member Chairperson

- AC** - Audit Committee

NRC - Nomination and Remuneration Committee

SRC - Stakeholders' Relationship and ESG Committee

CSR - Corporate Social Responsibility Committee
- RMC** - Risk Management Committee

EC - Executive Committee

IC - Investment Committee

Corporate Information

As on June 8, 2026



Board of Directors

- Dr. Anand Deshpande**
Founder, Chairman and Managing Director
- Sandeep Kalra**
Executive Director and Chief Executive Officer
- Vinit Teredesai**
Executive Director and Chief Financial Officer

Non-Executive Independent Directors

- Avani Davda
- Anjali Joshi
- Arvind Goel
- Dr. Ambuj Goyal
- Praveen Kadle
- Dan’l Lewin
- Dr. Ajit Ranade

Company Secretary

Amit Atre

Auditors

M/s. B S R & Co. LLP

Secretarial Auditors

M/s. SVD & Associates

Registered Office

‘Bhageerath’, 402 Senapati Bapat Road,
Pune 411 016, Maharashtra, India
CIN L72300PN1990PLC056696

Bankers

- Axis Bank
- Banco Nacional de Costa Rica
- Banco Nacional de México, S.A.
- Bank of Baroda
- Bank of India
- Bank of Tokyo-Mitsubishi
- Barclays Bank
- BNP Paribas
- Canara Bank
- Citibank NA
- Deutsche Bank
- First National Bank
- HDFC Bank
- Hongkong and Shanghai Banking Corporation
- Silicon Valley Bank
- Union Bank of India
- Wells Fargo Bank
- Zürcher Kantonal Bank
- DBS Bank
- State Bank of India
- ICICI Bank Limited
- Saraswat Co-operative Bank
- Kotak Mahindra Bank

Contact Info

Tel: +91 20 6703 3000
Fax: +91 20 6703 6003
Email: info@persistent.com
Website: www.persistent.com

Global Presence

As on June 8, 2026



Scan to explore our
global locations

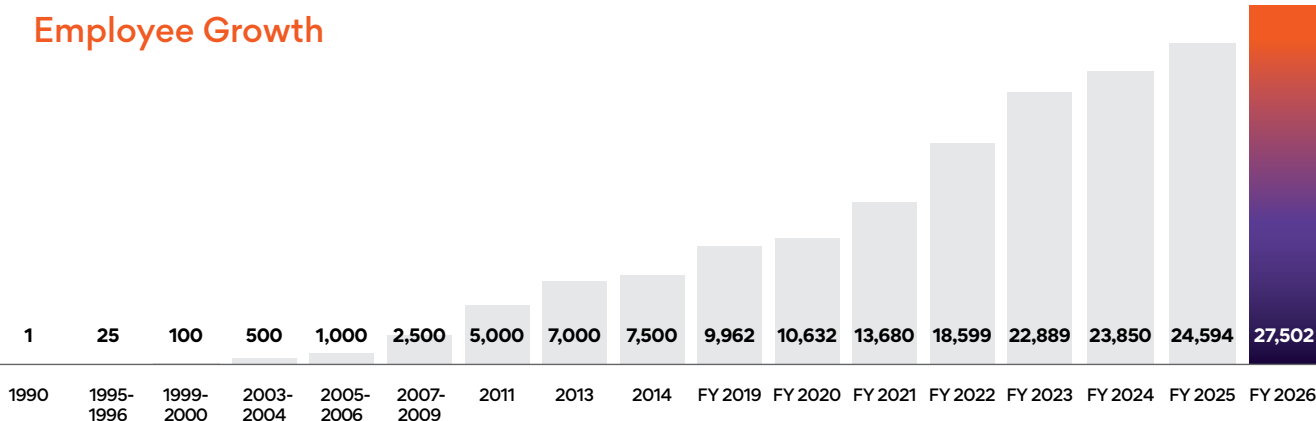
Persistent Systems Limited

Registered Office
‘Bhageerath’, 402 Senapati Bapat Road,
Pune, 411016, Maharashtra, India
Tel: +91-20-6703 3000



The map depicted is meant only to identify our global locations. No attempt is made to indicate political or geographical boundaries.

Employee Growth





Statutory



Message from the CFO

“With strong cash generation, improved working capital, and a robust balance sheet in FY2026, your Company remains well-positioned to create sustainable long-term shareholder value.”

Vinit Teredesai

Executive Director and Chief Financial Officer

Dear Shareholders,

FY 2025-26 reflects Persistent's continued commitment to financial discipline, operational excellence, and sustainable value creation. Despite a dynamic macroeconomic environment characterised by geopolitical uncertainties, currency fluctuations, and evolving market conditions, we remained focused on executing our strategic priorities, investing prudently, and driving operational efficiencies. These efforts enabled us to deliver strong financial performance while further strengthening our balance sheet.

Navigating Uncertainty with Discipline

The technology industry continued to operate amid heightened uncertainty during the year, shaped by geopolitical tensions, including the conflict in the Middle East, supply chain disruptions, currency volatility, and the rapid emergence of AI-led disruption across the technology landscape. As enterprises reassessed investment priorities and accelerated the adoption of AI-powered solutions, the industry experienced significant shifts in demand patterns, operating models, and competitive dynamics.

Against this backdrop, Persistent remained focused on executing its growth strategy with discipline and agility.

By proactively investing in AI capabilities, strengthening our talent base, and aligning our offerings with evolving client priorities, we successfully sustained our growth momentum while adapting to a rapidly changing market environment.

Our disciplined approach to capital allocation balanced strategic investments, ESG commitments, and fiscal prudence, enabling us to enhance operational efficiency, strengthen our market position, and deliver sustainable financial outcomes.

These efforts not only helped us navigate an increasingly complex business environment but also positioned us to capitalise on the transformative opportunities emerging from the AI-driven evolution of the industry, reinforcing our foundation for long-term growth and value creation.

Strengthening Performance Through Operational Excellence

At Persistent, our culture of financial discipline is underpinned by a relentless focus on productivity and efficiency. During the year, we accelerated the adoption of AI, automation, and digitalisation across our operations, enabling greater scalability and improved cost management.

We also enhanced utilisation levels and implemented targeted pricing initiatives, which contributed to improved operating leverage. Additionally, the depreciation of the Indian rupee provided a favourable tailwind. Together, these factors strengthened our profitability profile and supported margin expansion.

As a result, we delivered an EBIT margin of 15.6%, despite absorbing a one-time impact of 0.6% related to the New Labour Code. This performance remains aligned with our long-term objective of maintaining EBIT margins in the 16%-17% range.

Delivering Strong Financial Results

Persistent delivered another year of robust growth, with total revenue increasing 23.5% to INR 147,484 Million. Growth was broad-based, supported by strong execution across all industry verticals.

Profitability outpaced revenue growth, driven by continued operational efficiencies and disciplined cost management. EBIT grew 31.5% to INR 23,035 Million, while profit

after tax increased 33.2% to INR 18,651 Million. EBIT margin expanded by 90 basis points, demonstrating the effectiveness of our operating leverage model. Earnings per share (EPS) for the year reached INR 119.7, representing a Year-on-Year increase of 31.3%.

Strong Cash Generation and Financial Position

We further strengthened our financial position during FY 2025-26 through strong cash generation and effective working capital management.

Our Operating Cash Flow-to-Profit After Tax (OCF-to-PAT) ratio improved to 93.6%, compared with 82.6% in the previous year. This improvement reflects our ability to convert earnings into cash efficiently and highlights the strength of our operating model. Strong cash generation enabled us to fund growth investments, support shareholder returns, and maintain a healthy liquidity position.

At year-end, cash and investments stood at INR 27,622 Million, providing significant financial flexibility to support both operational and strategic priorities. Furthermore, billed days sales outstanding (DSO) improved to 53 days from 58 days in the prior year, reflecting stronger collections, enhanced working capital efficiency, and improved financial agility.

Creating Sustainable Shareholder Value

FY 2025-26 was a year of significant value creation for our stakeholders. Our strong financial performance translated into superior returns and reinforced our position as a leading wealth creator.

Return on Capital Employed (RoCE) increased to 44.4%, an improvement of 480 basis points over the previous year. This reflects disciplined

capital deployment, operational excellence, and our continued focus on maximising shareholder value.

In recognition of the Company’s strong performance and confidence in its future prospects, the Board of Directors has recommended a final dividend of INR 18 per share, taking the total dividend for the year to INR 40 per share on a face value of INR 5 per share. This demonstrates both our financial strength and our commitment to rewarding shareholders for their continued trust and support.

Looking Ahead

As we enter FY 2026-27, we remain confident in the strength of our business fundamentals despite ongoing market volatility and macroeconomic uncertainties. The pace of AI-driven transformation continues to reshape industries and create new opportunities for innovation, productivity, and growth. With our robust balance sheet, disciplined cost structure, and focused AI-led strategy, we are well positioned to navigate external challenges while capturing the opportunities emerging from this technological shift.

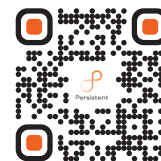
We will continue to invest in innovation, talent, digital transformation, and operational excellence to strengthen our competitive advantage, sustain profitable growth, and deliver long-term value for our shareholders.

Thank you for your continued confidence and support.

Vinit Teredesai
Executive Director and
Chief Financial Officer



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Report of the Directors

Your Directors are pleased to present the Thirty-sixth Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2026.

A. Business Update

The theme of this year's report, Re(AI)maging the Enterprise, reflects both the moment our industry has reached and the role your Company has chosen within it. Across the world, enterprises are rethinking how they operate, transform, and compete in the presence of Artificial Intelligence. Ambition is everywhere; what remains scarce is the engineering execution to turn that ambition into something impactful, governed, and measurable. That intersection, where AI ambition meets engineering execution, is where your Company does its most consequential work.

It is also where Persistent has always operated. For thirty-six years, your Company has been built not around any single technology wave but around a more enduring belief that a company stays valuable by continuing to learn, adapt, and earn its customers' trust through every cycle of change. AI is the latest and most far-reaching of those cycles, and one that rewards precisely the strengths your Company has spent decades cultivating, which include engineering judgement, technical depth, and the discipline to execute responsibly at scale.

Your Company entered this moment having built capability ahead of demand, and Financial Year 2025-26 reflected the payoff. In Financial Year 2025-26, Revenue was US\$ 1,654.4 Million, growing 17.4% Year-on-Year in US\$ terms and 23.5% in Indian Rupee terms, strengthening your Company's standing among the fastest-growing companies in the industry. Q4FY 26 marked the 24th consecutive quarter of sequential growth; a cadence achieved by only a handful of companies. Profitability strengthened even as the Company continued to invest ahead of demand, full-year EBIT margin expanded to 15.6%, and Profit After Tax rose 33% to INR 18,651 Million, with the fourth-quarter EBIT margin reaching 16.3%. On the strength of this performance, the Board recommended a final dividend of INR 18 per share, bringing the total dividend for the year to INR 40 per share, up from INR 35 per share a year earlier, subject to shareowners' approval. As AI adoption accelerated, your Company's AI-led, platform-driven approach strengthened its operating model from within, improving the quality, velocity, and scale of everything it delivers. The defining lesson of the year, visible across every industry, is that success with AI depends less on the sophistication of any single model than on operational maturity, including clean, well-governed data, redesigned processes, an enabled workforce, and responsible governance. Enterprises are no longer seeking a vendor of AI features; they are seeking a partner who can make AI work safely, repeatably, and accountably, inside the systems on which their business already runs. That is the role your Company has built itself to play: through a model that is platform-centric, IP-led, and outcome-based, and in which it is consistently its own first customer.

Across its three industry verticals, Software, Hi-Tech and Emerging Industries; Banking, Financial Services and Insurance; and Healthcare and Life Sciences, this strategy is advancing on several reinforcing fronts:

- **Engineering Hyper Productivity.** Your Company's Generative AI-enabled engineering platform, SASVA, reached its fourth generation, with SASVA 4.0 becoming generally available in April 2026 and backed by a portfolio of more than 120 patents. Shifting the focus from individual productivity to team intelligence, its "Brain" holds the full organisational context and validates workflows by simulation before execution, while integration with partner models, frontier models such as Anthropic's Claude and OpenAI's GPT, lets clients bring their own model of choice and tooling into a single, governed environment that accelerates software development and reduces technical debt at scale.
- **Business Hyper Productivity.** Your Company is reimagining end-to-end business workflows as self-orchestrating ecosystems of AI agents. During the year it enhanced its GenAI Hub and Agent Studio, launched an Agent Processing Unit to onboard and orchestrate external agents, and grew its portfolio to more than 250 enterprise agents with deep domain coverage across BFSI and Healthcare and Life Sciences.
- **Enterprise Data Readiness.** Trusted, contextual and governed data is the foundation of scaled enterprise AI readiness and adoption. To accelerate this journey, your Company enhanced its iAURA platform with a modern interface, agentified Data Engineering Lifecycle, and an AI Data Mapper and Modeller grounded in a semantic layer. A new Enterprise Data Assessment capability builds knowledge graphs and enterprise data context, capturing business meaning, relationships, and domain knowledge, giving AI agents the memory to act with precision. A Cost of Intelligence capability brings governance, making AI spend measurable and accountable, giving enterprises the trusted foundations on which durable AI value is built.

- **Customer Zero.** Your Company is its own first customer, deploying its modular Agentic AI platform, AssistX, across its internal functions to compress incident-resolution times and automate large parts of its operations, moving from systems of record to systems of action. Every capability therefore reaches clients already proven in production, and the experience continually sharpens the Company's offerings.
- **Non-linear, platform-led economics.** Platform-driven pricing is contributing a meaningful margin tailwind, as your Company progressively shifts its revenue mix towards non-linear engagements in which value is increasingly decoupled from headcount.
- **Vertical depth.** Representative engagements during the year included a large-scale shift from hardware-centric products to software-led platforms for a global industrial technology leader, the modernisation of a payments platform for one of the largest banks in the Nordics, the co-building of a fully digital underwriting platform for one of Australia's largest life insurers, and the reimagining of a global Contract Research Organisation platform into a single, cloud-first architecture for a global life sciences leader.

Underpinning these engagements is your Company's 3C Framework, Core, Context, and Coordination.

This architecture enables enterprises to move AI from fragmented pilots to integrated, enterprise-wide results.

Core provides the governed, cloud-agnostic foundation that secures, observes, and cost-controls every AI workload from day one.

Context supplies the enterprise intelligence, grounding agents in verified data, knowledge graphs, institutional memory, and domain semantics so that they speak the language of the business.

Coordination orchestrates auditable, multi-agent workflows across functions and systems of record, enabling people and agents to collaborate at production scale with full traceability. Each pillar reinforces the others, and together they turn isolated AI experiments into outcomes the business can trust and repeat — the foundation on which your Company is building durable, AI-led transformation for its clients.

Your Company continued to widen the ecosystem through which it builds the next generation of solutions. During the year, NVIDIA elevated your company to its Advanced Technology Partner program and partnered on a drug-discovery accelerator; AWS enhanced your company's partnership status to Strategic Global Systems Integrator; Microsoft awarded the final designations needed to complete all six Solution Partner Designations; and ServiceNow elevated your company to Premier partner. Your Company also deepened its partnerships and innovations with Databricks and Snowflake, advanced model-development collaborations with Anthropic and OpenAI, and announced a new partnership with Lyzr AI for enterprise process modernisation. Your Company also deepened its collaboration with academia, co-developing the AI Value Compass with IIM Ahmedabad, a research-based framework for prioritising and scaling enterprise AI investments. This partnership is part of a broader commitment to co-innovate with leading institutions and help elevate the country's AI talent landscape.

To enable and empower every team member of your Company across 21 countries, along this AI transformation journey, your Company convened AI Huddle in Pune for more than 1700 senior leaders and engineers and, through Persistent University and a company-wide AI fluency program, completed over 32,500 internal and 6,000 external AI certifications during the year.

Your Company's momentum was widely recognised worldwide. It was named the fastest-growing IT services brand globally in the 2026 Brand Finance IT Services 25 Report, ranked among Asia-Pacific's top 10 Professional Services Companies in the TIME 2026 list, and positioned as a Leader in both the Everest Group Software Product Engineering and Private Equity Services PEAK Matrix® Assessments 2026. It was named a Strong Performer in the Gartner Voice of the Customer for Public Cloud IT Transformation Services 2026, and its talent and people practices were honoured at the ET Human Capital Awards, the InfiniT Awards, and by the Confederation of Indian Industry.

Your Company's commitment to responsible business deepened further. Its sustainability performance earned best-in-class ratings, including continued recognition in the Dow Jones Sustainability Indices and an S&P Global Corporate Sustainability Assessment score of 86. Your Company also continued to make progress on renewable energy across its owned campuses and to scale community and life-saving initiatives through the Persistent Foundation across India and the United States. Through it all, your Company holds to a human-centred view of this technology: AI does not replace people; it enables them to do far more, far faster, and judgment, creativity, and integrity will matter more, not less, in the years ahead.

Future Outlook

In FY 2025-26, your Company's strategy moved from foundational frameworks to platform-led execution and into operating models that clients now adopt at scale. As it enters FY 2026-27, its priorities are clear: to deepen AI adoption, advance the Core, Context, and Coordination foundation, scale its largest client relationships, expand across geographies, and convert AI investment into measurable business outcomes, while progressively shifting its revenue mix towards non-linear, platform-led engagements. Built on thirty-six years of engineering depth, governed data, client trust, and execution discipline, your Company is positioned to capture a market opportunity larger than any it has faced before and remains firmly on track towards its aspiration of a US\$ 2 billion revenue run-rate in FY 2026-27, continuing to do what it has always done best: turning the enterprise's AI ambition into engineering execution that endures.

B. Financial Section

Financial Results

The highlights of the financial performance on a consolidated basis for the year ended March 31, 2026, are as under:

Particulars	(Amount in USD Million except EPS and Book Value)		(Amount in INR Million except EPS, Book Value and Market Value per share)		% Change (based on amounts in INR)
	2025-26	2024-25	2025-26	2024-25	
Revenue from Operations	1,654.34	1,390.65	147,484.49	119,387.17	23.53%
Earnings before interest, depreciation, amortisation and taxes	303.58	239.74	27,064.18	20,581.93	31.49%
Finance Cost*	8.15	7.82	726.82	671.29	8.27%
Depreciation and amortisation	45.20	35.75	4,029.50	3,069.10	31.29%
Other incomes	20.24	16.09	1,804.26	1,381.54	30.60%
Tax expenses	61.26	49.17	5,460.92	4,221.47	29.36%
Net profit	209.21	163.09	18,651.20	14,001.61	33.21%
Transfer to general reserve		-		-	
Net worth#	826.28	738.57	78,306.27	63,125.46	24.05%
Earnings per share (EPS) (Basic)	1.35	1.07	119.74	91.22	
Earnings per share (EPS) (Diluted)	1.34	1.06	118.87	90.24	
Book value per equity share	5.24	4.74	496.39	405.46	
Market value per equity share as on March 31					
BSE Limited		-	4,868.20	5,206.15	-6.49%
National Stock Exchange of India Limited		-	4,877.20	5,290.55	-7.81%

[Conversion Rate USD 1 = INR 89.15 for Profit and Loss items; USD 1 = INR 94.77 for Balance Sheet items (FY 2025-26) and USD 1 = INR 85.85 for Profit and Loss items; USD 1 = INR 85.47 for Balance Sheet items (FY 2024-25).]

* Includes notional interest on lease liability FY 26: INR 330.35 Million (FY 25: INR 253.05 Million) recognised in accordance with Ind AS – 116 on Leases and notional interest on amounts due to selling shareholders INR 99.62 Million (Previous year: INR 15.27 Million).

Equity Share Capital, Reserves and Surplus (excluding Capital reserve) and other comprehensive income are considered for the purpose of computing Net Worth and Book Value per share.

The highlights of the financial performance on a standalone basis for the year ended March 31, 2026, are as under:

Particulars	(Amount in USD Million except EPS and Book Value)		(Amount in INR Million except EPS and Book Value)		% Change (based on amounts in INR)
	2025-26	2024-25	2025-26	2024-25	
Revenue from Operations	1,618.39	1,366.11	144,279.59	117,280.21	23.02%
Earnings before interest, depreciation, amortisation, and taxes	266.67	188.14	23,774.51	16,151.79	47.19%
Finance Cost*	7.04	5.53	628.03	474.66	32.31%
Depreciation and amortisation	29.82	20.52	2,658.67	1,761.98	50.89%
Other income	18.75	18.39	1,671.22	1,579.05	5.84%
Tax expenses	65.18	48.81	5,810.38	4,190.38	38.66%
Net profit	183.38	131.67	16,348.65	11,303.82	44.63%
Transfer to general reserve		-		-	
Net worth#	708.06	655.54	67,103.08	56,028.79	
Earnings per share (EPS) (Basic)	1.18	0.86	104.96	73.65	
Earnings per share (EPS) (Diluted)	1.17	0.85	104.20	72.85	
Book value per equity share	4.49	4.19	425.38	359.50	18.32%

[Conversion Rate USD 1 = INR 89.15 for Profit and Loss items; USD 1 = INR 94.77 for Balance Sheet items

(FY 2025-26) and USD 1 = INR 85.85 for Profit and Loss items; USD 1 = INR 85.47 for Balance Sheet items (FY 2024-25).]

* Includes notional interest on lease liability FY 26: INR 290.78 Million (FY 25: INR 218.69 Million) recognised in accordance with Ind AS – 116 on Leases and notional interest on amounts due to selling shareholders INR 43.69 Million (Previous year: INR 1.38 Million).

Equity Share Capital, Reserves and Surplus (excluding Capital reserve), and other comprehensive income are considered for the purpose of computing Net Worth and Book Value per share.

Material Events Occurring after Balance Sheet Date

1. The Hon'ble National Company Law Tribunal, Mumbai (the 'Hon'ble NCLT') sanctioned the Merger of M/s. Arrka Infosec Private Limited (Wholly Owned Subsidiary – Transferor Company) into Persistent Systems Limited (Holding Company – Transferee Company) by absorption through its order dated April 21, 2026. The Certified Copy of the said Order dated May 7, 2026, was received by the Company on May 11, 2026 followed by its submission to the Registrar of Companies, Pune on May 12, 2026, for updating their records.
2. Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company, at its meeting held on June 8, 2026 proposed the following reappointment of the Non-Executive Independent Directors of the Company as mentioned below, who confirmed their eligibility, if reappointed. It is proposed to appoint the following Directors for a second term as their current terms will end before the next Annual General Meeting (AGM).
 - i. Ms. Avani Davda, Mumbai, India (DIN: 07504739) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (Five) consecutive years from December 28, 2026, to December 27, 2031
 - ii. Mr. Arvind Goel, Pune, India (DIN: 02300813) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (Five) consecutive years from June 7, 2027, to June 6, 2032
 - iii. Dr. Ambuj Goyal, New York, USA (DIN: 09631525) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term from June 7, 2027, to October 31, 2031, i.e., till the month in which the Director attains the age of 75 years

- iv. Mr. Dan'l Lewin, California, USA (DIN: 09631526) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term from June 10, 2027, to April 30, 2029, i.e., till the month in which the Director attains the age of 75 years

The aforesaid reappointments of Directors are recommended to the Members as Special Businesses for their approval at the ensuing 36th Annual General Meeting. Further details regarding the Directors' appointments are included in the [36th AGM Notice](#)

3. The Board of Directors of the Company at its meeting held on June 8, 2026, approved the proposal for the Merger of M/s. MediaAgility India Private Limited (Wholly Owned Subsidiary) into Persistent Systems Limited (Holding Company), subject to the receipt of necessary approvals in accordance with the provisions of the Companies Act, 2013.
4. The Board of Directors of the Company at its meeting held on June 8, 2026, approved the transfer of 100% shareholding in Persistent Systems UK Limited (Wholly Owned Subsidiary) to Aepona Group Limited, Ireland (Wholly Owned Subsidiary), subject to the execution of the Share Purchase Agreement (SPA) and fulfillment of the allied procedural requirements.
5. The Company has made an application to the Companies Registration Office, Ireland on May 11, 2026, seeking approval for change of name of Aepona Group Limited to Persistent Systems Ireland Operations Limited. The proposed change is in line with the Company's branding and integration initiatives across its global operations. Approval for the same is awaited from the Companies Registration Office, Ireland.

There were no other material changes and commitments affecting the financial position of your Company between the end of the FY 2025-26 and the date of this Report.

Particulars required as per Section 134 of the Companies Act, 2013

As per Section 134 of the Companies Act, 2013 (the 'Act'), your Company has provided the Consolidated Financial Statements as of March 31, 2026. Your Directors believe that, for the Company, the consolidated financial statements present a more comprehensive picture as compared to the standalone financial statements. Detailed and additional financial statements that are not a part of this Report are available for inspection during business hours at the Registered Office of your Company and the offices of the respective subsidiary companies. A statement showing the financial highlights of the subsidiary companies is enclosed with the Consolidated Financial Statements.

The Annual Report of your Company does not contain the financial statements of the subsidiary companies; however, your Company will make available the audited annual accounts and related information of the subsidiary companies electronically in line with the Ministry of Corporate Affairs' ('MCA') Circular dated May 5, 2020, and its extensions from time to time upon written request by any Member of your Company. The Standalone and Consolidated Financial Statements along with relevant documents and audited financial statements of the subsidiaries are available on the Company's website at <https://www.persistent.com/investors/financial-results-and-reports/financial-statement-of-subsidiary/>

Consolidated Financial Statements

Consolidated Financial Statements of your Company and its subsidiaries as of March 31, 2026, are prepared in accordance with the Indian Accounting Standard (Ind AS) - 110 on 'Consolidated Financial Statements' notified by the Ministry of Corporate Affairs of India (MCA) and form part of this Annual Report.

Changes in the capital structure of your Company during the year

- a. The Stakeholders' Relationship and ESG Committee has inter-alia approved the allotment of 550,000 (Five Hundred and Fifty Thousand only) Equity Shares of INR 5 each at the allotment price of INR 316.30 per Equity Share to PSPL ESOP Management Trust on May 8, 2025.
- b. The Stakeholders' Relationship and ESG Committee has inter-alia approved the allotment of 1,350,000 (One Million Three Hundred and Fifty Thousand only) Equity Shares of INR 5 each at the allotment price of INR 5 per Equity Share to PSPL ESOP Management Trust on October 14, 2025.

Auditors

Statutory Auditors

The Members of your Company at the 35th Annual General Meeting (AGM) held on July 21, 2025, appointed M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 01248W / W-100022) as the Statutory Auditors of your Company to hold such office for a period of 5 (Five) years i.e., from FY 2025-26 to FY 2029-30.

Further, in terms of Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), M/s. B S R & Co. LLP, Statutory Auditors of your Company have confirmed that they hold a valid certificate issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India (ICAI) and have provided a copy of the said certificate to your Company for reference and records.

The Auditors' Report for the FY 2025-26 does not contain any qualifications, observations, reservations, or adverse remarks.

Secretarial Auditors

In terms of Regulation 24A of the Listing Regulations, the Members of your Company at the 35th Annual General Meeting (AGM) held on July 21, 2025, appointed M/s. SVD and Associates, Company Secretaries, Pune as the Secretarial Auditors of your Company to hold such office for a period of 5 (Five) years from FY 2025-26 to FY 2029-30.

M/s. SVD & Associates holds a valid Certificate of Peer Review (bearing No. 6357/2025) as issued by the Institute of Company Secretaries of India.

Accordingly, the Secretarial Auditors have given the report, which is annexed hereto as Annexure A. There are no qualifications, observations, reservations, or adverse remarks in the Secretarial Audit Report for FY 2025-26.

Reporting of Frauds by the Auditors

During the year under review, the Statutory Auditors have reported to the Audit Committee that under Section 143(12) of the Act, no instances of fraud were reported against your Company by its officers or employees, the details of which would need to be mentioned in the Board's Report or directly to the Central Government under intimation to your Company.

Adequacy of the Internal Financial Controls

Your Board is responsible for establishing and maintaining adequate Internal Financial Controls as per Section 134 of the Act.

Your Board has established policies and processes with respect to Internal Financial Controls. Your Company's Audit Team has ensured that such Internal Financial Controls were adequate and were operating effectively. The Internal Financial Controls cover the policies and procedures adopted by your Company for ensuring orderly and efficient conduct of business, including adherence to your Company's policies, safeguarding of the assets of your Company, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Internal Audit

The details of the internal audit team and its functions are given in the Management Discussion and Analysis Report forming part of this Annual Report.

Disclosure about the Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable to the business activities carried out by your Company.

Particulars of Loans and Guarantees Given and Investments Made

Loans, guarantees and investments covered under Section 186 of the Act form part of the notes to the financial statements provided in this Annual Report (Refer notes [5](#), [6](#), [10](#), and [36](#) of the Standalone Financial Statements).

Transfer to Reserves

Your Company is not required to transfer any profit to the General Reserve during FY 2025-26. The balance in the Profit and Loss Account as of March 31, 2026, is INR 34,007.33 Million, and in the General Reserve is INR 31,669.15 Million.

Fixed Deposits

In terms of the provisions of Sections 73 and 74 of the Act read with the relevant Rules, your Company has not accepted any fixed deposits during the year under report.

Liquidity

Your Company maintains adequate liquidity to meet the necessary strategic and growth objectives. Your Company does so by balancing between earning adequate returns on liquid assets and the need to cover financial and business risks. As of March 31, 2026, your Company, on a standalone basis, had cash and cash equivalents (including investments) amounting to INR 23,006.87 Million as against INR 16,020.02 Million as of March 31, 2025.

The details of cash and cash equivalents (including investments) are as follows:

(In INR Million)

Particulars	Year ended on March 31	
	2026	2025
Investment in Mutual Funds at fair value	9,708.82	6,212.15
Fixed Deposits with scheduled banks	1,074.11	3,175.75
Bonds (quoted)	4,986.83	2,995.57
Cash and Bank balances	7,237.11	3,636.55
Total	23,006.87	16,020.02

The particulars of expenditure on Research and Development on an accrual basis are as follows:

(In INR Million)

Particulars	Year ended on March 31	
	2026	2025
Capital expenditure	-	-
Revenue expenditure	249.55	210.62
Total research and development expenditure	249.55	210.62
As a percentage of total income	0.17%	0.18%

The particulars of foreign exchange earnings and outgo, based on actual inflows and outflows are as follows:

(In INR Million)

Particulars	Year ended on March 31	
	2026	2025
Earnings	92,342.69	59,854.22
Outgo	30,825.40	18,927.15

Update on Fixed Deposits with IL&FS

Your Company had deposits of INR 430 Million with Infrastructure Leasing & Financial Services Ltd. (IL&FS) and IL&FS Financial Services Ltd. (referred to as 'IL&FS Group') as on the balance sheet date. These were due for maturity between January 2019 and June 2019. In view of the uncertainty prevailing with respect to recovery of outstanding balances from the IL&FS Group, the Management has fully provided for these deposits along with interest accrued thereon till the date the deposits had become doubtful of recovery.

During the previous year, the Company received INR 21.12 Million from the IL&FS Group, and the Management is hopeful of the recovery of the balance amount with a time lag. The Company continues to monitor developments in the matter and is committed to taking necessary steps, including legal action to ensure full recovery of the said deposits.

Related Party Transactions

The Policy to determine the materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors, is available on your Company's website at <https://www.persistent.com/investors/corporate-governance/related-party-transactions-policy/>

During the year under report, your Company did not enter into any material transaction with any party that is related to it as per the Act. There were certain transactions entered into by your Company with its subsidiaries and other parties who are related within the meaning of the Indian Accounting Standards i.e., Ind AS - 24. The attention of Members is drawn to the disclosure of transactions with such related parties set out in Note No. 33 of the Standalone Financial Statements, forming part of this Annual Report. The Board of Directors confirm that none of the transactions with any of the related parties were in conflict with your Company's interests. The list of Related Party Transactions entered into by your Company for the Financial Year 2025-26 (on a consolidated basis) is available on <https://www.persistent.com/investors/corporate-governance/related-party-transactions-policy/>

The related party transactions are entered into based on considerations of various business requirements, such as synergy in operations, sectoral specialisation, and your Company's long-term strategy for sectoral investments, optimisation of market share, profitability, legal requirements, liquidity, and capital resources of subsidiaries.

All related party transactions are entered into on an arm's length basis, are in the ordinary course of business, and are intended to further your Company's interests.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in Annexure B in Form No. AOC-2 and the same forms part of this report.

C. Board and its Committees

Board Meetings

The details pertaining to the composition, terms of reference, and other details of the Board of Directors of your Company and the meetings thereof held during the Financial Year 2025-26 are given in the Report on Corporate Governance forming part of this Annual Report.

Directors and Key Managerial Personnel

During the year under report, the Members of your Company, in the 35th AGM held on July 21, 2025:

- a. confirmed the appointment of Mr. Vinit Teredesai (DIN: 03293917), as an Executive Director, liable to retire by rotation, to hold office with effect from April 24, 2025, to September 30, 2028.
- b. confirmed the appointment of Mr. Sandeep Kalra ((DIN: 02506494), as an Executive Director, liable to retire by rotation, to hold the office with effect from October 1, 2025, till September 30, 2028, subject to approval of the Central Government of India.

The reappointment of Mr. Sandeep Kalra as an Executive Director was approved by the shareholders at the Annual General Meeting held on July 21, 2025, subject to the approval of the Central Government. In view of his non-resident status, the Company obtained the requisite approval under the provisions of the Companies Act, 2013. The Central Government has subsequently accorded its approval in accordance with the requirements of Schedule V of the Act.

- c. confirmed the re-appointment of Dr. Anand Deshpande as Managing Director (Executive Member), liable to retire by rotation, to hold office for a period of 5 (Five) years i.e., up to the conclusion of the 40th AGM of the Company to be held on or before September 30, 2030.

Retirement by Rotation

In terms of Section 152(6) of the Act and Article 137 of the Articles of Association of your Company, Dr. Anand Deshpande, India (DIN: 00005721), Chairman and Managing Director, is liable to retire by rotation at the ensuing AGM as he is the Non-Independent Director who is holding office for the longest period among the Non-Independent Directors on the current Board.

Dr. Deshpande has confirmed his eligibility and willingness to accept the office of Director of your Company if confirmed by the Members at the ensuing AGM.

The Board at its meeting held on June 8, 2026, discussed the same and approved the proposal of the Nomination and Remuneration Committee for the reappointment of Dr. Deshpande. In the opinion of your Directors, Dr. Deshpande has the requisite qualifications and experience, and therefore, your Directors recommend that the proposed resolution relating to the reappointment of Dr. Deshpande in the [36th AGM Notice](#) be passed with the requisite majority.

Appointment of Directors since last AGM

During the year under report and to date, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company made the following appointments:

1. Proposed reappointment of Ms. Avani Davda, Mumbai, India (DIN: 07504739), as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (Five) consecutive years from December 28, 2026, to December 27, 2031
2. Proposed reappointment of Mr. Arvind Goel, Pune, India (DIN: 02300813) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (Five) consecutive years from June 7, 2027, to June 6, 2032
3. Proposed reappointment of Dr. Ambuj Goyal, USA (DIN: 09631525), as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term from June 7, 2027, to October 31, 2031, i.e., till the month in which the Director attains the age of 75 years
4. Proposed reappointment of Mr. Dan'l Lewin, USA (DIN: 09631526) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term from June 10, 2027, to April 30, 2029, i.e., till the month in which the Director attains the age of 75 years

The NRC of the Board of Directors at its meeting held on June 8, 2026, recommended the reappointment of the aforesaid Independent Directors for the next term who will retire from the Board as their first term of 5 (Five) years will end soon.

The NRC evaluated the balance of skills, knowledge, and experience on the Board and recommended that Ms. Avani Davda (DIN: 07504739), Mr. Arvind Goel (DIN: 02300813), Dr. Ambuj Goyal (DIN: 09631525), and Mr. Dan'l Lewin (DIN: 09631526) shall be reappointed as Independent Directors for the terms as mentioned above at the ensuing AGM in order to ensure a seamless continuation and stability on the Board.

In the opinion of the NRC, all the aforesaid Independent Directors have the requisite qualifications and experience. Complete details and profiles of the Independent Directors will form part of the [36th AGM Notice](#).

As on the date of this Report, your Company has 7 (Seven) Non-Executive Members on the Board who are Independent Directors. Pursuant to Regulation 17(1)(b) of the Listing Regulations, every listed company where the Chairperson is an Executive Director shall have at least half of its total strength of the Board of Directors as Independent Directors. Your Company complies with this requirement.

Inter se relationship between the Directors:

Dr. Anand Deshpande, Chairman and Managing Director of the Company, along with Independent Directors Dr. Ajit Ranade and Mr. Arvind Goel are Directors on the Board of the Maharashtra Chamber of Commerce Industries and Agriculture (MCCIA) which is a Chamber of Commerce in Pune, India.

In terms of the Listing Regulations, your Company conducts the Familiarisation Programme for Independent Directors about their roles, rights, and responsibilities in your Company, the nature of the industry in which your Company operates, business model of your Company, etc., through various initiatives. The details of the same can be found at <https://www.persistent.com/wp-content/uploads/2026/07/Familiarization-Programme-2025-26.pdf>

Declaration of Independence by Independent Directors

The Board confirms that all Independent Directors of your Company declared to the Board that they meet the criteria of independence as prescribed under Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16 of the Listing Regulations.

Further, they have included their names in the databank of Independent Directors, maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act, read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

During the FY 2025-26, 2 (Two) separate meetings of the Independent Directors were held on April 24, 2025 and July 22, 2025, in which the Independent Directors transacted the following businesses along with a few other important strategic and policy-related matters:

1. Reviewed the performance of the Executive Directors and Management of the Company
2. Discussed the quality, quantity and timeliness of the flow of information between the Directors and the Management of the Company
3. Discussed the strategic matters of the Company and the current state of the global IT industry
4. Discussed the business continuity plan in the organisation

Committees of the Board

The details of the powers, functions, composition, and meetings of all the Committees of the Board held during the year under report are given in the Report on Corporate Governance forming part of this Annual Report.

Audit Committee

The details pertaining to the composition, terms of reference, and other details of the Audit Committee of the Board of Directors of your Company and the meetings thereof held during the Financial Year are given in the Report on Corporate Governance forming part of this Annual Report. The recommendations of the Audit Committee in terms of its Charter were considered positively by the Board of Directors of your Company from time to time during the year under Report.

Nomination and Remuneration Committee

The details including the composition and terms of reference of the Nomination and Remuneration Committee (NRC) and the meetings thereof held during the Financial Year and the Remuneration Policy of your Company and other matters provided in Section 178(3) of the Act are given in the Report on Corporate Governance section forming part of this Annual Report.

Policy for the appointment of a new director on the Board

The Board of Directors decides the criteria for the appointment of a new director on the Board from time to time depending on the dates of retirement of existing Directors and the strategic needs of your Company. The criteria include expertise area, industry experience, professional background, association with other companies, and similar important parameters.

Once the criteria are determined, the Board directs the NRC to compile profiles of suitable candidates through networking, industry associations and business connections. The NRC considers these profiles on the decided parameters and shortlists the candidates.

For every new member to be added, at least three members of the NRC interact with the panel of candidates. The panel consists of at least two to four potential candidates.

Efforts are made to ensure that the Board has adequate diversity across various parameters such as nationality, expertise and gender in terms of the Board Diversity Policy. The Board has decided that for every position of the Board, at least one female candidate will be part of the shortlisted panel of candidates for consideration.

The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on the Company's website, at <https://www.persistent.com/wp-content/uploads/2023/05/Board-Diversity-Policy.pdf>

Once the NRC is convinced about a candidate's competency, his / her business acumen, commitment towards his / her association with your Company, disclosure of his / her interest in other entities and his / her availability for your Company on various matters as and when they arise, it recommends the candidate to the Board of Directors for its further consideration. Generally, the Board accepts the recommendation by consensus.

The Policy for appointment of a new Director is also available on your Company's website at <https://www.persistent.com/wp-content/uploads/2022/05/Policy-for-appointment-of-a-new-director.pdf>

The general terms and conditions of appointment of Independent Directors is available on the Company website at <https://www.persistent.com/investors/corporate-governance/other-disclosures/terms-and-conditions-of-appointment-of-independent-directors/>

Performance Evaluation of the Board, its Committees and Directors

Your Company conducts the annual performance evaluation of the Board, the Chairman, its various Committees, and the Directors, including the Independent Directors individually. The performance evaluation is done by an external management consultant who specialises in Board evaluations. The performance of the Board is evaluated by seeking inputs from all the directors and senior management of the Company. The evaluation criteria include aspects such as the Board composition, structure, effectiveness of board processes, information, and functioning, etc.

This year, the evaluation was conducted in March and April 2026 and the findings of the evaluation were presented at the meetings of the Nomination and Remuneration Committee and the Board of Directors held in April 2026. The Board reviewed the outcomes of the evaluation and noted that the Board and its Committees continued to function effectively with strong governance, strategic alignment and proactive oversight and that the Directors demonstrated a high level of engagement and preparedness during the Board Meetings. The Board also expressed satisfaction with the functions of the Board Committees and the recommendations it received from the various Committees were approved unanimously.

The details of the evaluation form part of the [Report on Corporate Governance](#).

Employees' Remuneration

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel ('KMP') (as required under the Act) to the median of employees' remuneration, and the details required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of [Annexure C](#) to the Report.

The statement containing particulars of all the employees employed throughout the year and in receipt of remuneration of INR 1.02 Crore or more per annum and employees employed for part of the year and in receipt of remuneration of INR 8.5 lakh or more per month, as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. However, pursuant to first proviso to Section 136 (1) of the Act, this report is being sent to the Members excluding the aforesaid information. Any Member interested in obtaining the said information may write to the Company Secretary at the Registered Office of the Company and the said information is open for inspection at the Registered Office of the Company.

Employee Stock Option Plan

Your Company has implemented 13 (Thirteen) ESOP Schemes as of March 31, 2026. These Schemes are being implemented as per the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI SBEB Regulations'), and as of March 31, 2026, only 2 (Two) schemes viz. The Persistent Employee Stock Option Scheme 2014 and the Employee Stock Option Plan 2017 are active.

During the Financial Year 2025-26, the Company granted 74,150 options under PESOS 2014, and 292,700 options under ESOP 2017 to the eligible employees.

As required under the SEBI SBEB Regulations, the Secretarial Auditor's certificate on the implementation of share-based schemes in accordance with these regulations will be made available at the AGM.

The disclosure pursuant to the SEBI SBEB Regulations is available on the website of the Company at <https://www.persistent.com/wp-content/uploads/2026/07/esop-details-2026.pdf>

Corporate Social Responsibility

Your Company is committed to making a difference to the community that we are all part of. Your Company treats the society and the environment among the stakeholders of your Company.

Your Company has engaged with various non-profit organisations and has voluntarily donated 1% profit of the Company for social causes since 1996 and 2% of the profit since 2013, in accordance with Section 135 of the Companies Act, 2013.

To institutionalise and to further your Company's CSR commitment, your Company formed a Public Charitable Trust - 'Persistent Foundation' in the Financial Year 2008-09 and a Section 8 Company - Persistent India Foundation in the Financial Year 2024-25 (together referred to as 'Foundations'). When the CSR provisions were first introduced in the Companies Act 2013, your Directors decided to formally request Persistent Foundation's help to fulfil the Company's CSR obligations.

Your Company acknowledges the contribution made by the Foundations in coordinating and ensuring that the CSR donations made by your Company are being effectively deployed as proposed and have an impact on society. Volunteering by employees of the Company is an important part of the Foundation's mission. Your Company believes that employee engagement in community initiatives enhances their sense of fulfilment, which positively contributes to improved productivity.

The Foundations' main focus areas are Health, Education, Community Development, and Wildlife and Heritage Conservation.

During the year under Report, the Foundations continued to create excitement among employees to participate in socially relevant causes. With the cooperation of the employees of your Company, the Foundations have set up several well-defined programmes and activities for the promotion of Health, Education, Community Development, and Wildlife and Heritage Conservation. These activities are carried out through projects undertaken by the Foundations with the support of the employees and through the Government authorities, reputed social organisations, and institutions.

The total CSR contribution for FY 2024-25 was of INR 217.78 Million, which was in excess of 2% of the profits calculated as per the Act. During the year, your Company spent on various CSR initiatives through the Foundations. During the Financial Year 2025-26, INR 237.71 Million was spent on CSR activities which was 2% of the profits as per the Act.

A detailed Report on CSR activities of your Company under the provisions of the Act during the Financial Year 2025-26 is annexed hereto as [Annexure D](#), which forms part of this Report.

CSR Committee and CSR Policy

The Board of Directors of your Company has constituted a CSR Committee to help your Company frame, monitor, and execute the Company's CSR activities under its CSR scope. The Committee defines the parameters and observes them for effective discharge of your Company's social responsibility.

The Board of Directors of your Company has further approved the CSR Policy of your Company to provide a guideline for the Company's CSR activities.

The CSR Policy is uploaded on your Company's website at <https://www.persistent.com/investors/csr-at-persistent/>

Your Company's CSR Policy highlights that the need for contributing to the society is extensive and your Company can make a significant impact by staying focused on a few areas through its social initiatives. The constitution of the CSR Committee is provided in the Report on Corporate Governance section forming part of this Annual Report.

Stakeholders' Relationship and ESG Committee

The Stakeholders' Relationship Committee was constituted on October 4, 2007.

Your Company believes that in today's day and age, the definition of stakeholders must be extended beyond the narrow definition of shareholders. Accordingly, your Company has decided to adopt a broader definition of stakeholders to explicitly include society, customers, partners, our employees, the Members, vendors and even the environment.

Your Company also aims to provide more focused and detailed efforts towards Environment, Social, and Governance (ESG) implementation. Considering the same, the Board, at its meeting held in January 2022, decided to assign the Stakeholders Relationship Committee the additional responsibility of overseeing the ESG monitoring-related work at the Company. Accordingly, the name of the Committee was amended to 'Stakeholders' Relationship and ESG Committee'.

A separate section on ESG at Persistent can be accessed at [Environmental, Social and Governance Report | Persistent Systems](#) and the ESG Report for FY 2025-26 can be accessed at <https://www.persistent.com/wp-content/uploads/2026/07/esg-sustainability-report-2026.pdf>

ESG at Persistent

At Persistent Systems, Environmental, Social, and Governance (ESG) considerations are embedded in the Company's approach to sustainable and responsible value creation. ESG is integrated into company's core business practices through a structured governance framework that ensures accountability, risk oversight, and alignment with strategic priorities and stakeholder expectations.

ESG Governance Framework

The ESG governance model is built on a multi-tiered structure comprising Board oversight, executive accountability, and a cross-functional ESG Council. This enables effective integration of ESG considerations across business functions and supports continuous progress against defined objectives.

Stakeholders' Relationship and ESG Committee: The Stakeholders' Relationship and ESG Committee at the Board level assists the Board in overseeing ESG implementation and performance. The Committee convenes biannually to review progress against ESG priorities, including climate-related risks and emerging focus areas.

Executive Ownership: Responsibility for execution rests with the leadership team:

- The Chief Financial Officer (CFO) and Head – ESG are accountable for driving ESG strategy implementation, including target setting and resource allocation.
- The Head – ESG works in close coordination with senior management across functions to embed ESG principles into business operations and decision-making processes.

ESG Vision Statement

- Reduce GHG emissions using technology solutions
- Nurture diverse talent and foster local communities
- Create value for stakeholder by integrating ESG with our business

Embedding ESG into our Business

As part of our ongoing ESG journey, we aim to leverage engineering excellence and digital capabilities to address global challenges, contribute to a low-carbon future, and support the well-being of our employees, clients, partners, and communities. We recognise that sustainability is a continuous and evolving process, and we remain focused on making consistent, measurable progress towards our ESG ambitions while upholding the highest standards of governance and accountability.

Since 2022, the Company has been a signatory to the United Nations Global Compact (UNGC) and aligns its practices with the Ten Principles covering human rights, labour, environment, and anti-corruption. These principles are embedded across the Company's culture and day-to-day operations.

The Company's ESG approach is anchored in a structured framework comprising four key pillars:

- **Environmental Sustainability:** Leveraging technology solutions and operational efficiencies to reduce greenhouse gas emissions and environmental impact
- **Diversity and Inclusion:** Fostering an inclusive workplace and enabling diverse talent to thrive
- **Social Responsibility:** Creating meaningful and sustained impact in the communities in which the Company operates
- **Corporate Governance:** Upholding strong governance practices to ensure ethical conduct, transparency, and long-term stakeholder value creation

The Company recognises climate change as a critical global challenge and remains committed to minimising the environmental footprint of its operations while collaborating with stakeholders to drive sustainable outcomes. Key focus areas include:

- Reduction of greenhouse gas emissions and transition to renewable energy
- Improvement in energy and water efficiency, including resource optimisation and recycling
- Implementation of sustainable waste management practices

Climate Action and Targets

Aligned with global sustainability priorities and the Sustainable Development Goals (SDGs), the Company has established the following climate commitments:

- Maintain carbon neutrality across Scope 1 and Scope 2 emissions annually
- To source 100% of electricity from renewable energy for all owned facilities by FY 2025-26
- Reduce absolute scope 1 and 2, 3 emissions by 54.6% by FY 2033-34 from FY 2023-24 base year (as per SBTi approved targets)

Net-Zero Commitment (1.5°C Pathway)

The Company is committed to achieving net-zero greenhouse gas emissions by 2050, in line with the Science Based Targets initiative (SBTi) and the global objective of limiting temperature rise to 1.5°C. This commitment underpins its long-term decarbonisation strategy and aligns with global best practices.

The Company continues to embed sustainability in its strategy by adopting energy-efficiency measures and clean technologies, strengthening resource stewardship, and building climate resilience.

Energy Efficiency and Resource Management

The Company promotes responsible energy consumption across its operations and value chain. Key initiatives include the deployment of energy-efficient technologies, retrofitting of infrastructure, and continuous monitoring of resource use. During FY 2025-26, your Company invested INR 388.10 Million in energy optimisation initiatives. Details of energy conservation and technology absorption initiatives are provided in [Annexure E](#), forming an integral part of this report.

For more details, please refer to the [ESG Report for FY 2025-26](#)

ESG Ratings

- Constituent of the Dow Jones Best-in-Class World Index, with a 2025 S&P Global CSA score of 86/100 and inclusion in the top 10% of the S&P Global Sustainability Yearbook.
- NSE ESG Rating 79
- SES ESG Score 81.7
- CDP Climate Change rating improved from 'B' to 'A', placing your Company in the top 4% of the companies assessed by CDP

Awards and Accolades

In FY 2025-26, your Company received several accolades. For more information, please refer to the [ESG Report](#). A few of these recognitions are listed below:

- Recognised among BW Businessworld's India's Most Sustainable Companies (IMSC) 2024-25, ranking 3rd overall and 2nd in the Information Technology and Digital Services sector
- Honoured with the 'Climate Action' Award in the Service Industry category by the Bangalore Chamber of Industry and Commerce (BCIC)
- Awarded an ESG Recognition from DNV, confirming the company's use of certified management systems to support its ESG commitments
- Recognised as one of America's Greatest Workplaces in Tech 2025 by Newsweek and Plant A Insights Group

Key Initiatives undertaken for Energy Conservation and Technology Absorption

Your Company is committed to its efforts to conserve energy and absorb technology in its daily operations. The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in Annexure E which forms part of this Report.

Institutional Holding

As on March 31, 2026, the total institutional holding in your Company stood at 52.59% of the total paid-up share capital.

Dividend for the Financial Year 2025-26

The details of the Dividend for the Financial Years 2025-26 and 2024-25 are as follows:

Type of Dividend	Financial Year 2025-26		Financial Year 2024-25	
	Interim	Final*	Interim	Final
Month of declaration / recommendation	Jan-26	Apr-26	Jan-25	Apr-25
Date of Payment	February 5, 2026	To be scheduled upon Members Approval, if any	February 10, 2025	July 29, 2025
Amount of Dividend (In INR)	22 per Equity Share of INR 5 each	18 per Equity Share of INR 5 each	20 per Equity Share of INR 5 each	15 per Equity Share of INR 5 each
% of Dividend	440%	360%	400%	300%
Total Dividend (In INR Million)	3,470.50	2,839.50	3,117.00	2,337.75
Total Dividend Outflow for the year (In INR Million)	6,310.00		5,454.75	

The payment of the Final Dividend of INR 18 per Equity Share of INR 5 each is subject to the approval of the Members during the 36th AGM of your Company. If approved in the AGM, the Dividend will be paid out of the profits of your Company.

Out of the interim dividend declared in January 2026, INR 1.74 Million remained unclaimed by ~1,550 shareholders as of March 31, 2026.

The total unpaid dividend as on March 31, 2026, for the last 7 (Seven) years is INR 4.54 Million which is 0.02% of the total declared dividend over these 7 (Seven) years.

Your Company is taking due efforts to encourage all Members to complete their KYC in accordance with various circulars issued by the Statutory Authorities.

Your Company has a Dividend Distribution Policy and the same has been uploaded on the website at <https://www.persistent.com/wp-content/uploads/2016/09/Dividend-Distribution-Policy.pdf>. As per the policy, the dividend payout ratio shall be maintained up to 40% of the Consolidated Profit After Tax.

Pursuant to the Finance Act, 2020 (the 'Act' for this section), dividend income is taxable in the hands of Members, and the Members are requested to refer to the Finance Act, 2020 and amendments thereof.

As per the Act, your Company is expected to deposit 10% of the dividend to the Income Tax Department as TDS on your behalf. Your Company has appointed M/s. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) ('MUFG Intime') to manage the share and dividend management process. They have created a facility for online submission of Tax Exemption forms where the Members can submit their tax-exemption forms along with other required documents.

The requisite form for claiming tax exemption can be downloaded from MUFG Intime's website. The URL for the same is as below: <https://web.in.mpms.mufig.com/client-downloads.html> → On this page, select the General tab. All the forms are available under the head "Form 121 / Form 41".

Kindly note that Form 121 is a newly introduced Form by the Income Tax Department replacing the earlier Forms 15G and 15H. Now, both types of taxpayers, i.e., those below the age of 60 and those aged 60 and above, will use Form No. 121 to submit a declaration to avoid relevant income from being subjected to TDS.

Further, please note that Form 41 is required to be filed by non-resident taxpayers. This form is also a newly introduced form and has replaced earlier Form 10F. It must be filed when a non-resident wants to claim relief under a Double Taxation Avoidance Agreement (DTAA) as provided in Section 159 of the Income Tax Act, 1961 as amended from time to time.

The aforementioned forms (duly completed and signed) are required to be uploaded on the following URL: <https://web.in.mpms.mufig.com/formsreg/submission-of-Form-121-41.html>. On this page, the user shall be prompted to select/share the following information to register their request.

1. Select the company (Dropdown)
2. Folio/DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
 - a. Document attachment - (PAN)
 - b. Document attachment - 121 / Form 41
 - c. Document attachment - (Any other supporting document)

Please note that the documents (duly completed and signed) should be uploaded on the MUFG Intime website to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and / or unsigned forms and declarations will not be considered by the Company.

The Members may note that in case the tax on said interim / final dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents, the option is available to the Members to file the return of income as per the Income Tax Act, 1961, and claim an appropriate refund, if eligible.

Transfer of Unclaimed Dividend and Corresponding Shares to the Investor Education and Protection Fund (IEPF) Authority

During the year under Report, your Company transferred the unclaimed and unpaid dividend of INR 70,641 relating to the Final Dividend 2017-18 and an amount of INR 152,104 relating to the Interim Dividend 2018-19 to the IEPF Authority. Further, 585 corresponding Equity Shares on which the dividend was unclaimed for seven consecutive years have been transferred as per the requirement of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules').

The Company took all due efforts to contact the Members having unclaimed / unpaid dividends through emails and letters dispatched to registered addresses to enable them to claim the dividends which were liable to be transferred to the IEPF.

Members are requested to update their Bank Account details, e-mail IDs, mobile numbers, and KYC details with their Depository Participants, to receive all the future communications and dividend, if any, declared by the Company, in electronic form.

The details of unclaimed dividend and details of dividend / shares transferred to IEPF Authority are also available on the website: <https://www.persistent.com/investors/unclaimed-dividend/>

‘Saksham Niveshak’ Campaign initiated by the Investor Education and Protection Fund Authority (IEPFA)

IEPFA, under the Ministry of Corporate Affairs (MCA), launched the 100 Day Campaign titled ‘Saksham Niveshak’ vide circular dated July 16, 2025, and the campaign was conducted during the period July 28, 2025 to November 6, 2025. The objective of the campaign was to assist shareholders in claiming their unpaid or unclaimed dividends and updating KYC details in order to prevent transfer of such dividends and corresponding shares to the Investor Education and Protection Fund (IEPF).

In line with the IEPFA’s directives and as part of its continued focus on proactive shareholder engagement, your Company implemented the First 100 Day ‘Saksham Niveshak’ Campaign covering shareholders with unpaid or unclaimed dividends from FY 2017-18 to FY 2024-25. The Company issued formal communications and a public notice to apprise shareholders of the campaign and encouraged timely updating of KYC details to facilitate dividend claims. Relevant campaign information and notices were made available on the Company’s website to ensure ease of access. Further, the Company worked closely with its Registrar and Share Transfer Agent to support shareholders in resolving queries and updating records, with the objective of enabling seamless dividend credit and minimising transfers to the IEPF.

IEPFA, Ministry of Corporate Affairs, Government of India, vide its communication dated March 27, 2026, has initiated the second 100 Day Campaign for the period from April 1, 2026, to July 9, 2026. The campaign is aimed at creating awareness among current and former Members regarding the importance of updating KYC details and enabling them to claim unpaid or unclaimed dividend amounts before such amounts and the corresponding shares are transferred to the IEPF in accordance with the provisions of the Companies Act, 2013 and the IEPF Rules. In alignment with the objectives of the IEPFA, your Company is extending its full support to this initiative by encouraging Members to complete the requisite KYC formalities with the Registrar and Share Transfer Agent/Depository Participants and claim their rightful dividend amounts within the stipulated timeline.

The Board has appointed Mr. Amit Atre, Company Secretary, as the Nodal Officer under this campaign to ensure compliance with the IEPF rules. His coordinates form part of the Report on Corporate Governance in this Annual Report.

F. Other Disclosures

Corporate Governance

A separate Report on Corporate Governance with a detailed compliance report as stipulated under the Listing Regulations and any other applicable law for the time being in force form an integral part of this Report.

Compliance Certificate from the Practicing Company Secretary regarding the compliance of conditions of Corporate Governance as stipulated in the Listing Regulations forms an integral part of this Annual Report.

Management Discussion and Analysis

Report on Management Discussion and Analysis as stipulated under the Listing Regulations and any other applicable laws for the time being in force based on audited Consolidated Financial Statements for the FY 2025-26 forms an integral part of this Annual Report.

Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report (BRSR) as stipulated under the Listing Regulations and any other applicable law for the time being in force describing the initiatives taken by the Management from an environmental, social, and governance perspective form an integral part of this Annual Report and is available at <https://www.persistent.com/wp-content/uploads/2026/07/business-responsibility-and-sustainability-report-2026.pdf>

Risk Management Policy

[Report on Risk Management](#) based on the risk management policy developed and implemented at your Company for the FY 2025-26 forms an integral part of this Annual Report.

Vigil Mechanism (Whistleblower Policy)

The details of the vigil mechanism Whistleblower Policy are given in the report on Corporate Governance forming part of this Annual Report. Your Company has uploaded the policy on its website at [Whistle Blower Policy | Persistent Systems.](#)

Whistleblower Helpline

Your Company expects its employees and other associates to raise concerns if they have any reason to believe that any employee, or any other stakeholder may have engaged in misconduct, which includes violations or potential violations of law, regulation, rule, or breaches of your Company's policy, standards, procedure, or the Code of Conduct for Directors and Employees.

Your Company has established 24x7 toll-free numbers for their employees and other associates in India and rest of the world to report their concerns. The callers can record their complaints which are received directly by the Whistleblower Administrator who is the Head of the Ethics Committee. This being an automated system safeguards the caller's identity and anonymity is maintained.

The complaints can be registered by sending an email to the Whistle Blower Administrator on the following E-mail ID: whistleblower@persistent.com or by calling the Toll-free Whistleblower Helpline Numbers (India: 18002100165; USA: 18336058476)

Your Company prohibits retaliatory actions against anyone who raises concerns or questions in good faith, or who participates in a subsequent investigation of such concerns.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has an Anti-Harassment Policy in place which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the 'Act' for this section). All employees (permanent, contractual, temporary and trainees) are covered under this policy.

Your Company has gone beyond the intention of the law and has made this policy applicable for all the employees unlike the contents of the law. Your Company follows this practice as a part of equal employment opportunity including the gender equality.

Your Company has constituted the Internal Complaints Committees (IC) across all Company locations in India and abroad to consider and resolve all sexual harassment complaints reported to this Committee. The constitution of the IC is as per the Act and the Committee includes an external member with relevant experience at Indian locations. The Ethics Committee at the global locations acts in the capacity of the Internal Complaints Committee where the local laws do not enforce the constitution of such a committee.

During the year under report, your Company received 3 (Three) complaints of sexual harassment under the Act. Further, as of March 31, 2026, there was 1 (One) pending complaint of sexual harassment in your Company. The 1 (One) pending complaint has been resolved in accordance with the prescribed timelines and as on the date of this Report.

Disclosure under the Maternity Benefit Act, 1961

Your Company is compliant with the statutory provisions of the Maternity Benefit Act, 1961.

Secretarial Standards

The Institute of Company Secretaries of India (ICSI) has issued the Secretarial Standards.

Your Company complies with Secretarial Standards and guidelines issued by the ICSI to the extent applicable to the Company.

Other Certifications

The details about the other ISO and Partnership certifications for technical processes and systems are provided in the Corporate Governance Report and form an integral part of this Report.

Information Security

Your Company maintains a mature Information Security Management System with policies, processes and controls to minimise the cybersecurity risks. The governance and management of security compliance and risk is reviewed periodically. Your Company's development centres are certified under ISO 27001, ISO 27017, ISO 27018, ISO 27701, ISO 22301, ISO 42001 and SOC 2 Type II.

Your Company is focused on cyber resilience and provides all the necessary budgets needed to build robust cyber resilience. Your Company's Global IT and Information Security team has taken a holistic and comprehensive approach, including customer-specific security requirements where applicable, to secure the employees' laptops, the corporate

network, and confidential data, including Personal data, against inadvertent and malicious attacks. Your Company's cloud first strategy is enabled by cloud security measures spanning access management, cloud data security, ensuring privacy in the cloud privacy, safeguarding cloud workloads, and effective cloud monitoring and incident management of the cloud aligned to business-relevant outcomes. Throughout the year, your Company has made substantial efforts to enhance security & data privacy awareness and training across the Organisation. Cloud security, Privileged Access Management, Data Loss Prevention, and Supplier Security & Privacy management were prioritised to protect company infrastructure, safeguard data and maintain the integrity and confidentiality throughout the supply chain and improve the overall security posture of your Company.

Specific steps include allocation of secure laptops to every employee, installation of disk encryption, next-generation antivirus solution, enhanced data leakage prevention solutions, implementation of Multi-Factor Authentication, secure and governed internet access, and Zero Trust Model to ensure cyber resiliency. The emailing solution is equipped with advance anti-phishing functionality ensuring a secure channel of communication through email.

Your Company has implemented a robust disaster recovery process with a well-articulated cyber resilience playbook. The periodic disaster recovery drills ensure availability of the critical services and the ability to recover business operations as per the defined process. Your Company has a steadfast focus on spreading information security and data privacy awareness through mandatory awareness trainings at joining followed by periodic refresher sessions and usage of enterprise-wide communication and collaboration platforms to keep users updated on evolving cybersecurity and privacy risks. The training effectiveness is validated through periodic phishing simulations.

Your Company believes that security and compliance with applicable data protection laws are ongoing activities, and as your Company evolves and expands its businesses, all stakeholders can rest assured that your Company will continue to improve its security and data privacy posture to ensure continuous compliance.

Subsidiary Companies, Associate Companies and Joint Ventures

During the year under review, the Company undertook business transfers, mergers, and intra-group restructuring to simplify its corporate structure, enhance operational efficiency, and align entity ownership with its global business strategy. These initiatives enabled better integration of operations, improved resource utilisation, and strengthened governance oversight, thereby supporting a more streamlined and scalable structure for long-term growth and value creation.

The following restructuring activities were completed during the year:

Date	Action	Effect
June 26, 2025	Execution of Business Transfer Agreement ('BTA') for transfer of business of Starfish Associates LLC (step-down subsidiary) to Persistent Systems Limited	Starfish entity transferred to Persistent Systems Limited
December 5, 2025	The Company has established its Branch Office in Abu Dhabi, UAE, pursuant to the Commercial Registration Certificate and License issued by the Department of Economic Development - Abu Dhabi Registration Authority (ADRA)	Expansion of Company's international presence via branch registration
December 6, 2025 (effective December 23, 2025)	Execution of Share Purchase Agreement ('SPA') for transfer of 100% shares of Aepona Group Limited, Ireland from Persistent Systems Inc., USA to Persistent Systems Limited, India	Aepona Group Limited became a Wholly Owned Subsidiary (WOS) of the Company
December 24, 2025	Execution of SPA for transfer of 100% shares of Persistent Systems Costa Rica Limitada from Persistent Systems Germany GmbH to Persistent Systems Inc., USA	Persistent Systems Costa Rica Limitada, Costa Rica became a WOS of Persistent Systems Inc., USA
December 24, 2025	Execution of SPA for transfer of 100% shares of Persistent Systems Switzerland AG from Persistent Systems Germany GmbH to Aepona Group Limited, Ireland	Persistent Systems Switzerland AG, Switzerland became a WOS of Aepona Group Limited, Ireland
December 24, 2025	Execution of SPA for transfer of 100% shares of Persistent Systems S.R.L., Romania from Persistent Systems Germany GmbH to Aepona Group Limited, Ireland	Persistent Systems S.R.L., Romania became a WOS of Aepona Group Limited, Ireland

Date	Action	Effect
February 27, 2026	Incorporation of Wholly Owned Foreign Enterprise (WFOE) in China by Persistent Systems Pte. Ltd., Singapore	Establishment of Baixinteng System Service (Shanghai) Co. Ltd. (Persistent Systems (Shanghai) Co. Ltd.)
February 28, 2026	Merger of Persistent Telecom Solutions Inc., USA into Persistent Systems Inc., USA	Entity dissolved; operations consolidated into Persistent Systems Inc., USA
March 2, 2026	Merger of Starfish Associates LLC, USA into Persistent Systems Inc., USA	Entity dissolved; operations consolidated into Persistent Systems Inc., USA
March 4, 2026	Execution of SPA for transfer of 100% shares of Persistent Systems Poland Spółka z o.o. from Persistent Systems Inc., USA to Aepona Group Limited, Ireland	Persistent Systems Poland Spółka z.o.o. became a WOS of Aepona Group Limited, Ireland
March 25, 2026	Execution of SPA for transfer of 100% shares of Persistent Systems France S.A.S. from Persistent Systems Limited, India to Aepona Group Limited, Ireland	Persistent Systems France S.A.S. became a WOS of Aepona Group Limited, Ireland
March 31, 2026	Execution of SPA for transfer of 100% shares of Persistent Systems Germany GmbH from Persistent Systems Limited, India to Aepona Group Limited, Ireland	Persistent Systems Germany GmbH became a WOS of Aepona Group Limited, Ireland
May 22, 2026	Aepona Group Limited, a wholly owned subsidiary of the Company, established a new subsidiary in Estonia through the acquisition of a newly established company named PerSys Estonia OÜ	A new step-down subsidiary of the Company was formed

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website at <https://www.persistent.com/investors/>

The Policy for determining material subsidiaries of your Company is available on your Company's website at <https://www.persistent.com/investors/policy-on-material-subsiadiary/>. According to the said Policy, Persistent Systems Inc., USA is the material subsidiary of your Company.

Mergers and Acquisitions (M&A)

Your Company follows a focused M&A approach aimed at acquiring differentiated capability and expanding its presence across key industry verticals and geographies. Scaling up of the Company's footprint in Europe remains a key strategic objective, and the Management is actively seeking scaled assets in this geography to accelerate growth. In addition to this, the Management is actively seeking to acquire companies with strong, differentiated AI capabilities across cloud, data, security, and other high impact digital engineering domains.

During the year ended March 31, 2026, the Company continued to evaluate and pursue inorganic opportunities aligned with these priorities. The focus remained on acquisitions that balance the need for geographical revenue diversification, strong cultural alignment, high-quality engineering talent, and the potential to accelerate our AI-led services approach. With a robust pipeline of opportunities, your Company remains committed to acquisitions that strengthen its strategic positioning and enhance long-term shareholder value.

Infrastructure

Your Company has adopted the hybrid working model. During the FY 2025-26, the total built-up capacity owned by your Company in India and abroad was 139,580 m² which is adequate for 15,000+ employees.

The details of owned facilities of your Company are as follows:

Location	Year of Acquisition / Completion	Total Built-up Area (m ²)	Total Seating Capacity (Nos)
Pune			
1. Bhageerath	2002	11,331	568
2. Aryabhata-Pingala	2007	33,300	2,751
3. Veda Complex, Hinjawadi	2012	45,825	3,269
4. Ramanujan, Hinjawadi	2023	14,021	1,150
Goa			
Charak and Bhaskar	1997 and 2017, respectively	7,042	724
Nagpur			
1. IT Tower	2003	1,911	155
2. Gargi and Maitreyi	2011	19,825	1,187
Grenoble, France	2000	929	50
Total		134,184	9,854

Along with your Company's owned premises, your Company also operates from leased and managed facilities in Australia, Canada, Costa Rica, France, Germany, India, Malaysia, Mexico, Poland, Sri Lanka, Switzerland, UK and USA in an area of 61,282 m² adequate for 5,400+ employees.

Annual Return

In accordance with the Act, the annual return in the prescribed format (MGT-7) for the FY 2025-26 is available at <https://www.persistent.com/wp-content/uploads/2026/06/annual-return-2026.pdf>

Other Matters

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under Report:

1. Dr. Anand Deshpande, Chairman and Managing Director and Mr. Vinit Teredesai, Executive Director and Chief Financial Officer of your Company did not receive any remuneration or commission from any of the subsidiaries.
2. Mr. Sandeep Kalra, Executive Director and Chief Executive Officer received remuneration from Persistent Systems Inc., USA in addition to remuneration received from your Company. The total remuneration is disclosed in the report on Corporate Governance forming part of the Annual Report.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals impacting your Company's going concern status and operations in the future.
4. There are no applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 as at the end of FY 2025-26, nor has the Company done any one-time settlement with any bank or financial institution in India or abroad.

Awards and Recognitions during the FY 2025-26

Your Company received several prestigious awards and recognitions in various categories, such as (1) Technology, (2) Corporate, and (3) People. Brief details of these awards are uploaded on the Company's website at [Awards and Recognitions | Persistent Systems](#). Highlights of these are also available in the 'Corporate Information' section of this Annual Report.

Directors' Responsibility Statement

Your Directors state that:

1. In preparation of the annual accounts, the applicable Accounting Standards have been followed and there is no material departure;
2. Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as of March 31, 2026, and of the profit of your Company for that year;
3. Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities, if any;
4. The annual accounts have been prepared on a going concern basis;
5. Your Directors had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively;
6. Your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Future Outlook

In FY 2025-26, your Company's strategy moved from foundational frameworks to platform-led execution, and into operating models that clients now adopt at scale. As it enters FY 2026-27, its priorities are clear: to deepen AI adoption, advance the Core, Context, and Coordination foundation, scale its largest client relationships, expand across geographies, and convert AI investment into measurable business outcomes, while progressively shifting its revenue mix towards non-linear, platform-led engagements. Built on 36 years of engineering depth, governed data, client trust, and execution discipline, your Company is positioned to capture a market opportunity larger than any it has faced before and remains firmly on track towards its aspiration of a US\$ 2 billion revenue run-rate in FY 2026-27, continuing to do what it has always done best: turning the enterprise's AI ambition into engineering execution that endures.

Acknowledgments and Appreciation

Your Board places on record the support and wise counsel received from the Government of India, particularly the Department of Electronics and Information Technology, the Ministry of Corporate Affairs, the Ministry of Finance, the Ministry of Commerce and Industry, the Reserve Bank of India and the Securities and Exchange Board of India throughout the financial year.

Your Board extends its sincere thanks to the officers and staff of the Software Technology Parks of India - Pune, Nagpur, Goa, Mumbai, Ahmedabad, Vadodara, Indore, Bengaluru, Noida, Gurugram, Hyderabad, Jaipur, Chennai, Kolkata, Kochi, Special Economic Zone – Telangana, SEEPZ Special Economic Zone – Mumbai, Cochin Special Economic Zone, Central Tax and Customs Department, Department of Revenue, Income Tax Department, Department of Electronics, Director General of Foreign Trade, Ministry of Industries, Government of Maharashtra, Director of Industries, Inspector General of Registration, Maharashtra Pollution Control Board, Goa Pollution Control Board, Central Pollution Control Board, Department of Shops and Establishments, Department of Telecommunication, Ministry of Commerce and Industries, Ministry Of Electronics and Information Technology, Department of Commerce (SEZ Section), Regional Director of Western Region, Registrar of Companies, Maharashtra, Pune, Goods and Service Tax Department, Infotech Corporation of Goa Limited, Goa Industrial Development Corporation, Madhya Pradesh State Electronics Development Corporation Ltd., National Stock Exchange of India Limited, BSE Limited, Central Depository Services (India) Limited, National Securities Depository Limited, Local Municipal Corporations and Gram Panchayats where Company operates, Maharashtra State Electricity Distribution Company Limited.

Your Board also extends its sincere thanks to M/s. B S R & Co. LLP, Chartered Accountants, Statutory Auditors; M/s. Joshi Apte & Co., Chartered Accountants, Tax Auditors; M/s. SVD & Associates, Company Secretaries, Secretarial Auditors; Trustees of Persistent Foundation; Directors of Persistent India Foundation; several wings of EY LLP for their varied services; M/s. MUFG Intime Private Limited (erstwhile Link Intime India Private Limited), Registrar and Share Transfer Agents, and M/s. PricewaterhouseCoopers Services LLP, ESG Consultants; for their services to your Company.

Your Board also extends its thanks to Axis Bank, Banco Nacional - Costa Rica, Banco Nacional de Mexico S. A., Bank of Baroda, Bank of India, Bank of Tokyo-Mitsubishi, Barclays Bank, BNP Paribas, Canara Bank, Citibank NA, Deutsche Bank, First National Bank, HDFC Bank, Hongkong and Shanghai Banking Corporation, Silicon Valley Bank, Union Bank of India, Wells Fargo Bank, Zürcher Kantonal Bank, DBS Bank, State Bank of India, ICICI Bank Limited, Saraswat Co-operative Bank, Kotak Mahindra Bank, OCBC Bank, PNC Bank and their officials for extending excellent support in all banking-related activities.

Your Board places on record its deep sense of appreciation for the committed services of all the employees and partners of your Company at all levels.

Your Board thanks Members for placing immense faith in them.

Your Board takes this opportunity to express its sincere appreciation for the contribution made by the employees at all levels of your Company. The consistent growth was made possible by their hard work, solidarity, cooperation, and support.

For and on behalf of the Board of Directors

Anand Deshpande, Ph.D.

Chairman and Managing Director
DIN: 00005721

Pune, June 8, 2026

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Annexure A to the Report of the Directors

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2026

Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

&

Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To

The Members

Persistent Systems Limited

'Bhageerath',

402 Senapati Bapat Road

Pune 411016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Persistent Systems Limited** bearing **CIN: L72300PN1990PLC056696** (hereinafter referred to as **the Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering **the financial year ended on March 31, 2026** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for **the financial year ended on March 31, 2026 (the audit period)** according to the provisions of:

- i. The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the SEBI SBEB & SE Regulations);
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
 - f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not applicable during the audit period);**

- g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(not applicable during the audit period);**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable during the audit period);**
- i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(not applicable to during the audit period).**
- vi. The management has identified and confirmed the compliances of the following laws as specifically applicable to the Company:
 - a. The Indian Copyright Act, 1957;
 - b. The Patents Act, 1970;
 - c. The Trade-Mark Act, 1999 and the rules made thereunder;
 - d. Foreign Trade (Development and Regulation) Act, 1992;
 - e. The Information Technology Act, 2000 and the rules made thereunder;
 - f. The Special Economic Zone Act, 2005 and the rules made thereunder;
 - g. Policy related to Software Technology Parks of India and its regulations;
 - h. The Foreign Trade Policy (EXIM Policy) and procedures thereunder;
 - i. The Digital Personal Data Protection (DPDP) Act, 2023 and rules framed thereunder

We have also examined compliance with the applicable clauses and regulations of the following:

- i. The Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by 'The Institute of Company Secretaries of India'; and
- ii. The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the Listing Regulations).

During the audit period, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. The decisions by way of circular resolutions of the Board or any Committee thereof are carried out with requisite majority and there are no dissenting views mentioned by the members of the Board of Directors.

We further report that,

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that,

During the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

- a. The merger of Capiot Software Private Limited (a wholly owned subsidiary) into the Company by absorption was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai through its order dated April 9, 2025.

- b. The Board of Directors of the Company at its meeting held on April 24, 2025, approved the proposal of merger of Arrka Infosec Private Limited (Arrka) (a wholly owned subsidiary) into the Company. Subsequently, the merger of Arrka into the Company by absorption has been sanctioned by the Hon'ble National Company Law Tribunal, Mumbai through its Order dated April 21, 2026.
- c. Starfish Associates LLC (Starfish), (a step-down subsidiary), has transferred its business to Persistent Systems Limited vide Business Transfer Agreement dated June 26, 2025 effective from April 1, 2025. Further, Starfish has been merged into Persistent Systems Inc. USA (a wholly owned subsidiary) effective from March 2, 2026.
- d. The Company has established its Branch Office in Abu Dhabi, UAE, pursuant to the Commercial Registration Certificate and License issued by the Department of Economic Development - Abu Dhabi Registration Authority on December 5, 2025.
- e. Persistent Systems Pte. Ltd., Singapore a wholly owned subsidiary of the Company has established Baixinteng System Service (Shanghai) Co. Ltd (Baixinteng) wholly owned foreign enterprise in China on February 27, 2026. Subsequently, Baixinteng has become a step-down wholly owned subsidiary of the Company.
- f. Persistent Systems Inc. USA has transferred the Equity Shares of Aepona Group Limited, Ireland (Aepona) (a wholly owned step-down subsidiary), to the Company effective from December 23, 2025. Subsequently, Aepona has become a wholly owned subsidiary of the Company. Further, Persistent Systems Inc. USA transferred the 100% shareholding of Persistent Systems Poland Spółka z o.o., Poland (a step-down subsidiary) to Aepona by entering into a Share Purchase Agreement.
- g. Persistent Systems Germany GmbH, Germany (a wholly owned subsidiary) transferred 100% shareholding of Persistent Systems Costa Rica Limitada, Costa Rica (a wholly owned step-down subsidiary) to Persistent Systems Inc. USA and 100% shareholding of Persistent Systems Switzerland AG, Switzerland and Persistent Systems S.R.L., Romania (wholly owned step-down subsidiaries) to Aepona.
- h. The Company transferred 100% shareholding of Persistent Systems Germany GmbH and Persistent Systems France S.A.S (wholly owned subsidiaries) to Aepona. Subsequently, the status of Persistent Systems Germany GmbH and Persistent Systems France S.A.S have changed to wholly owned step-down subsidiaries.
- i. Persistent Telecom Solutions Inc., USA (step-down subsidiary) has been merged into Persistent Systems Inc., USA, effective from February 28, 2026.
- j. The Company has issued and made allotment of 550,000 (Five Hundred and Fifty Thousand) Equity Shares of Face Value of INR 5 /- (Rupees Five Only) each on May 8, 2025 and 1,350,000 (One Million Three hundred and Fifty Thousand) Equity Shares of Face Value of INR 5/- (Rupees Five Only) each on October 14, 2025 and received listing approval under Regulation 10 (c) of the SEBI SBEB & SE Regulations on May 21, 2025 and November 6, 2025 respectively from the Stock Exchange(s).
- k. The Company had applied for and received in-principle approval for 800,000 (Eight Hundred Thousand) Equity Shares of Face Value of INR 5 /- (Rupees Five Only) each to be issued under the Persistent Employee Stock Option Scheme 2014 in terms with Regulation 10 (b) of the SEBI SBEB & SE Regulations by the Stock Exchange(s) on January 02, 2026.
- l. The Company in its meeting of the Board of Directors held on January 20, 2026 had approved issuance of 1,100,000 (One Million One Hundred Thousand) Equity Shares of INR 5 /- (Rupees Five Only) each to the PSPL ESOP Management Trust ('ESOP Trust') of the Company.

For SVD & Associates
Company Secretaries

Sridhar Mudaliar

Partner
FCS No: 6156
CP No: 2664

Unique Code of the Firm: P2013MH031900
Peer Review number: 6357/2025
UDIN: F006156H000594678

Place: Pune
Date: June 8, 2026

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as an **Annexure** and forms an integral part of this Report.

Annexure to Form MR-3

To,
The Members,
Persistent Systems Limited,
'Bhageerath'
402 Senapati Bapat Road,
Pune 411016.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing standards CSAS-1 to CSAS-4 (CSAS) issued by the Institute of Company Secretaries of India (ICSI). These Standards require that the Auditor comply with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
3. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.
4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

Methodology

5. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. We have relied on the documents and evidence provided physically and through electronic mode.
7. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For SVD & Associates
Company Secretaries

Sridhar Mudaliar

Partner
FCS No: 6156
CP No: 2664

Unique Code of the Firm: P2013MH031900
Peer Review number: 6357/2025
UDIN: F006156H000594678

Place: Pune
Date: June 8, 2026

Annexure B to the Report of the Directors

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Persistent Systems Limited (the 'Company') has not entered into any contract / arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during Financial Year 2025-26.

- a. Name(s) of the related party and nature of relationship: Not Applicable
- b. Nature of contracts / arrangements / transactions: Not Applicable
- c. Duration of the contracts / arrangements / transactions: Not Applicable
- d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e. Justification for entering into such contracts or arrangements or transactions: Not Applicable
- f. Date(s) of approval by the Board: Not Applicable
- g. Amount paid as advances, if any: Not Applicable
- h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at an arm's length basis:

There were certain transactions entered into by the Company with its foreign subsidiaries and other parties who are related within the meaning of Indian Accounting Standard (Ind AS) 24 and Section 188 of the Act. Attention of Members is drawn to the disclosure of transactions with such related parties set out in [Note No. 33](#) of the Standalone Financial Statements, forming part of this Annual Report.

For and on behalf of the Board of Directors

Pune, June 8, 2026

Anand Deshpande, Ph.D.
Chairman and Managing Director
DIN: 00005721

Annexure C to the Report of the Directors

A. Details of the Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2025-26 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for Financial Year 2025-26 (INR Million)	% increase in Remuneration in the Financial Year 2025-26	% increase in remuneration in the Financial Year 2025-26* (excluding perquisite value of stock options exercised during the year)	Ratio of remuneration of each Director to median remuneration of employees	Ratio of remuneration of each Director to median remuneration of Employees* (excluding perquisite value of stock incentive)	Comparison of the remuneration of the KMP against the performance of the Company
Executive Directors and KMPs							
a.	Dr. Anand Deshpande Chairman and Managing Director, India	42.93	3.07	3.07	25.62	25.62	
b.	Sandeep Kalra Executive Director and Chief Executive Officer, USA	3,885.77**	162.39	43.64			The increase in percentage is because of Rupee depreciate by 5.2% & higher number of shares exercised in current year.
	Ratio of remuneration to median remuneration of employees located in						
	India				2,318.48	133.84	
	USA				319.29	18.43	
c.	Vinit Teredesai Executive Director and Chief Financial Officer, India	96.70	298.94	25.74	57.70	18.19	
d.	Amit Atre Company Secretary, India	7.6	16.98 [#]	16.98	4.53	4.53	

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for Financial Year 2025-26 (INR Million)	% increase in Remuneration in the Financial Year 2025-26	% increase in remuneration in the Financial Year 2025-26* (excluding perquisite value of stock options exercised during the year)	Ratio of remuneration of each Director to median remuneration of employees	Ratio of remuneration of each Director to median remuneration of Employees* (excluding perquisite value of stock incentive)	Comparison of the remuneration of the KMP against the performance of the Company
Non-Executive Directors							
e.	Avani Davda, Independent Director	8.95	26.82%	NA	26.82%	NA	
f.	Anjali Joshi, Independent Director	8.4	44.76%	NA	44.76%	NA	
g.	Praveen Kadle, Independent Director	9.10	26.37%	NA	26.37%	NA	
h.	Arvind Goel, Independent Director	8.52	27.82%	NA	27.82%	NA	
i.	Dr. Ambuj Goyal, Independent Director	8.55	28.07%	NA	28.07%	NA	
j.	Dan'l Lewin, Independent Director	8.15	28.22%	NA	28.22%	NA	
k.	Dr. Ajit Ranade, Independent Director	8.85	27.12%	NA	27.12%	NA	

Notes:

*The Directors / KMPs against whom NA is mentioned, did not exercise / were not eligible for ESOPs.

@Mr. Vinit Teredesai was appointed as a Chief Financial Officer w.e.f. May 15, 2024 and as an Executive Director w.e.f. April 24, 2025

#No Stock Options exercised in FY 2025-26

** Pertains to Remuneration paid during the year by both Companies i.e. Persistent Systems Limited and Persistent Systems Inc.

1. Remuneration to KMPs includes fixed pay, variable pay, retiral benefits and the perquisite value of stock options exercised during the period, determined in accordance with the provisions of the Income-tax Act, 1961. Accordingly, the value of stock options granted during the period is not included. Independent directors are not entitled to any stock options effective from April 1, 2014. The remuneration mentioned above is on actual 'paid' basis.
2. The median remuneration of employees of the Company during the FY 2024-25 was INR 1,676,000. In FY 2025-26, the median remuneration of employees remained same.

3. The median remuneration of employees of Persistent Systems Inc. during the FY 2025-26 was USD 136,516 (Equivalent INR 12.17 Million approx.), which has been considered to compute the ratio for Executive directors / KMPs to whom remuneration was paid from a subsidiary incorporated in the USA.
4. The average annual increase was around 5.8% in India. However, during the course of the year, the total increase is approximately 6.4%, after considering promotions and other event-based compensation revisions. Employees outside India received a wage increase of about 3.2%.

The increase in remuneration is in line with the market trends in the respective countries. In order to ensure that remuneration reflects the Company's performance, the performance pay is also linked to organisational performance.

5. As on March 31, 2026, there were 22,135 permanent employees who were on the payroll of the Company (On a standalone basis)
6. It is affirmed that the remuneration paid, is as per the Remuneration Policy for Directors, Key Managerial Personnel and other senior management employees.

- B. The list of top 10 employees posted in India who were employed through the Financial Year and received a remuneration of INR 10.2 Million or above p.a. OR the employees posted in India who were employed for a part of the Financial Year and received remuneration of INR 0.85 Million per month under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this report is being sent to the Shareholders excluding the aforesaid information. Any shareholder interested in obtaining said information may write to the Company Secretary at the Registered Office of the Company and the said information is open for inspection at the Registered Office of the Company.**

The details of remaining employees who are not deputed in India are open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of the Board of Directors

Anand Deshpande, Ph.D.

Chairman and Managing Director

DIN: 00005721

Pune, June 8, 2026

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Annexure D to the Report of the Directors

Annual Report on Corporate Social Responsibility (CSR) Activities of the Company for FY 2025-26

[Pursuant to Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR policy, including an overview of the projects or programmes proposed to be undertaken and a reference to the web link to the CSR policy and projects or programmes

The Board of Directors of your Company has developed a Corporate Social Responsibility (CSR) Policy to serve as a framework for guiding the Company's CSR initiatives. This policy is publicly accessible and can be viewed on the Company's official website at [CSR Policy.pdf](#)

The CSR Policy outlines the belief that as a responsible Company, employing a large number of employees, it is the Company's obligation to contribute to society and the community. The Company has held this belief since inception. The journey began in 1995 when the Board decided to commit 1% of profits for social causes. The allocation was subsequently increased to 2% following the introduction of the CSR provisions under the Companies Act, 2013.

While there are many projects that need CSR support, a more impactful contribution can be achieved by focusing on specific areas. Accordingly, your Company has decided to focus CSR activities, in four areas:

1. Health,
2. Education,
3. Community Development, and
4. Wildlife and Heritage Conservation

Your Company started the CSR journey in 1995, and the Company formalised its CSR efforts by establishing a Public Charitable Trust, Persistent Foundation, during the Financial Year 2008-09. In line with the evolving regulatory framework and to further strengthen governance and execution of CSR activities, the Company incorporated Persistent India Foundation, a Section 8 Company under the Companies Act, 2013, on May 1, 2024.

During the year under Report, the CSR projects of the Company were implemented through Persistent India Foundation (the 'Foundation') and few other eligible partnering Non-Government Organisations (NGO).

Further, as part of its efforts to extend its CSR approach to geographies, your Company established Persistent Systems Foundation Inc., a 501(c) no-profit corporation in the United States, during the FY 2022-23. The US Foundation received the requisite tax exemption approvals during the FY 2024-25. During the FY 2025-26, the Company undertook CSR initiatives through the US Foundation, aligned with its CSR philosophy of contributing to the communities it serves and its commitment to undertake socially responsible activities in a structured manner beyond statutory requirements.

In addition to the impact of the project funded, the Foundation considers the extent to which Persistent's employees can contribute to socially relevant projects. Persistent believes in the culture of giving and contributing and all employees are encouraged to participate in CSR activities of the Foundation.

Programmes and Projects undertaken:

Highlights of projects undertaken across the aforesaid focus areas, including employee volunteering and client engagement initiatives are provided below.

Education	Health	Community Development	Wildlife and Heritage conservation	Employee engagement	Engagement with Clients
Opening doors to opportunities through inclusive programmes offering scholarships, mentorship, skill development, etc.	Restoring health and hope through life-changing paediatric and senior cataract care, thereby empowering the affected to heal and thrive.	Building resilient communities with water security, clean energy, livelihoods, and environmental conservation.	Conserving cultural legacies and biodiversity to inspire, educate, and sustain future generations.	Engaging in social impact, our employees grow as changemakers while strengthening the communities they support.	Collaborating with Persistent Systems clients to foster impact through hands-on community initiatives, strengthening partnerships while making a difference.
Number of locations: 06 Number of Initiatives: 29 Beneficiaries: Unique: 19,604 Total: 35,107 Partnerships: 31	Number of locations: 12 Number of Initiatives: 10 Beneficiaries: Unique: 6,737 Total: 6,737 Partnerships: 15	Number of locations: 06 Number of Initiatives: 18 Beneficiaries: Unique: 21,713 Total: 23,622 Families: 600 Partnerships: 21	Number of locations: 03 Number of Initiatives: 06 Beneficiaries: 673 birds Partnerships: 06	Donors: Unique: 1,320 Total: 3,090 Donations: Employee Donation- INR 47.12 L Other- INR 34.79 L Volunteers: Unique: 5,841 Total: 10,296 Hours: 11,683	Instances: 16 Activities: 1. Tree plantation 2. Diya painting 3. Visit to school 4. School bag kitting

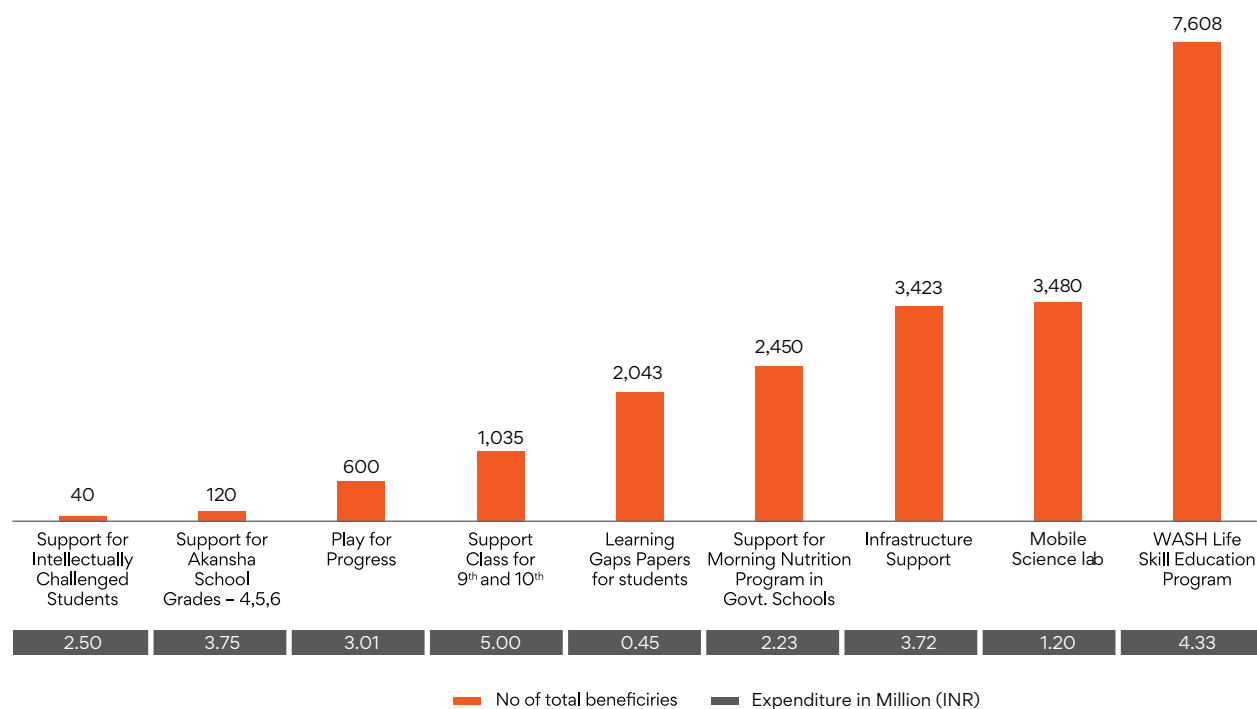
Education — Re-envisioning the blueprint for collective progress

Education is the cornerstone of societal progress, acting as the primary driver of economic growth, poverty reduction, and social mobility. Naturally, education remains a cornerstone of the Foundation's commitment to building inclusive and sustainable community. The Foundation's education initiatives focus on supporting students from underserved communities at different stages of their learning journey - ranging from school education to higher education and preparation for employment. In addition to academic support, the Foundation follows a holistic approach that combines academics with sports, digital learning, life skills, and career preparedness, helping students build confidence, practical abilities, and long-term career readiness.

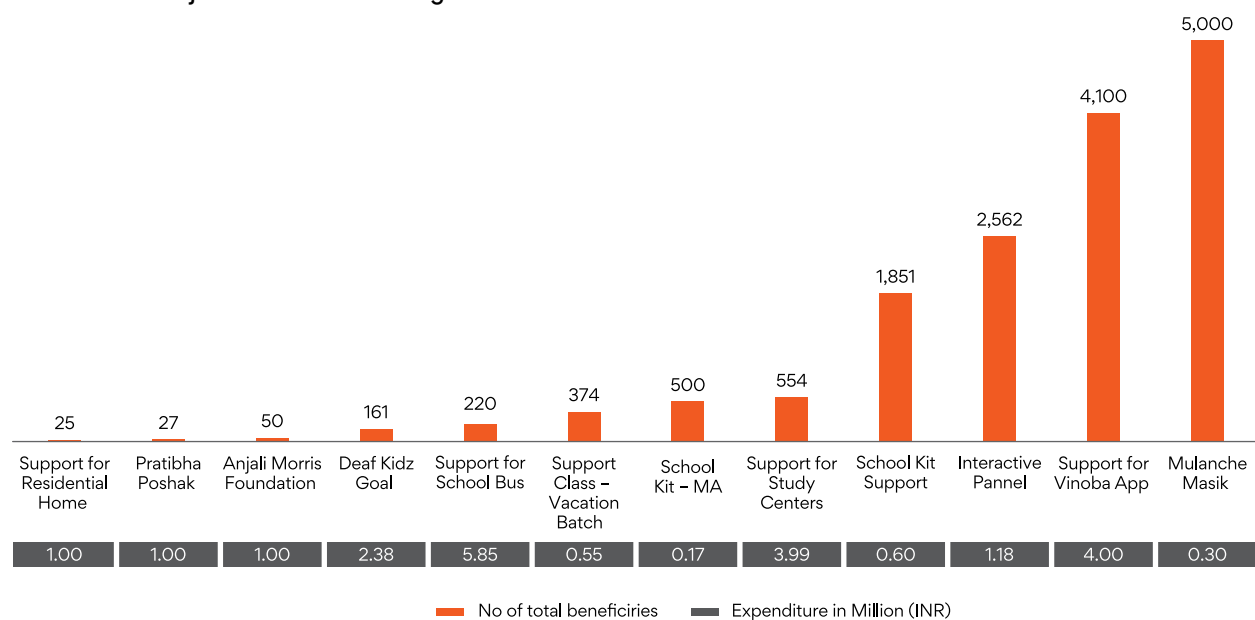
During the reporting period, the Foundation implemented education initiatives across six locations in partnership with 31 grassroots and institutional non-governmental organisations. Through 29 education-focused projects and 18 study centres, the Foundation supported 48 schools and four colleges. These initiatives reached 35,107 students, including 19,604 unique beneficiaries. A total investment of INR 724.56 lakh enabled the delivery of impactful, scalable, and sustainable education programmes, strengthening access to quality education in the communities served.

Academic Achievement	Achievement in Sports	Placement update	Projects with Specially Abled
90%+ students moved out of low-performing bands (<35%) across Math, Science, English & Marathi - Low-performing students reduced by 85–97% across subjects - High-performing students (76%+) increased nearly 4x at mid — assessment. Majority of learners shifted from remediation to proficiency within 6 months - Hands-on Science enabled 1,083 Grade 10 students to bridge theory and practice	100+ students' participation in competitions. State level competition participation - Goa — A student qualified for national sub junior Kabaddi team. Team received Bronze medal - Nagpur — A student achieved the 1st place in Discus Throw and 2nd place in Javlin. - Sports with Hearing Impaired students — trained 15 specially abled trainers - Goa — The Persistent Foundation Cup, 4 schools, 200 students, Games such as Kabaddi, Kho-Kho, and athletics were conducted	~30% (10 scholars) are placed, earning INR 0.36–3 Million per Annum - Highest Placement at Goldman Sachs - Over 85% rated the program 9–10 / 10 100% acknowledged positive impact through financial support, mentoring, and skill development - The feedback highlights tangible progress, confidence building, and career readiness, while also indicating a clear, genuine need for expanded placement support going forward - Skill Development — 289 trained; 140 placed with the income range of INR 16,000	- A student from an underprivileged home independently managing jewelry designing and marketing - Another student from an underprivileged home running a pet day care service - Trained 200 physically challenged youths with 50% placement achievement

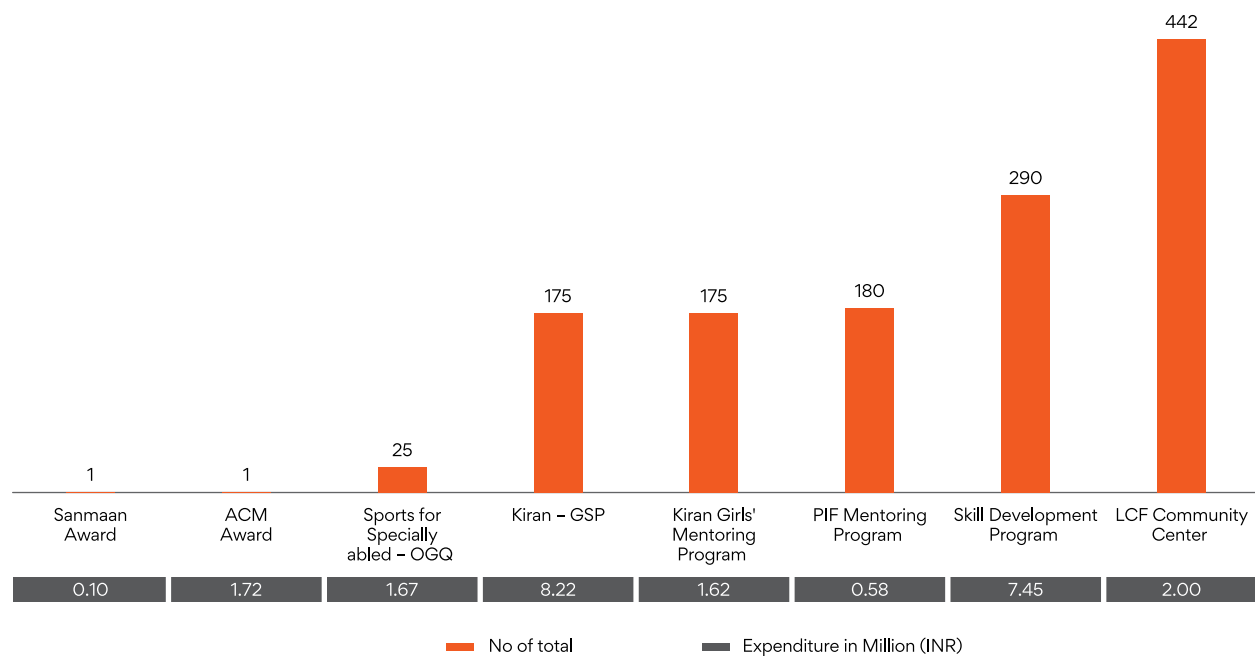
Education – Integrated School Development Programmes



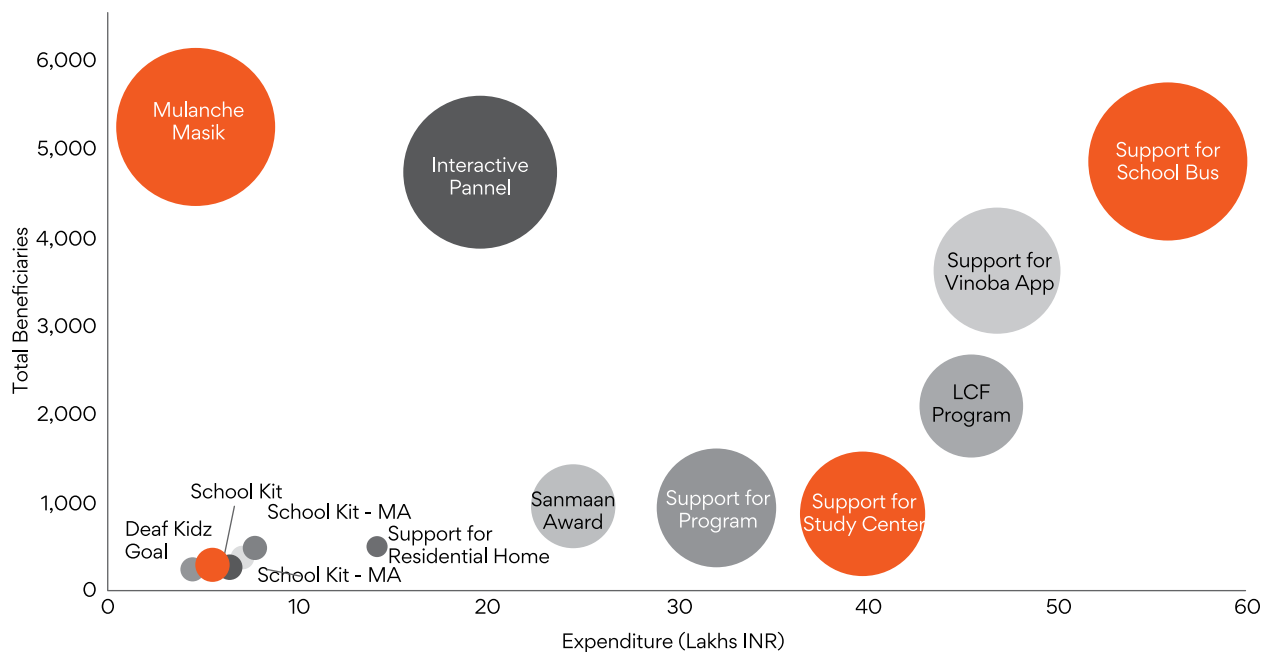
Education — Projects with School Going Children



Education — Skill Development and Other Programmes



Project Portfolio Efficiency: Total Beneficiaries, Expenditure, and Efficiency



Health — Helping our littlest fighters win their biggest battles

The Foundation's health initiatives are driven by a strong commitment to providing accessible, affordable, and preventive healthcare to underserved communities. The focus is on improving health outcomes by addressing both immediate medical needs and long-term well-being. The Foundation supports preventive care, treatment-based assistance, community outreach programmes, and specialised medical interventions to ensure timely and effective healthcare support for vulnerable populations.

Working closely with credible healthcare institutions and non-governmental organisations, the Foundation emphasises early diagnosis, timely treatment, and outreach to communities with limited access to quality healthcare services. Preventive healthcare remains a key priority, helping reduce disease burden and enabling early identification of health conditions. In addition, the Foundation provides support for specialised and high-cost medical procedures, ensuring that financial limitations do not prevent individuals from receiving essential treatment.

Key health interventions during the year included:

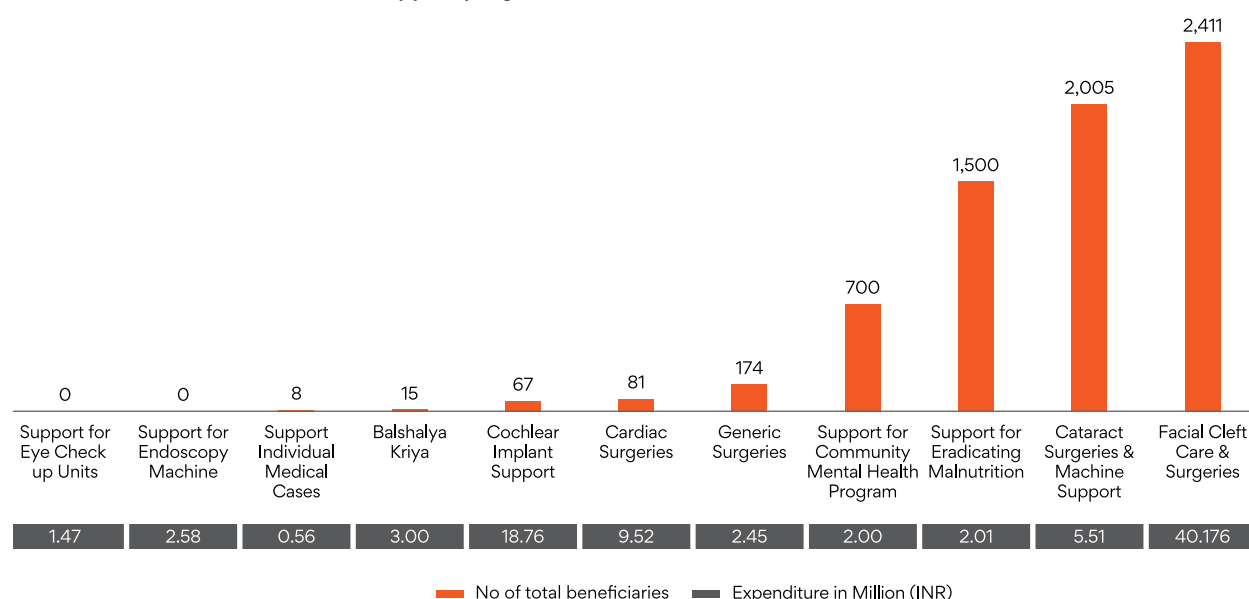
- Cochlear implant support for children with hearing impairment
- Cardiac surgeries for patients from economically disadvantaged backgrounds
- Support for essential and critical surgeries across multiple medical specialties

These interventions have played a vital role in saving lives and significantly improving the long-term quality of life for beneficiaries.

During the reporting period, the expenditure stood at INR 13,077 per beneficiary. The overall gender distribution of beneficiaries remained balanced, with 49% male and 51% female patients, reflecting the Foundation's inclusive approach to healthcare support.

Details	Cardiac Surgery	Cochlear Implant	Facial Cleft (surgery)	Balshalyakriya
No. of Partners	5	3	1	1
Youngest patient operated	8 days	1.7 years	1 month	5 years
Age range covered	8 days to 16 years	1.7 yrs to 20 years	1 month to 50 years	5 yrs to 27 years
Gender ratio	Male – 48% Female – 52%	Male – 67% Female – 33%	Male – 55% Female – 45%	Male – 27% Female – 73%

Health — Preventive Health Care Support program



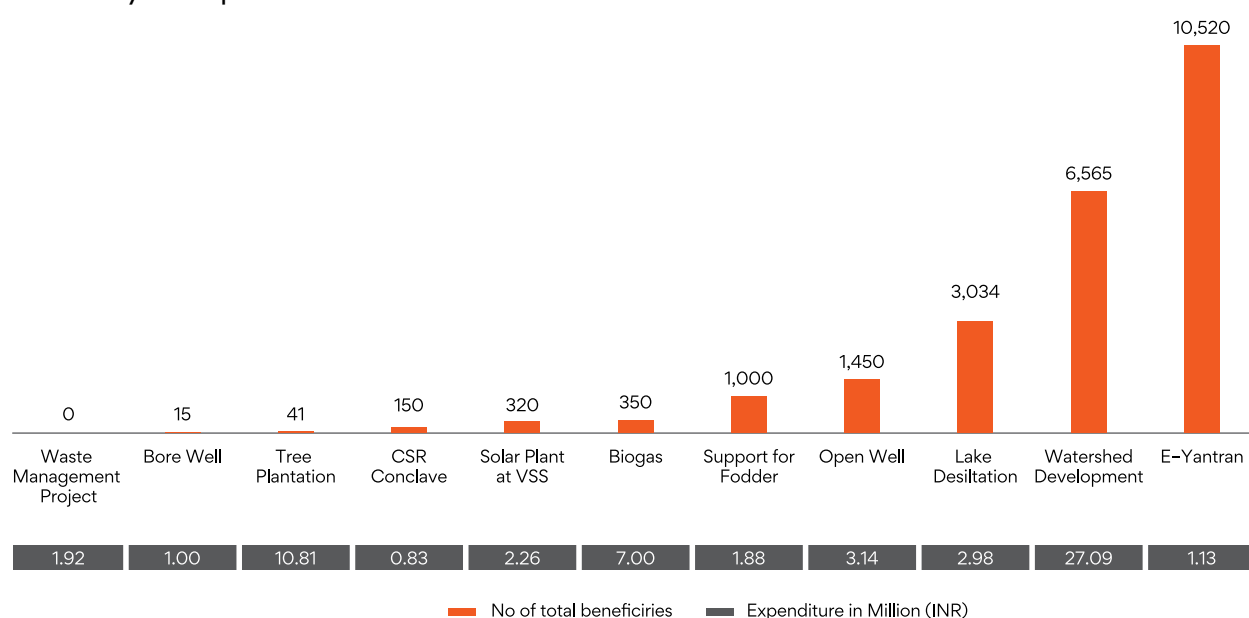
Community Development — Cultivating a sustainable future together

The Foundation's community development initiatives are based on the belief that lasting progress comes from strong and self-reliant communities. By working closely with local communities, the Foundation addresses everyday challenges while helping build the skills, resources, and infrastructure needed for long-term resilience. Its efforts span environmental protection, water conservation, livelihood support, and development of essential local infrastructure.

During the reporting period, community development programmes were implemented across multiple locations, with a strong focus on protecting natural resources, restoring local ecosystems, and creating sustainable livelihood opportunities. These initiatives were designed to meet local needs while delivering solutions that can be expanded and sustained over time. Collectively, the programmes benefited more than 28,000 individuals, contributing to improved environmental outcomes, income opportunities, and overall quality of life in the communities served. The expenditure per stakeholder stood at INR 2,678.00

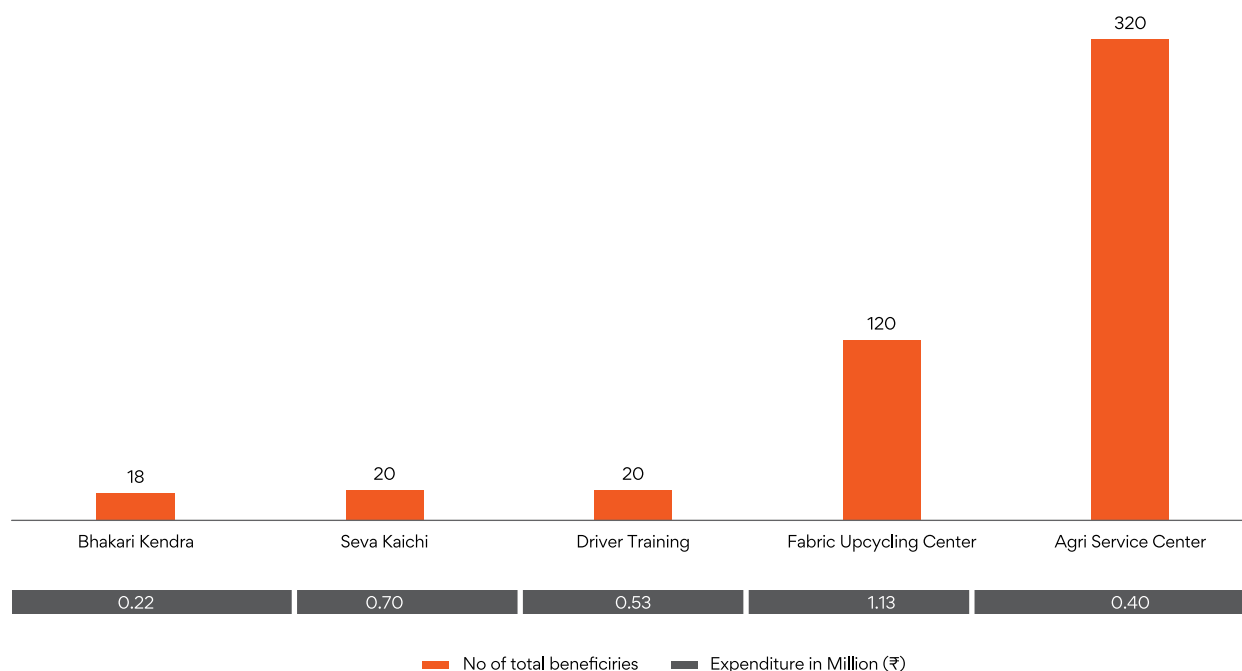
Tree Plantation	Watershed	Biogas	Livelihood Project	Open Well and Bore well
No. of locations – 7	No. of villages – 29	No. of villages – 123	No. of villages – 13	No. of partners – 2
No. of trees – 42360	Acreage of land – 495 acers	No. of biogas installed – 350	No. of partners – 3	No. of villages – 9
No. of beneficiaries – 41	Water storage capacity – 257 lakh liters	Cost saving – Rs. 3.85* Cr (Per Family Annual Average Saving of Rs. 1.10 L)	No. of trades – 10	No. of individuals covered – 1,465
Acreage of land – 45.24 Ha	No. of female calves born – 124		Gender ratio – (M) 60: (F) 40	Capacity created – 3.88 Cr litres

Community Development



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Community Development – Livelihood Project



Wildlife and Heritage conservation — Rooting advancement in our cultural and natural inheritance

As part of its commitment to protecting wildlife and maintaining ecological balance, the Foundation supported the use of technology to strengthen conservation efforts and reduce conflict between humans and wildlife. Drone cameras were deployed to track the movement of wild animals and monitor forest areas. These drones were also used for tiger census activities and to observe elephant movement in sensitive corridors. This enabled timely monitoring, better coordination on the ground, and quicker response to potential risks.

These efforts support the forest department in safeguarding wildlife habitats and help create awareness among local communities. By providing early alerts and reliable tracking information, the initiatives play an important role in preventing human-wildlife conflict and improving safety for both people and animals.

Alongside wildlife conservation, the Foundation also supported heritage preservation and public education by contributing to the upkeep and improvement of museum infrastructure. This included maintenance work and upgrades to essential facilities, enabling effective use of audio guide systems for visitors.

Infrastructure support was also extended to Shivrushti, a historic theme park in Pune, where digital display screens were installed to enhance storytelling and provide visitors with a more engaging and educational experience through immersive visual content.

In line with its CSR commitment to wildlife care, the Foundation also supported the operations of an aviary providing medical treatment to injured and rescued birds. During the year, 673 birds across six species received care, of which 509 were successfully rehabilitated and released back into their natural habitats. These efforts contributed meaningfully to biodiversity conservation and the restoration of local ecosystems.

No. of Locations	No. of Projects	No. of Partners	No. of Services	No. of Beneficiaries	Total Expenditure (In INR Million)
03	06	06	03	673 birds	2.30

Employee Engagement

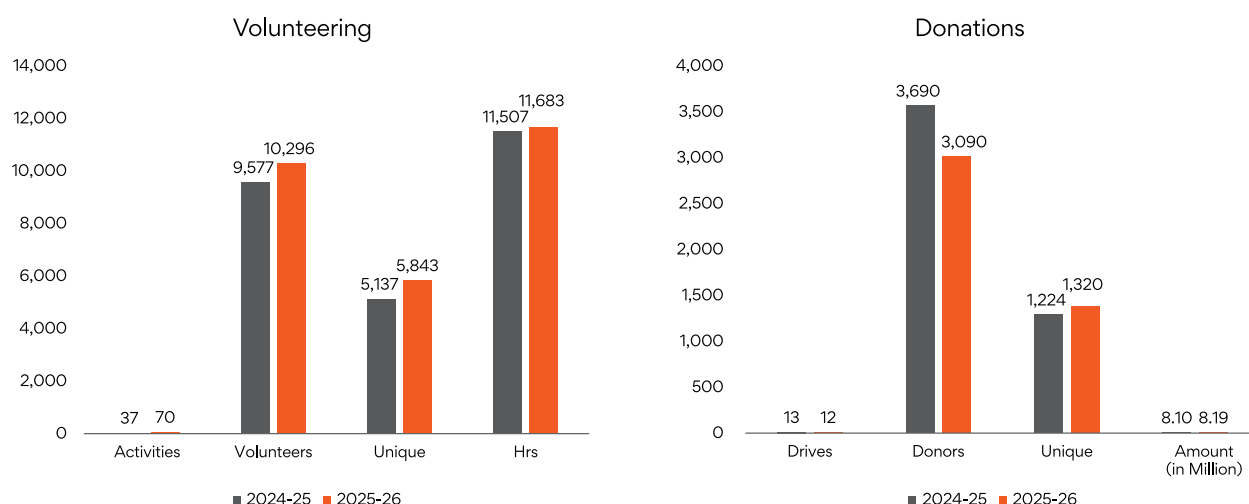
At the Foundation, employee engagement is at the heart of its CSR efforts, reflecting a culture where employees voluntarily contribute their time, skills, and care to support communities. Through well-structured volunteering opportunities across education, health, environment, and community development, employees are encouraged to participate actively and create meaningful social impact.

During the year, employee volunteering continued to see strong participation. A total of 5,841 employees contributed 11,683 hours across 70 initiatives. Overall, 299 volunteering activities were conducted across 15 locations, reflecting broad participation and geographic reach.

Volunteering programmes were designed to be inclusive and flexible, enabling employees across roles and locations to participate alongside their regular work commitments. On average, each volunteer contributed close to two hours, reflecting consistent and high quality engagement. Locations such as Pune, Nagpur, Hyderabad, and Goa recorded particularly strong participation, supported by effective local coordination and employee-led initiatives.

In addition to volunteering, employees actively supported the Foundation through donation drives, further strengthening the culture of giving. Employee contributions during the year amounted to INR 47.12 lakh, supplemented by INR 34.79 lakh from other sources. Together, these contributions played an important role in strengthening the Foundation's social programmes and extending their reach.

Details of Year-on-Year Comparison for FY 2024-25 and FY 2025-26



Total No. of instances for FY 2025-26 – 299
No. of Locations – 14

Employee Donation – INR 4.71 Million
Other – INR 3.48 Million

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Location-wise numbers for volunteering

Locations covered	No. of employees as on March 31, 2026	No. of unique volunteers	% of unique volunteers	No. of total volunteers	% of total No. of volunteers	No. of hours
Goa	580	227	39	753	130	1,392.75
Pune	10,450	4,066	39	6,812	65	7,582.75
Nagpur	1,264	422	33	975	77	1,058.5
Jaipur	229	54	24	78	34	59.5
Hyderabad	2,706	515	19	859	32	789.5
Vadodara	85	16	19	16	19	16
Indore	642	110	17	149	23	181
Gurugram	796	114	14	138	17	121
Chennai	601	64	11	102	17	66
Noida	1,115	97	9	106	10	91
Ahmedabad	237	13	5	13	5	13
Bengaluru	3,819	195	5	245	6	284.5
Mumbai	740	35	5	35	5	20
Kolkata	526	15	3	15	3	7.5
Total	23,790	5,943	25	10,296	43	11,683

Notes: Employee count for 14 India locations is considered

Per unique volunteer average hours – 2 hours

More details on the CSR Policy and projects are available on the Company's website at: [Corporate Social Responsibility | Persistent Systems](#)

2. Composition of the CSR Committee

The Board of Directors of your Company has constituted the CSR Committee to help the Company frame, monitor, and execute the CSR activities of the Company under its CSR scope. The Committee defines the parameters and observes them for effective discharge of the social responsibility of your Company.

The Chairperson of the CSR Committee is an Independent Director.

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year April 24, 2025	Number of meetings of CSR Committee attended during the year April 24, 2025
1.	Avani Davda	Chairperson of the Committee and Independent Director	1	1
2.	Dr. Anand Deshpande	Chairman and Managing Director	1	1
3.	Arvind Goel	Independent Director	1	1

3. Web links where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the Company

- CSR Policy: [csr-policy.pdf \(persistent.com\)](#)
- Composition of the CSR Committee: [Board of Directors Committees | Persistent Systems](#)
- CSR Annual Action Plan: [CSR Annual Action Plan for FY 2026-27](#)
- CSR Projects: [Archives Project | Persistent Foundation](#)

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

The average CSR obligation of the Company for the last three financial years exceeded INR 100 Million. Further, the Company has undertaken CSR projects with an outlay of INR 10 Million and above. Accordingly, in terms of the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rules'), the requirement to undertake Impact Assessment is applicable to the Company.

As prescribed under the CSR Rules, the Impact Assessment is carried out after completion of one year from the end of the financial year in which the relevant CSR project is completed.

During FY 2025-26, the Company undertook Impact Assessment for the eligible CSR projects completed in FY 2023-24, namely 'Support for Facial Cleft' and 'Support for Cochlear Implant Surgeries', and the same was completed by the end of Q1 FY 2025-26.

Further, during FY 2024-25, the prescribed thresholds for undertaking Impact Assessment were also exceeded for the CSR project 'Support for Facial Cleft'. Accordingly, after completion of the mandatory one year period, the Company undertook the Impact Assessment for the said project during FY 2026-27. These Impact Assessment Reports have been made available on the website of the Company.

The web links of the Impact Assessment Reports, along with their executive summaries, are provided below:

Sr. No.	Names of the Projects	Project Outlay (Amount in INR)	Financial Year in which projects were executed	Web-link
1.	Support for Facial Cleft	33.71 Million	FY 2023-24	Support for Facial Cleft - FY 2023-24
2.	Support for Cochlear Implant Surgeries	12.33 Million	FY 2023-24	Support for Cochlear Implant Surgeries - FY 2023-24
3.	Support for Facial Cleft	34.97 Million	FY 2024-25	Support for Facial Cleft - FY 2024-25

5. a. Average net profit of the Company as per Section 135(5): INR 11,885.47 Million
b. Two percent of the average net profit of the Company as per Section 135(5): INR 237.71 Million
c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
d. Amount required to be set off for the Financial Year, if any: Not Applicable
e. Total CSR obligation for the Financial Year 2025-26 (5a+5b-5c): INR 237.71 Million
6. a. Amount spent against other than ongoing projects for the Financial Year: INR 237.71 Million
b. Amount spent against ongoing projects for the Financial Year: Nil
c. Amount spent in Administrative Overheads: Nil
d. Amount spent on Impact Assessment, if applicable: Nil
e. Total amount spent for the Financial Year (6a+6b+6c+6d): INR 237.71 Million
f. CSR amount spent or unspent for the financial year:

Amount Unspent (in INR Million)					
Total Amount Spent for the Financial Year (in INR Million)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of fund	Amount	Date of transfer
237.71	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

g. Excess amount for set off, if any

Sr. No.	Particulars	Amount (In INR Million)
i.	Two percent of the average net profit of the company as per section 135(5)	237.71
ii.	Set off claimed	0
iii.	Total amount spent for the Financial Year	237.71
iv.	Excess amount spent for the Financial Years [(iii)-(i)]	0
v.	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	0
vi.	The amount available for set off in succeeding Financial Years [(iv)-(v)]	3.03*

*The Company had incurred excess CSR expenditure of **INR 3.03 Million** in **FY 2024-25**, which remains available for set off against future CSR obligations up to **FY 2027-28**.

7. a. **Details of Unspent CSR amount for the preceding three Financial Years:** Not Applicable
b. **Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):** Not Applicable
8. **Whether any capital assets have been created out or acquired through Corporate Social Responsibility amount spent in the Financial Year:** Yes
a. The details of **Capital Assets** created out of the CSR contribution can be found at the following link:
<https://www.persistent.com/wp-content/uploads/2026/06/csr-list-of-capital-assets-2025-26.pdf>
9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

On behalf of the Board of Directors

Anand Deshpande, Ph.D.

Chairman and Managing Director
DIN: 00005721

Pune, June 8, 2026

Avani Davda

Independent Director, Chairperson of the CSR Committee
DIN: 07504739

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Annexure E - Energy Conservation and Technology Absorption: Key Initiatives

The Company has achieved **carbon neutrality for Scope 1 and Scope 2 emissions for three consecutive years (FY 24, FY 25 and FY 26)**, as per ISO 14068-1:2023, reflecting its continued focus on climate action and responsible operations.

Carbon neutrality has been sustained through a combination of **energy efficiency improvements, increased renewable energy adoption, and implementation of climate-conscious policies across operations and the value chain**. The Company continues to align its approach with evolving global and national sustainability standards, with a focus on enhancing long-term environmental resilience.

The Company continues to enhance energy efficiency across its operations through a combination of green building design, technology adoption, and operational optimisation.

Key energy initiatives include:

Deployment of advanced HVAC solutions:

- Replacement of legacy systems with energy-efficient inverter-based systems using eco-friendly refrigerants (R32 / R410A)
- Implementation of demand-controlled ventilation systems to optimise energy use and enhance indoor air quality, reducing treated fresh air AHU power consumption
- Deployment of cold aisle containment in data centres to reduce HVAC energy load
- Installation of HVLS fans in large spaces to enhance comfort and reduce dependence on air conditioning
- Introduction of mist cooling systems in outdoor cafeterias and common areas
- Evaluation and adoption of adiabatic cooling solutions for 24x7 data centre and server room operations
- Automation of AHU for energy saving and human comfort

Lighting Optimisation Initiatives

- Complete transition to LED-based lighting infrastructure
- Adoption of automated, sensor-driven lighting systems, including occupancy and motion sensors, for efficient energy utilisation

Integrated Energy Management and Operational Efficiency

- Enabled centralised monitoring through an integrated Building Management System (BMS)
- Implemented dynamic optimisation of air conditioning operations, based on occupancy, seasonal variations and work schedules
- Incorporated energy-efficient design features such as double wall construction, low-E glazing, double-glazed units (DGUs), underdeck insulation, and optimised daylight utilisation
- Deployed power quality systems (ASVG, AHF, APFC) to maintain near-unity power factor and control harmonics
- Upgraded to high-efficiency modular UPS systems to minimise transmission and operational losses
- Transitioned to a 100% laptop-based computing environment to reduce energy demand and associated HVAC load
- Optimised operations through regulated scheduling of utilities including lifts, lighting, ventilation, water coolers, and vending machines during non-operating hours
- Installed Variable Frequency Drives (VFDs) in AHUs and fresh air systems for enhanced control and energy optimisation
- Implemented dynamic optimisation of air conditioning operations, based on occupancy, seasonal variations and work schedules

Sustainable Infrastructure and Green Building Practices

- Achieved **IGBC Platinum certification** for Pune facilities at Bhageerath and Ramanujan, and **LEED Gold certification** for the Ramanujan building
- Secured **BEE energy ratings** for key Pune facilities, including Bhageerath (2 Star) and Aryabhata–Pingala (1 Star)
- Optimised building design to maximise **daylight utilisation**, with approximately **56% of regularly occupied spaces** receiving natural daylight levels of 300 lux or higher
- Adopted **eco-certified materials and furniture**, with all new installations (including sofas, chairs, and tables) compliant with **BIFMA standards**
- Prioritised **local sourcing within a 500 km radius** to reduce transportation-related emissions
- Used **low-VOC materials**, including certified paints, adhesives, carpets (CRI Green Label Plus), and Green-Pro-certified plywood
- Incorporated **resource-efficient construction materials**, such as fly ash bricks and crushed sand, in place of conventional alternatives
- Installed **double-glazed units (DGUs) with low-E glass** for façades and windows, along with sound-insulated partitions to enhance thermal and acoustic performance
- Strengthened **indoor environmental quality** through improved insulation systems and integration of **indoor plants across office spaces**, supporting employee well-being

Steps taken for utilising alternate sources of energy

The Company continues to increase its reliance on renewable energy through a diversified approach:

Energy Mix, Renewable Contribution and Performance

Renewable Energy Contribution

- 68.22% across global operations
- 76.70% across India operations

Renewable Energy Sources

- **Solar Power:** 2 MWp rooftop capacity contributing 11.31%
- **Wind Energy:** 4.2 MW installed capacity contributing 20.19%
- **Green Tariff (grid-based renewable power):** 36.72%
- **Renewable Energy Certificates (RECs):** 20.40%
- **International RECs (iRECs):** 11.06%

Conventional Energy

- Grid power accounted for 31.78% of total energy consumption

Capital investment on energy conservation equipment

During FY 2025–26, the Company invested **INR 406.13 Million** towards energy conservation initiatives, including infrastructure upgrades, retrofits, and deployment of energy-efficient technologies.

Water Stewardship

Performance Highlights:

- 11.01% reduction in water consumption compared to the previous year
- 52% of treated wastewater in India-based owned campuses is reused within facilities
- 100% wastewater recycling achieved across owned campuses in India

Key initiatives include:

The Company has implemented a range of measures to enhance water efficiency and promote responsible usage across its facilities:

- Installation of auto-level control systems to prevent overflow from overhead tanks
- Deployment of touchless fixtures and aerators to reduce water consumption and avoid maintenance-related waste
- Implementation of a “no leaky tap” policy, ensuring timely repair of leakages
- Regular monitoring of water consumption through twice-daily meter readings
- Recycling of treated water for gardening and flushing at facilities in Pune, Nagpur, and Goa

- Utilisation of collected groundwater seepage for non-potable applications
- Implementation of rainwater harvesting systems for groundwater recharge across key locations
- Conducting awareness programmes to encourage responsible water usage among employees

Waste Management and Resource Efficiency

Performance Highlight: 96.21% Waste recycled

Key initiatives include:

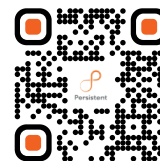
Given the Company's IT / ITES business model, material waste generation is limited; however, structured waste management practices are implemented to ensure responsible disposal and resource efficiency:

- Segregation of waste at source, including dry and wet waste streams, with disposal through municipal channels
- Disposal of e-waste and hazardous waste through authorised agencies approved by State Pollution Control Boards
- Initiative to refurbish end-of-life laptops and donate to NGOs and educational institutions, promoting reuse
- Significant reduction in single-use plastics, supported by awareness initiatives such as "No Plastic Days"
- Observance of "Zero Plate Wastage" campaigns and ongoing employee sensitisation programmes
- Adoption of paperless operations, with digital workflows and default double-sided printing, except where mandated
- Default two-sided printing to reduce paper consumption
- Recycling of all waste paper through authorised vendor partners
- Composting of garden waste to generate organic fertiliser
- Daily collection of dry waste through municipal-authorised partners such as 'Swachh'
- Enforcement of a no tobacco and no smoking policy across all facilities

In addition, the Company continues to promote low-carbon lifestyle practices:

- Elimination of single-use plastic items, including water bottles, spoons, plates, and other disposables
- Installation of electric vehicle (EV) charging stations at two-wheeler and four-wheeler parking areas, supported by centralised monitoring systems
- Introduction of electric vehicles for employee transportation (from April 2024) to reduce emissions and promote sustainable mobility

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Report on Corporate Governance

Company's beliefs on Corporate Governance

"Corporate governance is concerned with holding the balance between economic and social goals and aligning the interests of individuals, corporations and society."

- Sir Adrian Cadbury

Redefining Stakeholders for a Sustainable Future

Traditionally, the stakeholders of a public limited company have been defined in legal terms, comprising shareholders, debenture-holders, deposit-holders, and other security holders. While such a definition remains relevant, the Company believes that in the context of a modern and evolving business environment, the scope of stakeholders must extend far beyond statutory classifications.

At Persistent, we recognise that long-term value creation is intrinsically linked with the interests of all those who contribute to, and are impacted by, our operations. Accordingly, our approach to stakeholder engagement encompasses not only our investors, but also our employees and their families, customers, business partners, vendors, regulators, and the communities and ecosystems within which we operate.

In line with this philosophy, the Board of Directors has affirmed a broader and more inclusive definition of stakeholders. This approach aligns with the Company's sustainability vision and reinforces its commitment to creating shared and enduring value for all stakeholder groups.

Our Commitment to Responsible Governance

Corporate Governance is a fundamental cornerstone of our operations and is anchored in the principles of trust, transparency, and accountability. Our governance framework is designed to balance the interests of a diverse stakeholder base while enabling robust and ethical decision-making that supports sustainable business growth.

Integrity, inclusivity, and sustainability are fundamental to the Company's corporate culture. Through continuous enhancement of governance practices, we strive to uphold the highest standards of accountability while contributing positively to the broader economic, social, and environmental ecosystem.

This section presents an overview of how the Company engages with stakeholders, integrates Environmental, Social, and Governance (ESG) considerations into strategy, and seeks to deliver long-term sustainable value.

1. Employees and their Families

The Company's continued success is driven by the expertise, commitment, and dedication of employees. Senior employees play a critical role in shaping the Company's strategic direction and overseeing operations. Recognising the vital support extended by employees' families, the Company remains committed to safeguarding their overall well-being.

2. Clients

The Company provides services to its clients because of which we earn our revenue. Their satisfaction and delight are important focus areas of the Company's operations. Our clients are keen that we succeed and continue to deliver on our promises and hence, they are also vested in our success.

3. Partners

The Company collaborates with its partners to deliver value to its clients. These relationships are built on mutual trust and shared objectives. The Company believes that the strength and success of its partnerships are integral to its own growth and endeavours to support the long-term success of its partners.

4. Suppliers

The Company relies on a network of suppliers for various goods and services essential to its operations. Operational efficiency is closely linked to the quality and reliability of these contributions. The Company is committed to maintaining fair and sustainable relationships with its suppliers and supporting their long-term growth.

5. Shareowners/Investors

Shareowners are the owners of the Company and are the traditional stakeholders in the Company. They have invested in the Company, and we believe it is our responsibility to deliver fair returns to our shareowners.

6. Environment

It is a constant endeavour of the Company to conserve and preserve the environment. Over the years, the Company has focused on sustainable business practices encompassing economic, environmental, and social imperatives. The Company also works through Persistent Foundation and Persistent India Foundation, to support projects in the areas of environmental sustainability and ecological balance.

To maintain and strengthen relationships with its stakeholders, the Company has established structured mechanisms and governance processes. The Company remains aligned with global sustainability goals and continues to monitor and enhance its performance against ESG metrics.

Stakeholder relationships are managed through clearly defined roles and responsibilities across the organisation. The Board of Directors and leadership teams periodically review these activities to ensure adherence to the highest standards of governance.

The Nomination and Remuneration Committee ('NRC') oversees matters relating to employees, while the Stakeholders' Relationship and ESG Committee ('SRC') is entrusted with addressing the interests of investors, shareholders, and other security holders in accordance with applicable laws. The Company has also brought ESG oversight within the purview of the SRC to ensure focused Board-level attention to sustainability initiatives.

To enable a coordinated approach to stakeholder engagement, the SRC receives inputs from management and other relevant committees and prepares an annual report for submission to the Board. This report forms an integral part of the Company's disclosures.

The Company believes that strong Corporate Governance practices are essential for enhancing long-term stakeholder value. Continuous improvement in governance standards remains a key priority, enabling the Company to build trust, strengthen resilience, and support sustainable growth.

This Report on Corporate Governance reflects the Company's ongoing commitment to adhering to governance principles in both letter and spirit, while striving to maintain the highest standards of integrity and transparency.

1. Board of Directors

a. Size and Composition of the Board

As of March 31, 2026, the Board of Directors of the Company comprises of 3 (Three) Executive / Whole-Time and 7 (Seven) Independent Directors with rich professional backgrounds.

Independent Directors fulfil the criteria laid down by the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The Board is chaired by a full-time Executive Director who is also a Promoter of the Company.

Table 1: The composition of the Board and the details of outside directorships held by each of the Directors as of March 31, 2026

Director Identification Number (DIN)	Category	Indian Companies		Foreign Companies	Directorships in other Listed Entities	Name of Listed Entities	Number of Committee Positions Held	
		Public	Private				Chairperson	Member
Dr. Anand Deshpande# (DIN: 00005721)	Founder, Chairman and Managing Director	3	4	4	Nil	-	Nil	1

Director Identification Number (DIN)	Category	Indian Companies		Foreign Companies	Directorships in other Listed Entities	Name of Listed Entities	Number of Committee Positions Held	
		Public	Private				Chairperson	Member
Avani Davda (DIN: 07504739)	Independent Director	4	3	Nil	4 (Four)	1. Mahindra Logistics Limited, Independent Director 2. NIIT Limited, Independent Director 3. Emami Limited, Independent Director 4. Kolte-Patil Developers Limited, Independent Director	1	7
Arvind Goel (DIN: 02300813)	Independent Director	5	8	6	2 (Two)	1. Automotive Stampings and Assemblies Limited, Non-Independent Director 2. Kirloskar Oil Engines Limited, Independent Director	1	4
Dr. Ambuj Goyal (DIN: 09631525)	Independent Director	Nil	Nil	Nil	Nil	-	Nil	Nil
Anjali Joshi (DIN: 10661577)	Director	Nil	Nil	2	Nil	-	Nil	Nil
Praveen Kadle (DIN: 00016814)	Independent Director	5	6	3	3 (Three)	1. Veedol Corporation Limited (Formerly known as Tide Water Oil Co. (India) Limited), Independent Director 2. Atul Limited, Independent Director 3. Divgi Torqtransfer Systems Limited, Chairman of the Board & Independent Director	4	6

Director Identification Number (DIN)	Category	Indian Companies		Foreign Companies	Directorships in other Listed Entities	Name of Listed Entities	Number of Committee Positions Held	
		Public	Private				Chairperson	Member
Sandeep Kalra# (DIN: 02506494)	Executive Director and Chief Executive Officer	Nil	Nil	2	Nil	-	Nil	Nil
Dan'l Lewin (DIN: 09631526)	Independent Director	Nil	Nil	1	Nil	-	Nil	Nil
Dr. Ajit Ranade (DIN: 00918651)	Independent Director	2	2	Nil	Nil	-	Nil	1
Vinit Teredesai# (DIN: 03293917)	Executive Director and Chief Financial Officer	Nil	Nil	7	Nil	Nil	Nil	1

* Excluding directorship in Persistent Systems Limited

** Disclosure includes Chairpersonship / Membership of Committees as required for computation of the maximum number of Committees of which a Director can be Chairperson or Member in terms of Regulation 26 of Listing Regulations (i.e., Chairpersonship / Membership of Audit Committee and Stakeholders Relationship Committee in all Indian public companies, including Persistent Systems Limited and excluding all other private limited companies, foreign companies, and Companies registered under Section 8 of the Companies Act, 2013)

The number of Memberships of the Directors in the Committee includes the number of posts of Chairperson of the said Committee held in the listed entities, including Persistent Systems Limited.

Notes:

#Dr. Anand Deshpande was reappointed as the Managing Director of the Company w.e.f. July 21, 2025

#Sandeep Kalra was reappointed as an Executive Director of the Company w.e.f. October 1, 2025

#Vinit Teredesai was appointed as an Executive Director of the Company w.e.f. April 24, 2025

- In terms of Regulation 26 of the Listing Regulations, none of the Directors of the Company were members of more than 10 (Ten) Committees or acted as the Chairperson of more than 5 (Five) Committees across all companies in India, in which they are holding Directorships.
- The Board has adopted standards which assist the Board in evaluating the independence of its Directors in terms of Section 149(6) of the Companies Act, 2013 (the 'Act') and Regulation 16(1)(b) of the Listing Regulations. Further, the Independent Directors declared that they are 'Independent' and their directorships in the above companies and their committees do not conflict with the interest of Persistent Systems Limited.
- Based on the verification of these declarations, the Board of Directors confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act, and Regulation 16(1)(b) of Listing Regulations, and that they are independent of the management.

Inter se relationship between the Directors:

- Dr. Anand Deshpande, Chairman and Managing Director of the Company, along with Independent Directors Dr. Ajit Ranade and Mr. Arvind Goel are Directors on the Board of the Maharashtra Chamber of Commerce Industries and Agriculture (MCCIA) which is a Chamber of Commerce in Pune, India.

In addition to the disclosure of Chairpersonship / Membership of Committees of Directors disclosed in Table 1 above, the Chairpersonship / Membership of Directors of the Company in other Committees (including

Chairpersonship / Membership in the Company's Committees and excluding Chairpersonship / Membership in private limited companies and Audit Committees and Stakeholders Relationship Committees) of March 31, 2026, is given below:

Table 2: Chairpersonship / Membership of Directors of the Company in Other Committees excluding Membership / Chairpersonship in Audit Committee and Stakeholders Relationship Committee.

Name of the Director	Category	Membership in Committees*	Chairpersonship in Committees
Dr. Anand Deshpande	Chairman and Managing Director	1	Nil
Avani Davda	Independent Director	8	4
Arvind Goel	Independent Director	10	0
Dr. Ambuj Goyal	Independent Director	3	2
Anjali Joshi	Independent Director	2	Nil
Praveen Kadle	Independent Director	13	4
Sandeep Kalra	Executive Director and Chief Executive Officer	2	Nil
Dan'l Lewin	Independent Director	1	Nil
Dr. Ajit Ranade	Independent Director	2	Nil
Vinit Teredesai	Executive Director and Chief Financial Officer	1	Nil

*Committee Membership includes non-statutory committee memberships.

Membership includes Chairpersonship in Committees of the Company and other companies.

b. Brief Description of Terms of Reference of the Board of Directors

- i. To manage and direct the business and affairs of the Company
- ii. To manage, subject to the Articles of Association of the Company, its affairs, including planning its composition, selecting its Chairman, appointing Committees, establishing the terms of reference and duties of Committees, and, determining Directors' compensation
- iii. To act honestly and in good faith in the best interests and objects of the Company, its employees, its shareholders including minority shareholders, the community, and for the protection of the environment
- iv. To ensure that the Chief Executive Officer (CEO) and the Management operate in the best long-term interests of the Company and all stakeholders and to monitor the CEO's performance and as and when appropriate, make necessary changes
- v. To ensure that the succession planning is undertaken for the Chief Executives of the Company, including the Chief Executive Officer (CEO)
- vi. To plan, monitor and approve the remuneration payable to Key Managerial Personnel of the Company
- vii. To exercise due care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances and shall also exercise independent judgment
- viii. To participate directly or through its committees, in defining, developing and approving the mission of the business, its objectives and goals, and the strategy for their achievement
- ix. To ensure congruence between shareholders' expectations, the Company's goals, objectives, and management performance
- x. To monitor the Company's progress towards its goals and to revise and alter its direction in light of changing circumstances
- xi. To approve and monitor compliance with all significant policies and procedures by which the Company is operated

- xii. To ensure that the Company operates at all times within applicable laws and regulations and ethical and moral standards
- xiii. To ensure that the performance of the Company is adequately reported to shareholders, other stakeholders, and regulators on a timely and regular basis
- xiv. To ensure that the audited annual financial statements are reported fairly and in accordance with the Indian Accounting Standards ('Ind AS') issued by the Institute of Chartered Accountants of India and other processes and procedures as per the notified Secretarial Standards issued by the Institute of Company Secretaries of India
- xv. To ensure that any developments that have a significant and material impact on the Company are reported from time to time to the concerned authorities
- xvi. Not to be involved in a situation which may have a direct or indirect interest that conflicts, or possibly may conflict with the interest of the Company
- xvii. To protect the interests of minority shareholders
- xviii. Not to achieve or attempt to achieve any undue gain or advantage either to the Director himself or to his relatives, partners, or associates and if any director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company
- xix. Not to assign the Director's office and any assignment so made shall be void; and
- xx. To act in accordance with the laws and regulations of the country and the Memorandum and Articles of Association of the Company

c. Chart Setting out the Competencies of the Board

When inviting members to serve on the Board as Directors, an effort is made to ensure that the Board is a cohesive group with diverse expertise. Notionally, each Board Member represents an important function of the Company.

The Board of Directors takes into consideration the following parameters while nominating the candidates to serve on the Board:

1. Expertise in the Software Industry
2. Experience with Large-scale global operations
3. Sales, especially business to business sales
4. Strategy and Planning
5. Financial, Treasury Management and Taxation Expertise
6. Governance, Compliance and Audit purview
7. Risk Management
8. Technology Expertise
9. Training and HR Expertise
10. AI Expertise

The emphasis is on deep expertise in some areas rather than general expertise across all areas. It is important that the Board as a whole has diversity of expertise across all areas.

The table below highlights the specific areas of focus and expertise where individual Board Members contribute to Persistent's business. The absence of a mark against a Member's name does not necessarily mean the Member does not possess any corresponding knowledge.

Table 3: Details of the Specific Areas of Focus and Expertise of Individual Board Members

Name of the Director	Expertise in the Software Industry	Large-scale global operations	Sales, especially business to sales	Strategy and Planning	Financial, treasury anagement and taxation expertise	Governance, Compliance and Audit purview	Risk Management	Technology Expertise	Training and HR Expertise	AI Expertise
Dr. Anand Deshpande	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Avani Davda	-	✓	-	✓	✓	✓	✓	-	✓	-
Arvind Goel	-	✓	✓	✓	-	✓	✓	-	✓	-
Dr. Ambuj Goyal	✓	✓	✓	✓	-	-	✓	✓	✓	✓
Anjali Joshi	✓	✓	✓	✓	-	-	✓	✓		✓
Praveen Kadle	-	✓	-	✓	✓	✓	✓	-	✓	-
Sandeep Kalra	✓	✓	✓	✓	-	✓	✓	✓	-	✓
Dan'l Lewin	✓	✓	✓	✓	-	-	✓	✓	✓	✓
Dr. Ajit Ranade	-	✓	-	✓	✓	-	✓	-	✓	-
Vinit Teredesai*	-	✓	-	✓	✓	✓	✓	-	✓	-

*Mr. Vinit Teredesai was appointed as an Executive Director of the Company w.e.f. April 24, 2025.

d. Board Diversity

The Company acknowledges and respects the significance of diverse representation on the Board for better decision-making and its growth and success. Diverse Board composition will enable the Company to assess issues through a broader lens, through differences in ideas and points of view. Board diversity is considered along these dimensions: global experience, cultural and geographical background, age, ethnicity, gender, sexual orientation, knowledge, and skills.

The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on our website at <http://www.persistent.com/wp-content/uploads/2023/05/Board-Diversity-Policy.pdf>

e. Board Meetings and Deliberations

The Company Secretary, in consultation with the Chairman of the Board of Directors and the Chairpersons of the respective Board Committees, prepares the agenda and supporting documents for discussion at each Board / Committee meeting, respectively. Members of the Board or Committees may suggest items to be included in the agenda. In addition, they have the right to bring matters for discussion at the meeting with the permission of the Chairpersons.

Information and data that are important for the Board to understand the business of the Company and current affairs are tabled for discussion at the meeting. The agenda is circulated in writing to the members of the Board at least seven calendar days before the meeting in accordance with the provisions of the Companies Act, 2013 (the 'Act') and the Secretarial Standard – 1 ('SS-1') issued by the Institute of Company Secretaries of India.

The Chairman of the Board circulates a short Executive Summary that includes the following sections to the Board Members:

1. Highlights
2. Financial Summary
3. State of the Business
4. Items for Decisions in the Meeting
5. Items for Discussion
6. Items for the Board's information

The Executive Summary helps the Board Members to stay focused on the most important items for the meeting.

The Chief Executive Officer (CEO) also circulates the highlights of the business performance of the Company for every quarter to the Board and the Committees in advance. This enables the Board and the Committees to provide focused guidance to the Management during the meetings.

The Board and the Audit Committee meet in executive sessions at least four times during a financial year, typically, in the third week of the first month of the quarter, inter alia, to review the financial statement of the immediate past quarter and other items on the agenda. Additional meetings are held, as deemed necessary, to conduct the business. Those members of the Board, who are not able to participate in the Board meetings in-person participate through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with provisions of Section 173(2) of the Act read with rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 and the Secretarial Standard – 1 ('SS-1') issued by the Institute of Company Secretaries of India (Including any statutory modification(s) or re-enactment thereof for the time being in force).

The Executives of the Company, such as Business Unit Heads, Chief People Officer, Chief Operating Officer, Chief Planning Officer, Chief Delivery Officer, Chief Marketing Officer, General Counsel, Chief Information Officer, etc., are invited as needed to participate in Board and Committee meetings. The other Senior Management Personnel and Delivery Heads are invited to the meetings on a need basis.

In terms of the Companies Act, 2013, and Regulation 17 of the Listing Regulations, the gap between two Board meetings must not exceed 120 (One Hundred and Twenty) days; the Company strictly follows this. The maximum gap between two Board meetings during the Financial Year 2025-26 was 97 (Ninety-Seven days), i.e., from October 14, 2025, to January 19, 2026, which is within the permissible time limit.

During the year under report, the Board of Directors considered and accepted as appropriate the recommendations of the various Committees unanimously.

During the Financial Year 2025-26, 5 (Five) meetings of the Board of Directors were held on:

1. April 22, 23 and 24, 2025
2. June 6, 2025
3. July 22 and 23, 2025
4. October 13 and 14, 2025, and
5. January 19 and 20, 2026

Table 4: Attendance of Directors at the Board Meetings and Annual General Meeting held during the year:

Name of the Director	Board Meetings held on					AGM
	April 22, 23 and 24, 2025	June 6, 2025	July 22 & 23, 2025	October 13 & 14, 2025	January 19 & 20, 2026	July 21, 2025
Dr. Anand Deshpande	C	C	C	C	C	C
Avani Davda	Y	Y	Y	Y	Y	Y
Arvind Goel	Y	Y	Y	Y	Y	Y
Dr. Ambuj Goyal	Y	Y	Y	Y	Y	Y

Name of the Director	Board Meetings held on					AGM
	April 22, 23 and 24, 2025	June 6, 2025	July 22 & 23, 2025	October 13 & 14, 2025	January 19 & 20, 2026	July 21, 2025
Anjali Joshi	Y	Y	Y	Y	Y	Y
Praveen Kadle	Y	Y	Y	Y	Y	Y
Sandeep Kalra	Y	Y	Y	Y	Y	Y
Dan'l Lewin	Y	Y	Y	Y	Y	Y
Dr. Ajit Ranade	Y	Y	Y	Y	Y	Y
Vinit Teredesai*	Y*	Y	Y	Y	Y	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

* Mr. Vinit Teredesai was appointed as an Executive Director of the Company w.e.f., April 24, 2025

Further, certain permissible and urgent decisions were taken by passing the resolutions by way of circulation and were subsequently noted and taken on record by the Board at its next meetings.

f. Performance Evaluation of the Board, its Committees and Individual Directors

The Company conducted the annual performance evaluation of the Board, the Chairman, its various Committees and the Directors individually, including the Independent Directors. In accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation was undertaken with the assistance of an external management consultant specialising in Board evaluations.

The evaluation was carried out through a structured process covering various aspects of the Board's functioning, including composition and structure, effectiveness of Board processes, quality and timeliness of information flow, engagement and participation in deliberations, strategic oversight, governance effectiveness, risk management and compliance, along with qualitative inputs and perspectives on the future direction of the Board and the Company. The performance of the Board was assessed through inputs obtained from all Directors and select senior management executives.

The evaluation process also covered the performance of the Board Committees against the requirements of their respective charters and the effectiveness in discharging their responsibilities. The external consultant conducted one-on-one interactions with each Board Member to obtain detailed feedback.

The Board reviewed and discussed the outcomes of the evaluation in an executive session and noted that the Board, its Committees and the Directors, including the Independent Directors, continued to function effectively and demonstrated a high level of engagement, objectivity and preparedness in their roles. The evaluation process also enabled identification of areas for continuous improvement further improving overall Board effectiveness. The Board has taken note of these inputs and will address them as part of its ongoing governance and development initiatives.

The evaluation for FY 2025-26 was conducted in March and April 2026. The findings of the evaluation were presented at the meetings of the Nomination and Remuneration Committee and the Board of Directors held in April 2026.

2. Committees of the Board of Directors

As of March 31, 2026, the Company has following 7 (Seven) Committees of the Board of Directors:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship and ESG Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Executive Committee (Non-statutory)
- Investment Committee (Non-statutory)

Memberships of Executive and Non-Executive Directors in all the Board Committees of the Company as on March 31, 2026

Membership in Persistent Board Committees									
DIN	Name	Designation	AC	NRC	SRC	RMC*	CSR	EC	IC
00005721	Dr. Anand Deshpande	Chairman and Managing Director							
07504739	Avani Davda	Independent Director							
02300813	Arvind Goel	Independent Director							
09631525	Dr. Ambuj Goyal	Independent Director							
10661577	Anjali Joshi	Independent Director							
00016814	Praveen Kadle	Independent Director							
02506494	Sandeep Kalra	Executive Director and Chief Executive Officer							
09631526	Dan'l Lewin	Independent Director							
00918651	Dr. Ajit Ranade	Independent Director							
03293917	Vinit Teredesai	Executive Director and Chief Financial Officer							
NA	Debashis Singh*	Chief Information Officer							

⊞ Chairperson of the Committee

⊞ Member of the Committee

*Debashis Singh, Chief Information Officer, is not a Director but a Member of the Risk Management Committee

Most of the Board Committees are represented by a combination of Executive and Independent Directors. The Chairpersons of all the Committees are Independent Directors.

During the Financial Year 2025 -26, 2 (Two) separate meetings, exclusively of the Independent Directors, were held on April 24, 2025 and July 22, 2025, in which the Independent Directors transacted the following businesses, along with a few other important strategic and policy-related matters:

1. Reviewed performance of the Executive Directors, the Board as a whole and Management of the Company.
2. Discussed the quality, quantity and timeliness of the flow of information between the Directors and the Management of the Company.
3. Discussed the strategic matters of the Company and the current state of the global IT industry.
4. Discussed the business continuity plan in the organisation.

As per the Terms of Reference of the respective Committees, the Committees deliberate on the matters assigned to them by the Board at the time of formation or as mandated by the statutes. Information and data that are important for the Committees to discuss the matters are distributed in writing to the members of the Committees well in advance of the meeting.

Recommendations of the Committees were submitted to the Board to decide on the matters requiring the Board's decisions. During the year, the Board accepted and approved all the recommendations received from various Committees. In any case, the minutes of all Committee meetings are circulated to the Board members for information / noting.

Modes through which the Board & Committee Meetings are held

In terms of Section 173(2) of the Act read with the Companies (Meetings of Board and its Powers) Amendment Rules, 2021, the meetings of the Board and its Committees were held either in person or in hybrid mode. The participation of the Directors through Video Conferencing (VC) or by Other Audio Visual Means (OAVM) counted for the purposes of quorum in accordance with the guidelines issued by the Institute of Company Secretaries of India (ICSI) through the Secretarial Standard - 1 as updated from time to time.

A. Audit Committee

Brief Description

The Audit Committee was voluntarily constituted by the Board at its meeting held on April 23, 2004, even before the Company was converted into a public limited company.

The Audit Committee ensures prudent financial and accounting practices, fiscal discipline, and transparency in financial reporting. One of its important terms of reference is reviewing the quarterly financial statements and recommending them to the Board for adoption.

All the Committee members are financially literate, and the Chairman is a financial management expert. As a prudent Corporate Governance Practice, the Audit Committee consists exclusively of Independent Directors.

Table 5: Composition of the Audit Committee of the Board of Directors as of March 31, 2026

Name of the Director	Category
Praveen Kadle	Chairman of the Committee and Independent Director
Avani Davda	Independent Director
Dr. Ajit Ranade	Independent Director

In addition to the Audit Committee members, Statutory Auditors, Internal Auditors, Chief Financial Officer, Chief Planning Officer, Chief People Officer, Chief Operating Officer, Chief Information Officer, Chief Risk Officer, Head - Ethics Committee and other executives are invited to the Audit Committee Meetings, on need basis.

The Company Secretary of the Company is the Secretary of the Committee.

Necessary information, such as Management Discussion and Analysis of financial performance and operations, statement of significant related party transactions submitted by the Management, Management letters, internal controls issued by the Statutory Auditors, internal audit reports relating to internal control weaknesses and the terms relating to internal auditors in terms of Regulation 18 of Listing Regulations are reviewed by the Audit Committee.

In accordance with Section 188 of the Act, the Committee considers Related Party Transactions, material modifications thereto and all the material Related Party Transactions of the Company, if any, for its approval. The Committee meets Statutory Auditors without executive management every quarter.

The Committee has the following powers and responsibilities, including but not limited to —

- i. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible
- ii. To review, with the management, annual financial statements, and auditor's report before submission to the Board for approval, with particular reference to —
 - a. Matters required to be included in the Directors' Responsibility Statement are to be included in the Board's report in Clause (5) of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with the listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
- iii. To review, with the management, the quarterly financial statements before submission to the Board for approval
- iv. To recommend to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and fixation of audit fees

- v. To grant approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors
- vi. To hold discussion with the Statutory Auditors before the audit commences about the nature and scope of the audit, as well as a post-audit discussion to ascertain any area of concern
- vii. To review management letters/letters of internal control weaknesses issued by the Statutory Auditors
- viii. To recommend the appointment, removal, and terms of remuneration of the Chief Internal Auditor
- ix. To discuss with the Internal Auditors on any significant findings and follow up thereon
- x. To review internal audit reports relating to internal control weaknesses
- xi. To review, with the management, the performance of statutory and internal auditors and adequacy of internal control systems
- xii. To review the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit
- xiii. To review the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and report the matter to the Board
- xiv. To review the management discussion and analysis of financial condition and results of operations
- xv. To review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- xvi. Approval or any subsequent modification of transactions of the Company with the related party
- xvii. To review substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors
- xviii. To develop a policy on the engagement of Statutory Auditors for non-audit services
- xix. To ensure compliance with the Statutory Auditors' recommendations
- xx. To meet Internal and Statutory Auditors without the presence of the Company's executive management annually
- xxi. To confirm the engagement of an Independent valuer for the Valuation of shares, whenever called for, and verify whether the Valuer for valuation has an advisory mandate and had a past association with the Company management
- xxii. To review certificates regarding the compliance with legal and regulatory requirements
- xxiii. To review the functioning of the Whistleblower mechanism
- xxiv. To review, with the management, the statement of uses / application of funds raised through an initial public offering of the Company, the statement of funds utilised for purposes other than those stated in the prospectus and making appropriate recommendations to the Board to take up steps in this matter
- xxv. Approval of appointment of a CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc, of the candidate
- xxvi. Scrutiny of inter-corporate loans and investments
- xxvii. To carry out any other function as is mentioned in the terms of reference of the Audit Committee and entrusted by the Board
- xxviii. To review the utilisation of loans and/or advances from / investment by the holding company in the subsidiary exceeding INR 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

xxix. To review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively

xxx. To review the consideration of rationale, cost-benefits, and impact of schemes involving merger, demerger, amalgamation, and allied activities in this regard

The Audit Committee is further empowered to do the following:

- i. To investigate any activity within terms of reference
- ii. To seek information from any employee
- iii. To obtain outside legal professional advice, and
- iv. To secure attendance of outsiders with relevant expertise, if it considers it necessary

Meetings and Attendance

4 (Four) meetings of the Audit Committee were held during the Financial Year 2025-26.

Table 6: Details of the attendance at the Audit Committee Meetings held during the Financial Year 2025-26

Name of the Director	Audit Committee Meeting			
	April 22, 2025	July 22, 2025	October 13, 2025	January 19, 2026
Praveen Kadle	C	C	C	C
Avani Davda	Y	Y	Y	Y
Dr. Ajit Ranade	Y	Y	Y	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

Further, certain permissible and urgent decisions were taken by passing the resolutions by way of circulation and were subsequently noted and taken on record by the Board and the Audit Committee at their next meetings.

During the year, the Audit Committee reviewed key matters relating to financial reporting, internal controls, and group structure, including entity rationalisation initiatives and enhancements to compliance monitoring tools, contributing to a strengthened control environment. The Committee reviewed and approved the quarterly and annual financial statements prior to their submission to the Board, and concluded that the financial statements present a true and fair view of the financial position and performance of the Company.

The Committee maintained robust oversight by ensuring independent sessions with auditors without management presence and encouraging constructive challenge, enabling effective governance and informed decision-making.

Those Charged with Governance (TCWG) Committee

Your Company has constituted a 'Those Charged with Governance (TCWG) Committee' pursuant to the National Financial Reporting Authority ('NFRA') Circular dated January 7, 2026, with the framework becoming effective from April 1, 2026. TCWG comprises the Board of Directors, with the Audit Committee acting as a delegated sub-group, along with key executives including the Chairman and Managing Director, Executive Directors (CEO and CFO), and the Company Secretary. TCWG is responsible for overseeing strategic direction, financial reporting, internal controls, audit matters, and ensuring appropriate escalation of significant issues such as fraud, going concern risks, and regulatory non-compliance to the Board. The Company has designated nodal persons from both sides to facilitate communication as follows:

Company's Side	Statutory Auditor's Side
Audit Committee Chair	Engagement Partner

As per the framework, TCWG meets at least twice annually—once in the first week of December for audit planning and once at the end of March to discuss initial audit observations—apart from regular Audit Committee meetings. Minutes of these meetings are formally documented (including oral discussions), prepared by the Company Secretary, maintained permanently, and placed as annexures to the Audit Committee agenda and minutes.

B. Nomination and Remuneration Committee

Brief Description

The Nomination and Remuneration Committee of the Board (the 'NRC') was constituted on July 24, 2019. It replaced the erstwhile two committees, namely, the Compensation and Remuneration Committee, and Nomination and Governance Committee, which have been in existence since before the Company was converted into a public limited company.

The Chairman and all members of the Committee are Independent Directors.

The Company Secretary of the Company is the Secretary of the Committee.

Table 7: Composition of the Nomination and Remuneration Committee of the Board of Directors as of March 31, 2026

Name of the Director	Category
Dr. Ambuj Goyal	Chairman of the Committee and Independent Director
Arvind Goel*	Independent Director
Dan'l Lewin	Independent Director
Dr. Ajit Ranade	Independent Director

*Mr. Arvind Goel was appointed as the member of the Nomination and Remuneration Committee with effect from April 24, 2025.

The Committee is constituted with powers and responsibilities including but not limited to:

- i. To develop a pool of potential director candidates for consideration in the event of a vacancy on the Board of Directors
- ii. To determine the future requirements for the Board as well as its Committees and make recommendations to the Board for its approval
- iii. To identify, screen, and review individuals qualified to serve as executive directors, non-executive directors and independent directors. Further, for every appointment of an independent director, NRC shall evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and,
 - c. consider the time commitments of the candidates.
- iv. To provide its recommendation to the Board for the appointment of CEO, CxO Level Employees, and Senior Management
- v. To evaluate the current composition and governance of the Board of Directors and its Committees, and make appropriate recommendations to the Board whenever necessary
- vi. To evaluate and recommend the termination of membership of an individual director for cause or other appropriate reasons
- vii. To evaluate and make recommendations to the Board of Directors concerning the appointment of Directors to the Board Committees, and the Chairman for each of the Board Committees

- viii. To recommend to the Board, candidates for
 - a. Nomination for the re-election of Directors by the Shareholders; and,
 - b. Any Board vacancies which are to be filled by the Board
- ix. To play a consultative role for any appointment at the top management level, namely, COO, CMO, CFO, President of Persistent Systems Inc., or appointment requiring Board approval, such as Company Secretary
- x. To carry out annual / periodic performance review of the Board of Directors individually and collectively as well as for its various committees on behalf of / as desired by the Board of Directors
- xi. To review the general compensation policy of the Company (including that of ESOPs) and convey its recommendation to the Board, if any
- xii. To advise the Board in framing remuneration policy for Key Managerial Personnel, CXO Level Employees and Senior Management of the Company from time to time
- xiii. To make recommendations to the Board about the Company's policy on specific remuneration packages for Executive Directors, including pension rights and any compensation payment
- xiv. To determine and decide the following ESOP-related activities:
 - a. To decide the quantum of equity shares/options to be granted under Employee Stock Options Schemes (ESOS), per employee and the total number in aggregate
 - b. To determine at such intervals, as the Committee considers appropriate, the persons to whom shares or options may be granted
 - c. To determine the exercise period within which the employee should exercise the option and condition in which option will lapse on failure to exercise the option within the exercise period
 - d. To decide the conditions under which shares, or options vested in employees may lapse in case of termination of employment for any reason
 - e. To lay down the procedure for making a fair and reasonable adjustment to the number of shares or options and to the exercise price in case of rights issues, bonus issues and other corporate actions
 - f. To lay down the right of the employee to exercise all the options vested in him at one time or at various points of time within the exercise
 - g. To specify the grant, vest and exercise of shares / options in case of employees who are on long leave
 - h. To construe and interpret the plan and to establish, amend and revoke rules and regulations for its administration
 - i. NRC may correct any defect, omission or inconsistency in the plan or any option and /or vary / amend the terms to adjust to the situation that may arise
 - j. To approve the transfer of shares in the employees' name at the time of exercise of options by such employee under ESOS and other schemes
 - k. To lay down the procedure for the cashless exercise of options, and
 - l. To attend to any other responsibility as may be entrusted by the Board

The Nomination and Remuneration Committee is further empowered:

- i. To conduct or authorise studies of matters within the Committee's scope of responsibility with full access to all books, records, facilities and personnel of the Company
- ii. To hire legal, accounting, financial or other advisors in their best judgment
- iii. To have sole authority to retain or terminate any search firm to be used to identify Director candidates
- iv. To have sole authority to approve the search firm's fees and other retention terms

- v. The Committee may act independently in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board
- vi. The Committee may consider advice and recommendations from the management, shareholders or others, as it deems appropriate, and,
- vii. The Company conducts a performance evaluation of the Independent Directors and Board as a whole by an External Management Consultant, and the findings of the evaluation are presented at the meeting. The Committee then considers recommendations/Results on the Directors' performance before re-appointing a Director, and measures to increase the Board's effectiveness are considered

Meetings and Attendance

The Nomination and Remuneration Committee generally meets in the first or second quarter and the last quarter of the financial year to recommend the remuneration to be paid to the Managing Director, Executive Director/s and Key Managerial Personnel of the Company, to advise the Board in framing and updating the Remuneration Policy for the employees in Persistent Group including Key Managerial Personnel and Senior Management Personnel of the Company from time to time and to recommend to the Board, the Directors retiring by rotation to be reappointed at the Annual General Meeting. The NRC also recommends potential candidates to be appointed as Directors, Key Managerial Personnel, and Senior Management Personnel from time to time. Apart from this, the NRC meets as and when there is any business to be transacted which has been assigned to it.

2 (Two) meetings of NRC were held during the Financial Year 2025-26.

Table 8: Details of the Attendance at NRC Meetings during the Financial Year 2025-26

Name of the Director	Nomination and Remuneration Committee Meeting	
	April 23, 2025	June 6, 2025
Dr. Ambuj Goyal	C	C
Arvind Goel*	NA	Y
Dan'l Lewin	Y	Y
Dr. Ajit Ranade	Y	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

*Mr. Arvind Goel was appointed as a member of the Nomination and Remuneration Committee with effect from April 24, 2025.

Certain permissible and urgent decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted and taken on record by the Board and NRC at their next meetings.

During the year, the Nomination and Remuneration Committee reviewed key matters relating to leadership, succession, and remuneration. The Committee approved the transition of ESOP vesting criteria to a fully performance-based structure, aligning with RSUs and strengthening the pay-for-performance philosophy. It also undertook the annual performance evaluation of the Board, Committees and Directors, and reviewed succession planning and key talent pipelines.

The Committee further evaluated and approved key appointments in senior management, ensuring alignment with the Company's strategic priorities, reflecting its effective oversight in strengthening leadership and governance practices.

Remuneration Policy

The Remuneration Policy for the Executive Directors, Key Managerial Personnel, Senior Managerial Personnel and other employees of the Company and its subsidiaries is available on our website at <https://www.persistent.com/wp-content/uploads/2022/06/Persistent-Systems-Remuneration-Policy.pdf>

The broad remuneration structure of the Executive Directors, Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) include any of the following components:

- a. Basic Pay
- b. Perquisites and Allowances
- c. Commission (Applicable in case of Executive Directors)
- d. Long term incentives (such as ESOPs and / or Deep-Discounted Options)
- e. Annual Performance Bonus
- f. Any other component as may be mandatory in terms of the local statutory payroll norms for any employee.

The Variable Components of the Key Managerial Personnel and Senior Managerial Personnel of the Company are as follows:

- a. Company Performance Bonus (CPB)
 - i. Based on Company Revenue and
 - ii. Based on Company Profits
- b. Individual Performance Bonus (IPB)
 - i. Based on Individual Objectives as set in Performance Management and Health Management system (PHMS).
- c. Soft Parameters
 - i. As decided by reporting manager

Remuneration to the Directors

The Company pays the Executive Directors remuneration by way of salary, benefits, perquisites and allowances (fixed component), and performance incentives (variable component). Annual increments are decided by the NRC and are within the range of the remuneration approved by the Members.

Independent Directors are paid a fixed commission that is determined at the beginning of the year. In addition, Independent Directors are paid a sitting fee when they attend Board / Committee meetings. The Company also provides travel and accommodation to all Board Members to attend Board and Committee meetings and other Company events as required.

There is no pecuniary and non-pecuniary relationship between the Independent Directors vis-a-vis the Company except as stated above.

All the Non-Executive Directors are entitled to payment of commission at a sum not exceeding 1% per annum of net profits calculated as per Section 198 of the Companies Act, 2013. The Company is in compliance with the statutory requirements w.r.t. payment to the Non-Executive Directors.

The total managerial remuneration not to exceed 23% of the net profits of the Company (INR 4,859 Million for FY 2025-26) and the total remuneration to the managerial persons not to exceed 22% of the net profits of the Company (INR 4,648 Million for FY 2025-26) in accordance with Section 197 of the Act. The Company is in compliance with both these statutory requirements.

Table 9 and Table 10 give details of remuneration paid to Executive, and Independent Directors of the Company, in the Financial Years 2024-25 and 2025-26.

Directors Access to Senior Management and Director Orientation

The Directors of your Company have direct and unrestricted access to the senior management and other employees of the Company as they are part of the decision-making structure that oversees the Company's operations and strategic direction.

Newly appointed Directors are provided an orientation / familiarisation program to familiarise them with the business verticals and functions. The Board goes through informative sessions on a variety of topics throughout the year in its quarterly Board Meetings.

Succession Planning

- i. The Board reviews the NRC's updates on the performance of Key Managerial Personnel and Senior Management Personnel. The Board also works with the NRC to evaluate potential successors to the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and other senior management
- ii. Regarding the senior management's regular succession planning exercise, the Board evaluates internal and external candidates on a need-basis. To find external candidates, the Board seeks input from the members of the Board, senior management, and reputed recruitment firms
- iii. To develop internal candidates, the Company engages in several practices, formal and informal, designed to familiarise the Board with the available talent pool. The formal process involves a periodic talent review of the senior management, at which the executive leadership assesses the most promising leaders. The executive leadership learns about each person's experience, skills, areas of expertise, accomplishments, and goals. In addition, the senior management is also invited to the business sessions in the board meetings and various strategy sessions organised at the Company. The purpose of the formal review and other interactions is to familiarise the executive leadership with the talent pool inside the Company from which the NRC / Board could choose successors to the senior management and evaluate succession for other senior managers as necessary from time to time
- iv. The complete list of Senior Management Personnel of the Company, including the changes therein as of the date of this report is available at <https://www.persistent.com/wp-content/uploads/2026/06/list-of-senior-managerial-personnel-2026.pdf>

In the 35th AGM of the Company held in FY 2024-25, your Company sought approval to increase the overall managerial remuneration from 11% to 23%. Further, approval was also sought to pay a remuneration in excess of 5% but not exceeding 21% to Mr. Sandeep Kalra. The Members approved the aforesaid revision in the limits of remuneration payable to the Executive and Non-Executive Directors.

Table 9: Remuneration to the Executive Directors[^]

(In INR Million)

Name of the Director	Category	Year ended March 31	Salary and allowance	Performance Linked Incentive / Commission	Company's contribution to provident and superannuation fund	Perquisite and other payments [#]	Total with Perquisites and other payments	Total without Perquisites and other payments
Dr. Anand Deshpande	Chairman and Managing Director	2025	21.15	16.33	4.18	0	41.66	41.66
		2026	21.49	17.64	3.80	-	42.93	42.93
Sandeep Kalra	Executive Director and Chief Executive Officer	2025	88.98	44.10	23.09	1,324.73	1,480.90	156.17
		2026	103.63	49.53	71.16	3,661.45	3,885.77 [@]	224.32
Vinit Teredesai*	Executive Director and Chief Financial Officer	2025	15.37	6.60	2.27	0	24.24	24.24
		2026	18.19	9.52	2.77	66.22	96.70	30.48
Total		2025	125.49	67.03	29.54	1,324.73	1,546.80	222.07
		2026	143.32	76.69	77.73	3,727.67	4,025.40	297.73

Notes:

The remuneration details provided in the above table are on 'paid' basis.

*Overall Ceiling as per the Act and Remuneration Policy of the Company: INR 4,025.40 Million (being 22% of net profit of the Company calculated as per Section 198 of the Companies Act, 2013)

@ Pertains to Remuneration paid during the year by both Companies i.e. Persistent Systems Limited and Persistent Systems Inc.

*Mr. Vinit Teredesai was appointed as the Chief Financial Officer w.e.f. May 15, 2024. Further, he was appointed as an Executive Director of the Company w.e.f. April 24, 2025.

#The value of perquisite represents the amount of perquisite towards exercise of stock options which does not form part of CTC (Cost to Company)

The complete details of the options granted to the Executive Directors of your Company are available on the website of the Company at <https://www.persistent.com/wp-content/uploads/2026/06/esop-details-2026.pdf>

Service Contracts, Notice Period, Severance Fees and Clawback Clause

In the case of Executive Directors, only the service contracts and notice period as per the Company's employment policy are applicable.

Section 197 of the Act provides that a Director who is not in the whole-time employment of the Company (i.e., Non-Executive Director) may be paid remuneration by way of commission at an aggregate sum not exceeding 1% per annum of net profits. In the Financial Year 2025-26, the aggregate commission to all the Non-Executive Directors paid was INR 45.28 Million and does not exceed the statutory limit of INR 219.70 Million.

Table 10: Remuneration to Non-Executive Directors as per the overall Ceiling as per the Act and Remuneration Policy of the Company, i.e., INR 219.70 Million (being 1% of net profit of the Company calculated as per Section 198 of the Companies Act, 2013).

(In INR Million)

Name of the Director	Category	Year ended March 31	Commission*	Sitting fees*	Total
Avani Davda	Independent Director	2025	4.5	1.4	5.9
		2026	6.75	1.3	8.06
Arvind Goel	Independent Director	2025	4.5	1.04	5.54
		2026	6.75	0.92	7.67
Dr. Ambuj Goyal	Independent Director	2025	3.86	0.89	4.75
		2026	5.78	0.81	6.59
Anjali Joshi	Independent Director	2025	3.1	0.48	3.58
		2026	5.78	0.69	6.48
Praveen Kadle	Independent Director	2025	4.5	1.53	6.03
		2026	6.75	1.44	8.19
Dan'l Lewin	Independent Director	2025	3.86	0.66	4.52
		2026	6.72	0.58	7.3
Dr. Ajit Ranade	Independent Director	2025	4.5	1.31	5.81
		2026	6.75	1.21	7.96
Total		2025	28.82	7.31	36.13
		2026	45.28	6.95	52.25

Notes:

*Commission and Sitting fees are excluding service tax / Goods and service tax.

None of the Independent Directors as on March 31, 2025, have been granted Stock Options.

Further, no Independent Directors except Mr. Arvind Goel held shares of the Company. Mr. Goel holds 750 shares of the Company which were acquired from the Open Market and in compliance with the Code of

Conduct for Prevention of Insider Trading established by your Company and pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

C. Risk Management Committee

Brief Description

The Risk Management Committee of the Board was constituted on April 24, 2017, even before the requirement of forming this Committee was applicable to the Company.

The Chairperson of the Committee is an Independent Director.

Table 11: Composition of the Risk Management Committee of the Board of Directors as of March 31, 2026

Name of the Director	Category
Praveen Kadle	Chairman of the Committee and Independent Director
Arvind Goel	Independent Director
Sandeep Kalra	Executive Director and Chief Executive Officer
Dr. Ajit Ranade	Independent Director
Vinit Teredesai*	Executive Director and Chief Financial Officer
Debashis Singh®	Chief Information Officer

*Vinit Teredesai appointed as a Member of the Committee w.e.f. April 24, 2025

®Debashis Singh, Chief Information Officer, is not a Director, but a Member of the Risk Management Committee.

The Company Secretary of the Company is the Secretary of the Committee.

The Committee has the following powers and responsibilities including but not limited to:

- i. To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks, or any other risk as may be determined by the Committee
 - Measures for risk mitigation including systems and processes for internal control of identified risks
 - Business continuity plan
- ii. To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company
- iii. To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems
- iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
- v. To keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken
- vi. The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee
- vii. To seek information from any employee, obtain outside legal or other professional advice, and secure the attendance of outsiders with relevant expertise, if it is considered necessary
- viii. To review financial and risk management policies
- ix. To review the report on compliance with laws and risk management, including Cybersecurity, reports issued by Statutory / Internal Auditors; and
- x. To carry out any other function as is mentioned in the terms of the Risk Management Committee and entrusted by the Board

Meetings and Attendance

4 (Four) meetings of the Risk Management Committee were held during the Financial Year 2025-26.

Table 12: Details of the attendance at the Risk Management Committee meetings held during the Financial Year 2025-26

Name of the Director	Risk Management Committee Meeting			
	April 22, 2025	July 22, 2025	October 13, 2025	January 19, 2026
Praveen Kadle	C	C	C	C
Arvind Goel	Y	Y	Y	Y
Sandeep Kalra	Y	Y	Y	Y
Dr. Ajit Ranade	Y	Y	Y	Y
Debashis Singh	Y	Y	Y	Y
Vinit Teredesai*	NA	Y	Y	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

*Vinit Teredesai appointed as a Member of the Committee w.e.f. April 24, 2025

Certain permissible and urgent decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted and taken on record by the Board and the Risk Management Committee at their next meetings.

D. Stakeholders' Relationship and ESG Committee

Brief Description

The Stakeholders' Relationship Committee was constituted voluntarily on October 4, 2007, before the Company was listed. It was later renamed as the Stakeholders' Relationship and ESG Committee in January 2022.

The Committee specifically looks into the redressal of shareholders' and investors' grievances, such as transfer / transmission of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc., and aims to provide more focus and detailed efforts toward ESG implementation. The Stakeholders' Relationship and ESG Committee has identified the following Stakeholders:

1. Employees and their Families
2. Clients
3. Partners
4. Suppliers
5. Shareowners / Investors
6. Environment

The Chairperson of the Committee is an Independent Director.

Table 13: Composition of the Stakeholders' Relationship and ESG Committee of the Board of Directors as of March 31, 2026

Name of the Director	Category
Arvind Goel	Chairman of the Committee and Independent Director
Dr. Anand Deshpande	Chairman and Managing Director
Avani Davda	Independent Director
Vinit Teredesai*	Executive Director and Chief Financial Officer

*Vinit Teredesai was appointed as a Member of the Committee w.e.f. April 24, 2025.

The Company Secretary of the Company is the Secretary of the Committee for the purpose of stakeholders' related matters.

The Committee was constituted with the powers and responsibilities, including but not limited to:

- i. To supervise and ensure efficient share transfers, share transmission, transposition, etc.
- ii. To approve allotment, transfer, transmission, transposition, consolidation, split, name deletion, and issue of duplicate share certificate of equity shares of the Company
- iii. To redress shareholder and depositor complaints like non-receipt of Balance Sheet, non-receipt of declared dividends, etc.
- iv. To review service standards and investor service initiatives undertaken by the Company
- v. To address all matters about Registrar and Share Transfer Agent including appointment of new Registrar and Share Transfer Agent in place of the existing one
- vi. To address all matters about Depositories for dematerialisation of shares of the Company and other matters connected therewith
- vii. To resolve the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, and issue of new / duplicate certificates, general meetings, etc.
- viii. To make efforts to ensure that the unpaid dividend amounts are paid to shareholders by taking appropriate measures
- ix. To review of measures taken for the effective exercise of voting rights by shareholders
- x. To review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- xi. To review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company
- xii. To attend to any other responsibility as may be entrusted by the Board within the terms of reference
- xiii. To oversee the Environment, Social and Governance (ESG) initiatives at Persistent including but not limited to:
 - a. Setting the tone and reinforcing the culture within the Company regarding sustainability, promoting open discussion and integrating ESG strategy and its alignment with Company's strategy and goals
 - b. Endorsing the ESG vision and goals set out on an ongoing basis
 - c. Reviewing and monitoring ESG framework, the progress against the stated vision and goals, disclosures & reporting
 - d. Review statutory ESG reporting obligations and disclosures, including Business Responsibility and Sustainability Reporting (BRSR) and other ESG disclosures as applicable
 - e. Providing guidance and oversight on key ESG matters such as climate-related risks & opportunities (current & emerging) responsible sourcing and value chain sustainability, labour practices and human rights, (DEI) diversity, equity and inclusion, good governance practices & social responsibility
 - f. Provide oversight on climate strategy / decarbonisation approach including targets, transition planning, progress monitoring
 - g. Looking into material issues and areas of interest that are of importance to stakeholders
 - h. Ensuring transparency and reporting on approach to ESG matters to employees, customers, suppliers, investors, communities, and other stakeholders

Meetings and Attendance

The Committee meets at least twice every financial year. 2 (Two) meetings of the Committee were held during the Financial Year 2025-26.

Table 14: Details of the attendance at the Stakeholders' Relationship and ESG Committee Meetings held during the Financial Year 2025-26

Name of the Director	Stakeholders Relationship and ESG Committee Meeting	
	April 24, 2025	October 14, 2025
Arvind Goel	C	C
Dr. Anand Deshpande	Y	Y
Avani Davda	Y	Y
Vinit Teredesai*	Y	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

*Vinit Teredesai was appointed as a Member of the Committee w.e.f. April 24, 2025

Certain permissible and urgent decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted and taken on record by the Board and the Stakeholders' Relationship and ESG Committee at their next meetings.

Key stakeholder initiatives taken / practices followed during FY 2025-26

The Company continually strives for the betterment of its stakeholders, which include the society, clients, partners, our employees and their families, the shareowners, the Board of Directors, vendors, and even the environment.

Every year, the Company presents its key initiatives and practices for bettering its stakeholders. The purpose is to maintain good relationships and safeguard their rights and best interests.

The Company, at every meeting of the Stakeholders' Relationship and ESG Committee, takes an update on initiatives taken towards each of the Company's stakeholders. The Head - ESG presents ESG updates at these meetings.

The following are the initiatives that were taken during FY 2025-26

Sr. No.	Key Stakeholders of the Company	Key initiatives taken/practices followed during FY 2025-26
1.	Board of Directors and the Senior Management	1. Your Company has implemented a digital solution for the preparation and management of Board and Committee meetings. During the year, Your Company transitioned from Microsoft Teams to a dedicated online platform Accordingly, Board and Committee meetings are conducted through the online platform, enabling structured documentation, controlled access, and improved efficiency in meeting processes. 2. Your Company has implemented a Single Sign On (SSO) enabled tool for compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The system provides an automated and structured framework for managing pre-clearance and disclosure processes, thereby enhancing transparency, and governance oversight.
2.	Government and Regulators/ Authorities	1. Your Company aligned the Digital Personal Data Protection Act, 2023 (DPDPA) Privacy Program upgrade initiated, covering data discovery, privacy impact assessments, and consent controls for customer data. 2. The Company continued to participate in the Surveys conducted by RBI and provided detailed information about the performance of the Company and forecast for the next quarters.

Key Stakeholders Sr. of the No. Company	Key initiatives taken/practices followed during FY 2025-26
3. Our Clients and Partners	1. Your Company initiated AI Governance & Responsible AI safeguards: ISO 42001 (AI Management System) certification to ensure ethical, transparent, and secure use of AI across customer facing solutions. 2. Your Company conducted Risk based security audits for high revenue and unlimited liability customer accounts (beyond standard audit coverage). 3. Your Company partnered with the 22nd Stevie® Awards for Women in Business (2025) to launch the 'SheShapesAI' initiative, sponsoring various new categories to honor female technology.
4. Our Employees	1 Your Company is associated with Top B-Schools like IIM-Ahmedabad, Bangalore, Calcutta, Lucknow and XLRI for GenNext hiring into strategic roles. 2 Your Company supports employee advancement through sponsored higher education and management degree programs aligned with business and leadership capability needs. In India, employees are supported in pursuing online MBA, Btech programs from institutions such as BITS Pilani in areas including AI in Business, Strategy and Consulting, FinTech, Business Analytics, Digital Transformation, and Quality, as well as MBA programs in HR, Finance, Marketing, and Business Analytics through NMIMS and Manipal. 3 Your Company rolled out Emergency Care Access: Persistent Care services for family members for quick response in critical situations. There were many cases where lifesaving attention was provided. 4 Your Company launched Global SHEROES with completion of the inaugural cohort. 5 Your Company delivered a month-long, multiformat International Women's Day (IWD) Experience Hub integrating leadership conversations, learning interventions, community engagement, and recognition reframing IWD from a single day event to a sustained inclusion movement. 6 Your Company launched elev(AI)teHer which is a global women community platform. It instituted the Inclusive Leadership Award (elev(AI)teHer Champion) recognising 10 leaders across OUs driving women's growth and inclusive leadership behaviours. 7 Your Company rolled out 'Aspire', a flagship Women Leadership Program strengthening leadership depth and gender representation in succession. 8 Your Company launched 'Divopoly – Colors of Culture' as an experiential inclusion program across 13 locations, delivered through 15 trained facilitators and 13 sessions, reaching 120+ employees. It enabled meaningful dialogue on diversity, belonging, and inclusive behaviours at team level, reinforcing a shared culture of respect and inclusion. 9 Your Company enhanced Mediclaim policy with expanded dependent coverage up to 100 years. 10 Your Company extended Persistent Run participation to family members, with over 5,100 family registrations, reinforcing a culture of inclusive well-being.

Key Stakeholders Sr. of the No. Company	Key initiatives taken/practices followed during FY 2025-26
5. Our Vendors and Consultants	1. Your Company provides Emergency Fire Response Training to support staff and all its employees. 2. Your Company conducted CPR training to support staff by Dr. Jagdish Hiremath, a famous cardiologist from Pune. 3. Your Company conducted training sessions on Prevention of Sexual Harassment Act, 2013 (POSH) and Stress Management for all its employees PAN India. 4. Your Company launched structured supplier security and privacy assessments for critical vendors handling customer or sensitive data. 5. Accidental death insurance coverage for employees of housekeeping and security staff.
6. Shareowners of the Company	1. Your Company participated in the Investor Education and Protection Fund (IEPF) Authority's 100-day campaign 'Saksham Niveshak', aimed at shareholders whose dividends remain unpaid or unclaimed for financial years from FY 2017-18 to FY 2025-26. 2. Your Company undertook outreach to shareholders in respect of unclaimed dividends through email communication to shareholders with registered email IDs and dispatch of physical letters to shareholders holding shares in physical form. 3. Your Company conducted a Shareholders' Satisfaction Survey to assess feedback on governance practices, disclosures, and investor services, with a view to enhancing shareholder engagement and improving service delivery. 4. Your Company conducted an ESG Materiality Survey for shareholders as part of its sustainability and ESG assessment process. The outcome of the survey supports identification and prioritisation of ESG matters and strengthens the Company's approach to ESG disclosures and long-term value creation.
7. Society at large	1. Your Company made Representations to Government for Industry tax related matters through NASSCOM, Maratha Chambers, CII etc. 2. Your Company availed Green Tariff option for all own locations in India Electricity Department resulting in 100% Green Energy at owned locations. 3. Your Company invited clients to plant a virtual tree and for every virtual tree planted, your Company planted a real tree through '#RootingforAI' campaign. 4. Your Company celebrated Women's History Month with our 'SheShapesAI' campaign, showcasing the strength of our women employees. 5. Your Company installed Retrofitted Emission Control Device for the DG sets in owned locations to reduce the emission by 80%.

Investors' Grievances

During the Financial Year ended March 31, 2026, the Company expeditiously attended to investors' grievances. The Company successfully attended to 83 requests pertaining to Revalidation of warrants / issue of fresh drafts and 6 complaints received from investors.

Table 15: The details of the complaints received and resolved during the year are as under:

Sr. No.	Nature of Request / Complaint	Opening Balance as on April 1, 2025	Received	Attended	Pending as on March 31, 2026
1.	SCORES	0	5	4	1
2.	BSE / NSE	0	0	0	0
3.	Smart ODR	0	1	1	0

The Members may contact the Company Secretary of the Company for their queries, if any, at the contact details provided in the Shareholders' Information in this report, and also available on the Company Website at

<https://www.persistent.com/investors/>

Web-based Query Redressal System

The Company has set up a facility on its website to help members of the Company raise their share-related queries. The webpage can be accessed at <https://www.persistent.com/investors/#investor-complaints>

The Company addresses all investors queries and grievances expeditiously.

E. Corporate Social Responsibility (CSR) Committee

Brief Description

In terms of Section 135 of the Act, the Board of Directors at its meeting concluded on April 19, 2014, constituted the Corporate Social Responsibility Committee.

The Chairperson of the Committee is an Independent Director.

Your Company remains committed to CSR, and the Board periodically takes on record updates on CSR activities undertaken by the Company, including those carried out through Persistent India Foundation (a Section 8 Company) and other implementing entities, as may be considered appropriate.

With effect from FY 2025-26, Persistent India Foundation (a Section 8 Company) became the primary CSR arm of the Company, replacing Persistent Foundation (a Public Charitable Trust).

Further, your Company had established Persistent Systems Foundation Inc. (US Foundation), a domestic non-profit corporation in the United States, in FY 2022-23, which received the requisite tax exemption approvals in FY 2024-25. During FY 2025-26, your Company undertook CSR initiatives through the US Foundation, with a focus on extending its CSR approach to geographies in which it operates. These initiatives are aligned with the Company's CSR philosophy of contributing to the communities it serves and reflect its commitment to undertake socially responsible activities beyond statutory requirements.

The Chairperson of the Section 8 Company, Mrs. Sonali Deshpande participates in Board meetings at periodic intervals to present updates and seek guidance from the Board and the CSR Committee on CSR activities, including those undertaken through the Section 8 Company and the US Foundation.

Mr. Vinit Teredesai, Executive Director and Chief Financial Officer of the Company, certified that the CSR funds as per the total CSR obligation of the Company have been disbursed and utilised during FY 2025-26 in the manner approved by the Board of Directors, and the same has been placed before the Board at its April 2026 meeting. The total CSR contribution of INR 237.71 Million, which is 2% of the net profits calculated as per the Act, was spent on various CSR initiatives through the Section 8 Company during the Financial Year 2025-26.

Table 16: Composition of the CSR Committee of the Board of Directors as on March 31, 2026:

Name of the Director	Category
Avani Davda	Chairperson of the Committee and Independent Director
Dr. Anand Deshpande	Chairman and Managing Director
Arvind Goel	Independent Director

The Committee is constituted with powers and responsibilities, including but not limited to:

- To formulate and recommend to the Board a CSR Policy which will define the focus areas and indicate the activities to be undertaken by the Company under the CSR domain
- To recommend to the Board necessary amendments, if any, in the CSR Policy from time to time
- To monitor the budget under the CSR activities of the Company
- To accomplish the various CSR projects of the Company independently or through 'Persistent Foundation' and/or any other eligible NGO / Social Institute, as the case may be

Further, the CSR Committee is empowered to do the following:

- To seek information from any employee as considered necessary
- To obtain outside legal professional advice as considered necessary
- To secure the attendance of outsiders with relevant expertise
- To investigate any activity within terms of reference

Meetings and Attendance

1 (One) meeting of the CSR Committee was held during FY 2025–26 on April 24, 2025, to review the CSR activities of the Company for the financial year. Mrs. Sonali Deshpande, Chairperson of the Persistent India Foundation, attended the meeting and provided an overview of the activities of the previous year and shared the CSR Annual Action plan for FY 2025-26.

In accordance with Section 135 of the Companies Act, 2013, the Company was required to spend at least 2% of the average net profits of the three immediately preceding financial years towards CSR activities, amounting to INR 237.71 Million. The Company spent INR 237.71 Million towards CSR contributions to Persistent India Foundation and other Non-Government Organisations (NGOs) and accordingly complied with the requirements of the Act.

Based on the average net profits of the three immediately preceding financial years ended March 31, 2026, the CSR Committee recommended the Board an amount of INR 271.28 Million (Rounded-up to INR 271.30 Million for administrative convenience) to be spent towards CSR activities for FY 2026–27.

Further the Company had incurred excess CSR expenditure of INR 3.03 Million in FY 2024–25, which remains available for set-off against future CSR obligations up to FY 2027–28.

Table 17: Details of the Attendance at the CSR Committee Meeting during the Financial Year 2025-26

Name of the Director	CSR Committee Meeting
	April 24, 2025
Avani Davda	C
Dr. Anand Deshpande	Y
Arvind Goel	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

Certain permissible and urgent decisions were taken by passing resolutions by way of circulation. The said resolutions were subsequently noted and taken on record by the Board and the Corporate Social Responsibility Committee at their next meetings.

F. Executive Committee

Brief Description

The Executive Committee of the Board was constituted on January 29, 2005. The Executive Committee was constituted to review the implementation of decisions taken by the Board of Directors between two Board meetings.

The Chairperson of the Committee is an Independent Director.

Table 18: Composition of the Executive Committee of the Board of Directors as on March 31, 2026

Name of the Director	Category
Dr. Ambuj Goyal	Chairman of the Committee and Independent Director
Avani Davda	Independent Director
Anjali Joshi	Independent Director
Praveen Kadle	Independent Director
Sandeep Kalra	Executive Director and Chief Executive Officer

The Committee is constituted with powers and responsibilities including but not limited to:

- i. To review and follow up on the action taken on the Board decisions from the previous Board meeting
- ii. To review the operations of the Company in general
- iii. To review the systems followed by the Company
- iv. To review, propose and monitor the annual budget, including additional budget, if any, subject to the ratification of the Board
- v. To review capital expenditure against the budget
- vi. To authorise opening and closing of bank accounts
- vii. To authorise additions / deletions to the signatories pertaining to banking transactions
- viii. To approve investment of surplus funds for an amount not exceeding INR 25 Crores as per the policy approved by the Board
- ix. To approve transactions relating to foreign exchange exposure, including but not limited to forward cover and derivative products
- x. To approve donations as per the policy approved by the Board
- xi. To delegate authority to the Company officials to represent the Company at various courts, government authorities and so on and
- xii. To attend to any other responsibility as may be entrusted by the Board to investigate any activity within the terms of reference

Further, the Executive Committee is empowered to do the following:

- i. To seek information from any employee as considered necessary
- ii. To obtain outside legal professional advice as considered necessary
- iii. To secure the attendance of outsiders with relevant expertise for Committee Meetings
- iv. To investigate any activity within the terms of reference

Meetings and Attendance

The Executive Committee generally meets between two board meetings. 4 (Four) meetings of the Executive Committee were held during the Financial Year 2025-26.

Table 19: Details of attendance at the Executive Committee Meetings during the Financial Year 2025-26

Name of the Director	Executive Committee Meeting			
	June 2, 2025	August 25, 2025	December 1, 2025	February 27, 2026
Dr. Ambuj Goyal	Y	C	C	C
Avani Davda	Y	Y	Y	Y
Praveen Kadle	C*	Y	Y	Y
Anjali Joshi	Y	Y	Y	Y
Sandeep Kalra	Y	Y	Y	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

*Mr. Praveen Kadle was elected as the Chairman of the meeting by the Committee members upon a request from the Chairman of the Committee

G. Investment Committee

Brief Description

The Investment Committee is constituted with a primary responsibility to manage the investment portfolio of Persistent group as well as to discuss the investment / inorganic growth opportunities that come to the Company, and once convinced with the proposal / opportunity, recommend it to the Board of Directors for its approval for its execution.

The Chairperson of the Committee is an Independent Director.

Table 20: Composition of the Investment Committee of the Board of Directors as on March 31, 2026:

Name of the Director	Category
Praveen Kadle	Chairman of the Committee and Independent Director
Avani Davda*	Independent Director
Dr. Ambuj Goyal	Independent Director
Anjali Joshi	Independent Director

*Ms. Avani Davda was appointed as a Member of the Committee w.e.f. April 24, 2025

Table 21: Details of attendance at the Investment Committee Meetings held during the Financial Year 2025-26:

Name of the Director	Investment Committee Meetings	
	September 10, 2025	January 5, 2026
Praveen Kadle	C	C
Avani Davda	Y	Y
Dr. Ambuj Goyal	Y	Y
Anjali Joshi	Y	Y

Y – Attended; N – Absent; C – Attended as Chairperson; NA – Not Applicable

3. Subsidiary Companies

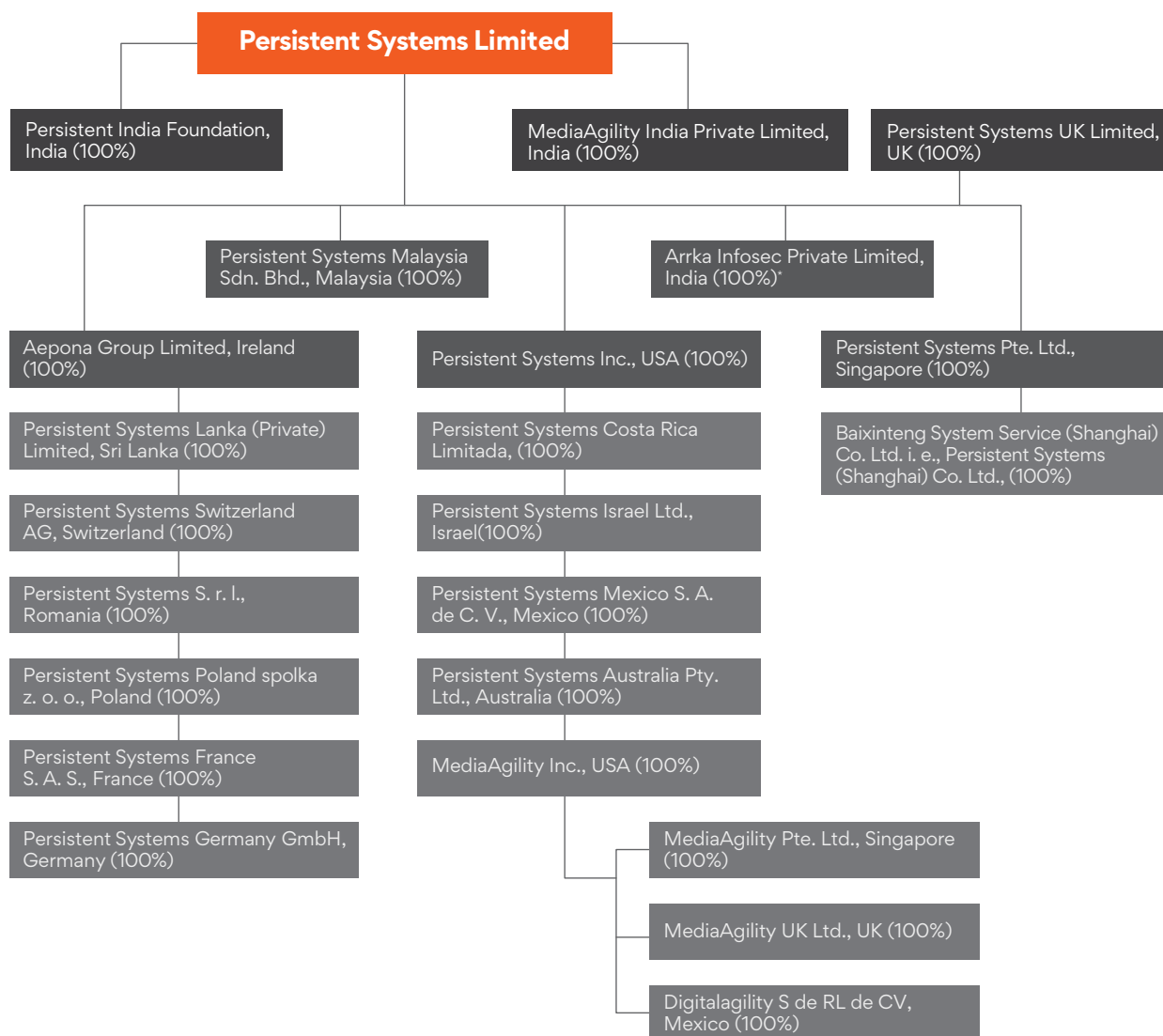
During the year, the Company undertook business transfers, mergers, and intra-group restructuring to simplify its corporate structure, enhance operational efficiency, and align entity ownership with its global business strategy. These initiatives enabled better integration of operations, improved resource utilisation, and strengthened governance oversight, thereby supporting a more streamlined and scalable structure for long-term growth and value creation. The following restructuring activities were completed during the year:

Date	Action	Effect
June 26, 2025	Execution of Business Transfer Agreement ('BTA') for transfer of business of Starfish Associates LLC (step-down subsidiary) to Persistent Systems Limited	Starfish entity transferred to Persistent Systems Limited
December 5, 2025	The Company has established its Branch Office in Abu Dhabi, UAE, pursuant to the Commercial Registration Certificate and License issued by the Department of Economic Development - Abu Dhabi Registration Authority (ADRA)	Expansion of Company's international presence via branch registration
December 6, 2025	Execution of Share Purchase Agreement ('SPA') for transfer of 100% shares of Aepona Group Limited, Ireland from Persistent Systems Inc., USA to Persistent Systems Limited, India	Aepona Group Limited became a Wholly Owned Subsidiary (WOS) of the Company w.e.f Dec. 23, 2025
December 24, 2025	Execution of SPA for transfer of 100% shares of Persistent Systems Costa Rica Limitada from Persistent Systems Germany GmbH to Persistent Systems Inc., USA	Persistent Systems Costa Rica Limitada, Costa Rica became a WOS of Persistent Systems Inc., USA
December 24, 2025	Execution of SPA for transfer of 100% shares of Persistent Systems Switzerland AG from Persistent Systems Germany GmbH to Aepona Group Limited, Ireland	Persistent Systems Switzerland AG, Switzerland became a WOS of Aepona Group Limited, Ireland
December 24, 2025	Execution of SPA for transfer of 100% shares of Persistent Systems S.R.L., Romania from Persistent Systems Germany GmbH to Aepona Group Limited, Ireland	Persistent Systems S.R.L., Romania became a WOS of Aepona Group Limited, Ireland
February 27, 2026	Incorporation of Wholly Owned Foreign Enterprise (WFOE) in China by Persistent Systems Pte. Ltd., Singapore	Establishment of Baixinteng System Service (Shanghai) Co. Ltd. (Persistent Systems (Shanghai) Co. Ltd.)
February 28, 2026	Merger of Persistent Telecom Solutions Inc., USA into Persistent Systems Inc., USA	Entity dissolved; operations consolidated into Persistent Systems Inc., USA
March 2, 2026	Merger of Starfish Associates LLC, USA into Persistent Systems Inc., USA	Entity dissolved; operations consolidated into Persistent Systems Inc., USA
March 4, 2026	Execution of SPA for transfer of 100% shares of Persistent Systems Poland Spółka z o.o. from Persistent Systems Inc., USA to Aepona Group Limited, Ireland	Persistent Systems Poland Spółka z.o.o. became a WOS of Aepona Group Limited, Ireland
March 25, 2026	Execution of SPA for transfer of 100% shares of Persistent Systems France S.A.S. from Persistent Systems Limited, India to Aepona Group Limited, Ireland	Persistent Systems France S.A.S. became a WOS of Aepona Group Limited, Ireland
March 31, 2026	Execution of SPA for transfer of 100% shares of Persistent Systems Germany GmbH from Persistent Systems Limited, India to Aepona Group Limited, Ireland	Persistent Systems Germany GmbH became a WOS of Aepona Group Limited, Ireland
May 22, 2026	Aepona Group Limited, a wholly owned subsidiary of the Company, established a new subsidiary in Estonia through the acquisition of a newly established company named PerSys Estonia OÜ	A new step-down subsidiary of the Company was formed

Further, the Audit Committee and the Board of Directors review the consolidated financial statements of the Company and its subsidiary companies on a quarterly basis.

The Audit Committee and the Board of Directors review related party transactions entered into by the Company, including those with the subsidiary companies.

Details of percentage holding of the Company in the subsidiary companies as on March 31, 2026



All the subsidiaries and step-down subsidiaries of Persistent Systems Limited are operating companies and are not SPVs

*The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated April 21, 2026, approved the merger of Arrka Infosec Private Limited, India with Persistent Systems Limited, India, and the certified copy of the said Order has been received by the Company on May 11, 2026.

4. General Meeting Details

a. The details of the last three years' Annual General Meetings are as follows:

Financial Year	Date	Time (IST)	Venue
2022-23 33 rd AGM	July 18, 2023	1600 Hrs.	Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, for in person attendance and through Video Conferencing / Other Audio Visual Means in terms of the SEBI and MCA circulars
2023-24 34 th AGM	July 16, 2024	1600 Hrs.	Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, for in person attendance and through Video Conferencing / Other Audio Visual Means in terms of the SEBI and MCA circulars
2024-25 35 th AGM	July 21, 2025	1600 Hrs.	Persistent Systems Limited, Dewang Mehta Auditorium, 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, for in person attendance and through Video Conferencing / Other Audio Visual Means in terms of the SEBI and MCA circulars

The details of the Extra-Ordinary General Meetings held are as follows:

No Extra-Ordinary General Meetings were held during the last three financial years i.e. FY 2023-24, FY 2024-25 and FY 2025-26

Resolutions Passed by Postal Ballot:

The Company did not pass any resolutions by Postal Ballot during the year.

b. The following Special Resolutions were passed by the Members during the last three Annual General Meetings:

Date of AGM	Sr. No.	Resolutions
July 18, 2023 33 rd AGM	i.	To appoint Dr. Ajit Ranade, India (DIN: 00918651) as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a term of 5 (five) consecutive years i.e., from June 6, 2023 to June 5, 2028
	ii.	To approve amendments in the 'Persistent Employee Stock Option Scheme 2014'
	iii.	To grant Employee Stock Options to the Employees of the Subsidiary Company(ies) of the Company under 'Persistent Stock Options Schemes 2014'
	iv.	To approve amendments in the 'Persistent Systems Limited – Employee Stock Option Plan 2017'
	v.	To grant employee stock options to the employees of Subsidiary company(ies) of the Company under 'Persistent Systems Limited – Employee Stock Options Plan 2017'
July 16, 2024 34 th AGM	i.	To re-appoint Mr. Praveen Kadle, India (DIN: 00016814) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the second term of 5 (Five) consecutive years i.e., from April 23, 2025, to April 22, 2030
	ii.	To appoint Ms. Anjali Joshi, USA (DIN: 10661577) as an Independent Director of the Company, not liable to retire by rotation, to hold office for the term of 5 (Five) consecutive years i.e., from June 12, 2024, to June 11, 2029
	iii.	To approve an amendment in the 'Persistent Employee Stock Option Scheme 2014 (PESOS 2014)' to increase the number of Stock Options allocated to PESOS 2014 by 1.6 Million Stock Options i.e., from 3.8 Million Stock Options to 5.4 Million Stock Options along with the procedural matters
	iv.	To grant the Stock Options to the employees of subsidiary company(ies) of the Company under 'Persistent Employee Stock Option Scheme 2014'
July 21, 2025 35 th AGM	i.	To reappoint Mr. Sandeep Kalra, Pennsylvania, USA (DIN: 02506494), as an Executive Director of the Company, liable to retire by rotation, to hold the office for 3 (Three) consecutive years i.e., from October 1, 2025, till September 30, 2028, subject to the approval of the Central Government of India

Disclosures

Code of Conduct

Pursuant to the requirements of Regulation 17(5)(a) of Listing Regulations, the Company obtains the affirmation of compliance of the Code of Conduct from its Directors and Senior Management on a yearly basis since Financial Year 2005-06. Furthermore, the Code of Conduct applies to all the Company employees and its subsidiaries.

The Code of Conduct is an annual declaration that helps remind all employees and stakeholders the importance of maintaining the highest standards of ethical business conduct for the Company. In terms of the Code of Conduct, Directors and Employees must act within the guidelines of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders and stakeholders.

Further, Directors and Employees must ensure that they do not derive any undue personal benefit due to their position in the Company and from the access they have to certain confidential information coming to their knowledge.

It has been affirmed by the Board of Directors that the Code of Conduct has been complied with by all the Board members and all the Employees and a declaration to this effect forms part of this Report. The Code of Conduct is uploaded on the website of the Company at [Code of Conduct for Directors and Employees | Persistent Systems](#).

In addition to the annual Code of Conduct, the Board has also established a robust [Code of Conduct on Prevention of Insider Trading](#) in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has a zero tolerance policy towards insider trading, corruption, bribery, and money laundering.

Familiarisation Program for the Board of Directors

Pursuant to the requirements of Regulation 25(7) of Listing Regulations, the Company conducts the Familiarisation Program for Independent Directors as well as other Directors on the Board about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives. The Company also shares the organogram and important organisational changes on a regular basis. A few initiatives under familiarisation program are elaborated at <https://www.persistent.com/wp-content/uploads/2026/07/Familiarization-Programme-2025-26.pdf>

Board deliberations on strategy planning

As part of our annual strategy planning process, the Company organises sessions for the Board Members and Senior Executives to deliberate on various topics related to technological overview, global scenario for the IT industry, sales strategy, market research, risk overview, succession planning and strategic programs required to achieve the Company's long-term objectives.

The Company organises periodic planning meetings called the 'Huddle', which is attended by all the senior sales and delivery leaders of the Organisation. Board Members participate in the Huddle to get a first-hand view of the strategy planning and implementation process and guide the leadership by offering their expertise.

This serves a dual purpose of providing a platform for Board Members to bring their expertise to the projects, while also providing an opportunity for them to understand detailed aspects of execution and challenges relating to the business of the Company.

Whistleblower Policy

The Board of Directors of the Company has a Whistleblower Policy for employees and non-employee stakeholders in India and all global locations. The employees are encouraged to report to the Whistleblower Administrator if they observe any fraudulent financial or other information or conduct that results in instances of unethical behaviour, or actual or suspected violations of the Company's Code of Conduct and the Ethics Policy.

The employees are actively encouraged to reach out to the Whistleblower Administrator if they observe any fraudulent activity, questionable financial practices, or conduct that appears unethical, or if they suspect violations of the Company's Code of Conduct or Ethics Policy. Beginning FY 2025-26, the Head of the Ethics Committee serves as the Whistleblower Administrator, personally overseeing the investigation process from the initial complaint through to its resolution. All findings and outcomes are subsequently reported to the Chairperson of the Audit Committee. Importantly, complainants are permitted to submit their concerns in any local language, ensuring accessibility for all.

The Company has also taken proactive initiatives to train employees and raise awareness about the Vigil Mechanism, reinforcing a culture of transparency and ethical conduct. These initiatives, along with the policy itself, provide robust safeguards to protect employees from any form of victimisation when they report issues to the Whistleblower Administrator.

For ease of reporting, the Whistleblower Policy is readily available on the Company's website at [Whistle Blower Policy | Persistent Systems](#)

The Company has also established a 24x7 toll-free hotline, allowing employees and other associates to report their concerns at any time. Complaints received through this channel are directed straight to the Whistleblower Administrator. This automated system is designed to protect the caller's identity and maintain anonymity throughout the process.

The complainant can also write to whistleblower@persistent.com

Finally, the Company maintains a strict prohibition against any retaliatory actions toward individuals who raise concerns or participate in investigations in good faith, thereby fostering a safe and supportive environment for all stakeholders.

Complaints Pertaining to Sexual Harassment

The details of complaints filed, resolved, and pending under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are placed before the Board on a quarterly basis, and a summary thereof is disclosed in the Report of the Directors.

During the year under review, the Company received 3 (Three) complaints of sexual harassment. Of these, 2 (Two) complaints were resolved as on March 31, 2026. The remaining 1 (One) complaint, which was pending as on March 31, 2026, has since been resolved within the prescribed statutory timelines.

Policy on Material Subsidiary

In terms of Regulation 16 (1) (c) of Listing Regulations, the Policy on Material Subsidiary is framed to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries. The policy to determine the Material Subsidiaries of the Company is uploaded at [Material Subsidiary Policy | Persistent Systems](#)

According to the said Policy, Persistent Systems Inc., USA is the only Material Subsidiary of the Company, which was incorporated on October 18, 2001, in the State of California, USA. The entity is not required to appoint an Auditor to audit its financials as per the local laws. However, for consolidation purposes, the financials of the said entity were audited by M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022).

Disclosures on material significant related party transactions that may have potential conflict with the interests of the Company

During the Financial Year 2025-26, there were no materially significant transactions, pecuniary transactions or relationships between the Company and the Promoters, Directors and their relatives and the management that have a potential conflict of interest with the Company.

Details of all transactions entered into by the Company with the related parties have been disclosed under 'Related Party Transactions' in the Notes to Accounts of the Company which form part of this Annual Report. A policy determining the Related Party Transactions is uploaded on the website of the Company at [Related Party Transactions Policy | Persistent](#)

As part of its governance framework and in compliance with the Companies Act, 2013 (including Sections 177, 185, 186 and 188 read with applicable rules) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company obtains an independent review and certification of its material related party transactions from Price Waterhouse & Co LLP (PwC) on an annual basis. This independent assessment provides comfort to the Board and the Audit Committee that such transactions are undertaken on an arm's length basis.

For the FY 2025-26, PwC reviewed 2 (two) related party transactions.

In ascertaining the arm's length nature of these transactions, PwC relied on globally accepted transfer pricing principles, including the "Other Method" prescribed under Section 92C of the Income-tax Act, 1961 read with Rule 10AB of the Income-tax Rules, 1962, and the OECD Transfer Pricing Guidelines. Based on its economic analysis, PwC has reported that both transactions can be considered to be in accordance with the arm's length standard required under the Indian Transfer Pricing Regulations.

Risk Management and Internal Control Policies adopted by the Company

The [Report on Risk Management](#) and Internal Control Policies adopted by the Company form a separate part of this Annual Report.

Commodity Price Risk / Foreign Exchange Risk and Hedging activities

The Company's exposure to market risks and currencies is detailed in Note No. 31, forming part of the Notes to the Financial Statements under the heading 'Financial risk factors and Risk management objectives'.

Adherence to the Indian Accounting Standards

The Company follows the Indian Accounting Standards ('Ind AS') and guidelines prescribed by the Institute of Chartered Accountants of India (ICAI) and notified by the MCA.

Adherence to the Listing Regulations

The Company discloses information regarding its financial position, performance and other vital matters with transparency, fairness, and accountability on a timely basis. This report is prepared with adherence to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the report comprehends all the requirements under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as applicable.

Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount

Loans and advances covered under Section 186 of the Act form part of the notes to the financial statements provided in this Annual Report. (Refer to notes 5, 6, 10, and 36 of the Standalone Financial Statements).

Details of Credit Rating

Your Company's [ICRA] AA+ (Stable) credit rating was reaffirmed by ICRA in March 2026. This rating had been originally assigned in FY 2024-25 and continues to reflect the Company's financial strength and stable business performance.

Compliance Tool for tracking the applicable scheduled compliances

The Company ensures that adequate tools and appropriate processes are in place for adherence to all statutory compliances. Compliances applicable in India and abroad to the Company are monitored and tracked through a software tool. Since 2016, the Company has implemented a Compliance Tool to report and track the domestic compliances; the same tool has been enhanced and is being used to report and track the global compliances for 15 (Fifteen) locations. The said Tool is used to record and report the compliance as and when they are due. A detailed report derived from the said tool is placed before the Board and Audit Committee during every quarterly meeting.

Amendments to the existing laws and introduction of new laws are reviewed and updated in the system on a regular basis and the same is monitored by the Company.

Data Protection Initiatives

Information Security

Your Company maintains a mature Information Security Management System with Policies, Processes and Controls to minimise the Cyber Security Risks. The governance and management of security compliance and risk is reviewed periodically. Your Company's development centres are certified under ISO 27001, ISO 27017, ISO 27018, ISO 27701, ISO 22301, ISO 42001 and SOC 2 Type II.

Your Company is focused on cyber resilience and provides all the necessary budgets needed to build a robust cyber resilience. Your Company's Global IT and Information Security team has taken a holistic and comprehensive approach, including the customer-specific security requirements where applicable, to address the need to secure the employees' laptops, the corporate network, and confidential data including Personal data against inadvertent and malicious attacks. Your Company's cloud first strategy is enabled by cloud security measures spanning access management, cloud data security, ensuring privacy in the cloud, safeguarding cloud workloads, effective monitoring and incident management of the cloud aligned to business-relevant outcomes. Throughout the year, your company has made substantial efforts to enhance security & data privacy awareness and training across the organisation. Cloud security, Privilege Access Management, Data Loss Prevention, and Supplier Security

& Privacy management were prioritised to protect company infrastructure, safeguard data and maintain the integrity and confidentiality throughout the supply chain and improve overall security posture of your company.

Specific steps include allocation of secure laptops to every employee, installation of disk encryption, next generation antivirus solution, enhanced data leakage prevention solutions, implementation of Multi Factor Authentication, Secure and governed internet access, and Zero Trust Model to ensure cyber resiliency. The emailing solution is equipped with advance anti-phishing functionality ensuring a secure channel of communication through email.

Your Company has implemented a robust disaster recovery process with a well-articulated cyber resilience playbook. The periodic Disaster Recovery drills ensure availability of the critical services and the ability to recover business operations as per the defined process. Your Company has a steadfast focus on spreading information security & data privacy awareness through mandatory awareness trainings at joining followed by periodic refresher sessions and usage of enterprise-wide communication and collaboration platforms to keep users updated on evolving cybersecurity and privacy risks. The training effectiveness is validated through periodic phishing simulations.

Your Company believes that security and complying with applicable data protection laws are ongoing activities, and as your company evolves and expand its businesses, all stakeholders can be rest assured that your company will continue to improve its security and data privacy posture to ensure continuous compliance.

Our commitment to safeguarding personal data remains steadfast, aligning with client expectations and regulatory mandates.

We are proud to be among the pioneering organisations globally certified with accreditation for the ISO 27701 – Privacy Information Management Standard. This dedication is further underscored by our other certifications:

Sr. No.	Certification Name	Scope	Locations	Initial Certification Date	Validity of the current certificate
1	ISO 9001:2015 Quality Management System	Software design, development, testing, operations support & maintenance services and business enabling functions catering to - Product engineering, platforms integration & solution, digital, cloud, security, internet of things (IoT), data analytics offerings Banking financial services & insurance, life sciences & health care and industrial markets - Accelerite business unit for software products	Pune (Aryabhata-Pingala, Bhageerath, Hinjewadi,), Goa, Hyderabad, Nagpur, Gurugram, Bengaluru, France, Malaysia	March 11, 2010	March 11, 2025 – March 10, 2028
2	ISO 13485:2016 Quality Management System for Medical Devices	Software Product Design, Development, Testing, Enhancement and Support for Medical Device Software	Pune (Aryabhata-Pingala)	October 31, 2017	April 19, 2025 – April 18, 2028

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Sr. No.	Certification Name	Scope	Locations	Initial Certification Date	Validity of the current certificate
3	ISO 27001:2022 Information Security Management System ISO 27017:2015 Cloud Security ISO 27018:2019 Securing PII in the cloud ISO 27701:2019 Privacy Information Management System	Management of information security pertaining to software design, development, testing, operations, maintenance, support services, managed services, ensuring privacy & security for PII data in public cloud service utilisation and business enabling functions using the guidance in ISO / IEC 27017:2015 and ISO / IEC 27018:2019 as per the statement of applicability version 10.2 dated 28-Oct-2024. for - Product engineering, platforms integration & solution, digital transformation, cloud infrastructure security, Internet of Things (IoT), data analytics offerings - Banking financial services, insurance, life sciences, health care, industrial markets, telecom & Hi-Tech - Persistent product business Privacy Information Management System for software design, development, testing, operations, maintenance, managed services and support services, for - Product engineering, platforms integration & solution, digital transformation, cloud infrastructure security, internet of things (IoT), data analytics offerings- Banking financial services, insurance, life sciences, health care, industrial markets, telecom, and Hi-Tech- Persistent Product Business with the role as PII Processor and PII Controller for all rele	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjewadi, Blue Ridge), Goa, Nagpur, Hyderabad (Wave Rock and Argus Block), Bangaluru (Pritech Park, Prestige Shanti Niketan, The Cube), Mumbai, Noida, Gurugram, Indore, Ahmedabad, Jaipur, Kerala, Kolkata, Chennai, Dublin (Ohio, USA), France, Jalisco (Mexico), Malaysia, New Jersey (USA) Santa Clara (USA), Bellevue (USA) Sri Lanka, Costa Rica	February 6, 2008	March 11, 2025 – March 10, 2028
4	ISO 14001:2015 Environment Management System	Software Design and Development	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjewadi, Blue Ridge), Goa, Nagpur, Hyderabad (Wave rock and Argus Block), Bangaluru (Pritech Park, Prestige Shanti Niketan, The Cube), Mumbai, Noida, Gurugram, Indore, Ahmedabad, Jaipur, Chennai, Kolkata, Kerala	May 21, 2012	March 11, 2025 – March 10, 2028

Sr. No.	Certification Name	Scope	Locations	Initial Certification Date	Validity of the current certificate
5	ISO 45001:2018 Occupational Health and Safety Management System	Occupational Health and Safety Management System	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjewadi, Blue Ridge), Goa Nagpur, Hyderabad (Wave rock and Argus Block), Bangaluru (Pritech Park, Prestige Shanti Niketan, The Cube), Mumbai, Noida, Gurugram, Indore, Ahmedabad, Jaipur, Chennai, Kerala, Kolkata	March 8, 2019	March 9, 2025 – March 8, 2028
6	CMMI For Dev 3.0 Maturity Level 5	Full lifecycle Agile Software Development projects from Select Verticals and Service Lines	NA	May 25, 2018	July 31, 2024 – July 31, 2027
7	ISO 22301 : 2019 Business Continuity Management System	Management of business continuity of critical services infrastructure and information systems required for software design, development, operations, managed services, maintenance, support services for : - Product Engineering, Platform integration and solution, digital transformation, cloud infrastructure security, internet of things (IOT), data analytics offerings - Banking financial services, insurance, life sciences, health care, industrial markets, telecom, and Hi-Tech - Persistent Product Business	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjewadi, Blue Ridge), Goa, Nagpur, Hyderabad (Wave Rock and Argus Block), Bangaluru (Pritech Park, Prestige Shanti Niketan, The Cube), Mumbai, Noida, Gurugram, Indore, Ahmedabad, Vadodara, Jaipur, Chennai, Kolkata, Kerala, France, Jalisco (Mexico), Malaysia, New Jersey (USA), Santa Clara (USA), Bellevue (USA), Ottawa (Canada), Sri Lanka	February 15, 2021	March 26, 2026 – February 15, 2027
8	SOC 2 Type 2 Report	An Independent Service Auditor's report has been issued after completion of SSAE 21, SOC 2 Type 2 Audit for the period January 1, 2025 to December 31, 2025	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjewadi, Ramanujan Hinjewadi), Goa, Nagpur, Hyderabad (Wave Rock and Argus Block) Bangaluru (Pritech Park, Prestige Shanti Niketan, The Cube), Mumbai, Noida, Gurugram, Indore, Ahmedabad, Vadodara, Jaipur, Kolkata, Chennai, Kerala, France, Jalisco (Mexico), Malaysia, New Jersey (USA), Sri Lanka, Santa Clara (USA), Bellevue (USA)	NA	NA

Sr. No.	Certification Name	Scope	Locations	Initial Certification Date	Validity of the current certificate
9	ISO 42001 : 2023 Artificial Intelligence Management Standard	Artificial Intelligence Management System for providing Information Technology Application Development, Testing, Application Maintenance & Infrastructure support, ensuring Responsible AI and Ethical AI principles across roles as AI Provider, AI Developer and AI User in accordance with the Statement of Applicability version 1.0 dated 11-Aug-2025	Pune (Aryabhata-Pingala, Bhageerath, Veda's Complex Hinjewadi, Blue Ridge), Goa, Nagpur, Hyderabad (Wave Rock and Argus Block), Bengaluru (Pritech Park, Prestige Shanti Niketan, The Cube), Mumbai, Noida, Gurugram, Indore, Ahmedabad, Jaipur, Kerala, Kolkata, Chennai, Dublin (Ohio, USA), France, Jalisco (Mexico), Malaysia, New Jersey (USA) Santa Clara (USA), Bellevue (USA), Costa Rica (USA), Sri Lanka	November 23, 2025	November 23, 2025 – November 22, 2028

Details of Non-compliance

During the year under review, an application for compounding of an offence under Section 96 of the Companies Act, 2013 was filed with the Regional Director, Mumbai in respect of M/s. Capiot Software Private Limited, a Wholly Owned subsidiary Company which was merged with your Company. The said violation pertained to non-compliance with the provisions relating to the holding of the Annual General Meeting within the prescribed timelines. The application was duly considered by the Regional Director, Mumbai, and the offence has been compounded upon payment of the requisite compounding fee as determined under the Act. The Company has taken note of the matter and has instituted necessary measures to further strengthen its compliance framework and ensure adherence to statutory timelines on a continual basis.

The aforesaid compounding does not have any material impact on the financial statements, operations, or other business activities of the Listed Company. The management continues to maintain robust compliance systems and periodic monitoring mechanisms to mitigate such instances going forward.

There were no non-compliances by the Company, no penalties and strictures were imposed on the Company by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets, during the year April 1, 2025, to March 31, 2026.

The Company has complied with and disclosed all the mandatory requirements under the Listing Regulations.

There are no qualifications or observations in the Secretarial Audit Report for FY 2025-26.

Remuneration to the Directors of the Company

Information relating to the remuneration to the Directors during the Financial Year 2025-26 has been provided under the details of NRC in this Report.

Disclosure of certain type of agreements binding listed entities

There are no agreements impacting management or controlling the Company or imposing any restrictions or creating any liability upon the Company by Schedule V read with clause 5A of Schedule III of the Listing Regulations.

Management Discussion and Analysis

As required by Regulation 34(2)(e) of Listing Regulations, the [Management Discussion and Analysis Report](#) is provided elsewhere in the Annual Report.

Corporate Social Responsibility Report

[A Report on the Corporate Social Responsibility \(CSR\)](#) initiatives of the Company has been provided elsewhere in the Annual Report.

Shareholders' Information

Means of Communication

The Company constantly communicates to the institutional investors about the operations and financial results of the Company. Besides publishing the abridged financial results in one national and one regional daily newspaper, respectively, as per Regulation 46 of the Listing Regulations, the complete audited / limited reviewed financial statements are published on the Company's website (www.persistent.com) at Financial Results & Reports - Quarterly Results under 'Investors' section. The transcripts of calls with analysts are also available on the Company's website.

Your Company voluntarily shares the details of its quarterly financial results, along with key decisions and developments approved by the Board at its quarterly meetings. Such communications are disseminated on the same day as the release of results to the stock exchanges, through emails to all shareowners whose email IDs are registered with the Company or its Registrar and Transfer Agent (RTA), thereby enabling prompt and direct access to material information.

The table below gives the snapshot of the communication channels used by the Company to communicate with its stakeholders:

Particulars	Board Meetings	Shareholders Meetings	Formal Notices	Website Information	Press / Web Release	E-mails	Annual Reports	Newspaper
Board of Directors	✓	✓	✓	✓	✓	✓	✓	✓
Shareholders	✓	✓	✓	✓	✓	✓	✓	✓
Employees	-	-	-	✓	✓	✓	✓	✓
Financial Analysts	-	-	-	✓	✓	✓	✓	✓
Society at large	-	-	-	✓	✓	-	-	✓
Frequency	Quarterly	Annually	Ongoing	Ongoing	Ongoing	Ongoing	Annually	Ongoing

Details of newspapers where Quarterly Results of the Company were published:

Publication of the Financial Results for the Quarter ended		June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026
English	Date of Publication	July 24, 2025	October 15, 2025	January 21, 2026	April 22, 2026
	Newspapers	The Financial Express (All India editions)	The Financial Express (All India editions)	The Financial Express (All India editions)	The Financial Express (All India editions)
Marathi	Date of Publication	July 24, 2025	October 15, 2025	January 21, 2026	April 22, 2026
	Newspapers	Loksatta (Pune edition)	Loksatta (Pune edition)	Loksatta (Pune edition)	Loksatta (Pune edition)

Corporate Identity Number (CIN)

The Corporate Identity Number (CIN), allotted by the Ministry of Corporate Affairs, Government of India is 'L72300PN1990PLC056696'. The Company is registered in the State of Maharashtra, India.

General Details of the Company

i. Registered Office

'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, Maharashtra, India.

ii. Financial Year of the Company is from 1st April of every year to 31st of March next year.

iii. Forthcoming Annual General Meeting of the Company

Date and Time: Monday, August 3, 2026, at 1600 hrs. (IST)

Mode through which the Annual General Meeting will be held: Hybrid mode, i.e., a combination of in-person attendance and Video Conferencing / Other Audio Visual Means as per the convenience of Members.

Proposed Dividend: INR 18 per Equity Share of INR 5 each, subject to the approval of the Members at the AGM

iv. Company Secretary and Compliance Officer of the Company

Mr. Amit Atre, Company Secretary

ICSI Membership No. A20507

'Bhageerath', 402 Senapati Bapat Road, Pune 411 016, India.

Phone: +91 (20) 6703 3000 Fax: +91 (20) 6703 6003

E-mail: investors@persistent.com or companysecretary@persistent.com

Website: www.persistent.com

The Members may communicate investor complaints to the Company Secretary on the above mentioned coordinates.

v. Dividend Payment Date

The Company had declared an Interim Dividend of INR 22 (INR Twenty-Two Only) per Equity Share at its Board meeting held on January 20, 2026, for the Financial Year 2025-26, to those Members whose names appeared in the Register of Members on January 27, 2026, and the payment was made on February 5, 2026.

Your Board has recommended a Final Dividend of INR 18 (INR Eighteen Only) per Equity Share of INR 5 each for the Financial Year 2025-26.

This Dividend of INR 18 (INR Eighteen Only) per Equity Share is subject to the approval of Members at the ensuing Annual General Meeting to be held on August 3, 2026, to those members whose names appearing in the Register of Members on **July 27, 2026 (Cut-Off Date)**. It is proposed to make the payment within 30 days from the date of the AGM.

Payment of dividend through Electronic mode

The Securities and Exchange Board of India (SEBI) has vide Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013, directed that Listed Companies shall mandatorily make all payments to Investors, including Dividend to shareholders, by using any Reserve Bank of India (RBI) approved electronic mode of payments viz. ECS, LECS (Local ECS), RECS (Regional ECS), NECS (National ECS), NEFT, etc.

1. The Company will use the bank details available with Depository Participant for electronic credit of Dividend.
2. In order to receive the dividend without loss of time, all the eligible shareholders holding shares in demat mode are requested to update, with their respective Depository Participants, their correct Bank Account Number, including 9-digit MICR Code and 11-digit IFSC Code, type of bank account, E-mail ID and mobile no(s).

SEBI vide its Master Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, has mandated that with effect from April 1, 2024, dividend to members who are holding securities in physical form, shall be paid only through electronic mode.

3. Shareholders holding shares in physical form may communicate details relating to their Bank Account, 9-digit MICR Code and 11-digit IFSC Code, E-mail ID and mobile no(s) to the Registrar and Share Transfer Agents viz. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), having address at Block No. 202, Second Floor, Akshay Complex, Off Dhole Patil Road, Pune 411 001, by quoting the folio number and attaching a photocopy of the Cheque leaf of their Active Bank account, and a self-attested copy of their PAN card.

In terms of the SEBI Notification dated April 20, 2018, in case dividend payment by electronic mode is returned or rejected by the corresponding bank due to certain reasons, the shareholders are required to connect their bank account with the Demat Account. The Company will then process online transfer of unclaimed Dividend to the respective Bank Account of the shareholders.

vi. Unclaimed Dividend

According to the provisions of the Act, the amount in any unpaid dividend account remaining unclaimed for a period of 7 (Seven) years from the date of its disbursement, has to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Government of India.

The following are the details of the unclaimed dividend. If not claimed within the period of 7 (Seven) years, then the same will be transferred to the Investors Education and Protection Fund (IEPF) in accordance with the schedule given below:

Financial Year	Date of declaration of dividend and type of dividend	Total Dividend (In INR Mn)	Unclaimed Dividend (In INR Mn)	Due date for transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)	Percentage of unclaimed dividend over Total Dividend
2025-26	2025-26 Interim	3,470.50	1.74	26-Mar-33	0.05
2024-25	2024-25 Final	2,346.00	0.45	25-Sep-32	0.02
2024-25	2024-25 Interim	3,117.00	0.3	29-Mar-32	0.01
2023-24	2023-24 Final	1,540.50	0.14	21-Sep-31	0.01
2023-24	2023-24 Interim	2,461.60	0.2	27-Mar-31	0.01
2022-23	2022-23 Final	1,692.35	0.15	22-Sep-30	0.01
2022-23	2022-23 Interim	2,139.90	0.39	25-Mar-30	0.02
2021-22	2021-22 Final	840.68	0.33	23-Sep-29	0.04
2021-22	2021-22 Interim	1,528.50	0.34	27-Mar-29	0.02
2020-21	2020-21 Final	458.55	0.04	25-Sep-28	0.01
2020-21	2020-21 Interim	1,069.95	0.15	3-Apr-28	0.01
2019-20	2019-20 2 nd Interim	229.28	0.11	17-May-27	0.05
2019-20	2019-20 1 st Interim	687.83	0.13	6-Apr-27	0.02
2018-19	2018-19 Final	229.28	0.05	28-Sep-26	0.02
Total	--	21,811.90	4.54	--	--

During the year, out of the total unpaid dividend of INR 276,193 (Final Dividend 2017-2018 of INR 70,641 and Interim Dividend 2018-2019 of INR 205,552) the dividend of INR 53,448 was claimed by 126 shareholders. This resulted in the transfer of the remaining INR 0.22 Million to IEPF. Additionally, from the other dividend accounts, the dividend of INR 18.03 Million was paid to the shareholders.

The Company will continue to make efforts so that the least number of unclaimed shares / dividends can be transferred to IEPF. The table below shows the details of unclaimed dividends at the beginning of the year and at the end of the year:

Sr. No.	Particulars	As on March 31, 2025 (In INR Mn)	As on March 31, 2026 (In INR Mn)
i	Total Dividend Declared	16,875.40	21,811.90
ii	Unclaimed Dividend	20.08	4.54

During the year under Report, your Company has transferred the unclaimed and unpaid dividend of INR 0.22 Million to the IEPF Authority.

Share Suspense Account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, your Company had opened an 'Unclaimed Securities Suspense Account' on behalf of the allottees who were entitled to the Equity Shares under the Initial Public Offering (IPO). Some of the Equity Shares issued during IPO could not be transferred to the respective allottees due to technical reasons. Seven (7) shareholders, who were allotted 20 shares each during IPO, could not claim their shares due to the non-submission of required documents.

The Company sent periodic reminders requesting the shareholders to provide the required documents for credit of shares and the unclaimed dividend thereon to their demat and bank account, respectively. The Company issued Bonus shares in a ratio of 1:1 in the year 2015. Pursuant to the same, the total holding of each shareholder increased to 40. The original 140 shares issued to the 7 shareholders during the IPO were transferred to IEPF upon completion of 7 years. Remaining 140 shares resulting from the Bonus Issue, were transferred to the IEPF in September 2022.

The balance in the above-mentioned Suspense Account as on March 31, 2026, is Nil.

vii. Name of Stock Exchanges where the Company is listed

The Equity Shares of the Company have been listed on the following stock exchanges on April 6, 2010

Stock Exchange Name and Address	Script Symbol / Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001	533179
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai 400 051	PERSISTENT

Listing fees for the Financial Year 2025-26 have been paid to both BSE and NSE.

viii. Contact details of the Company's intermediaries are as follows:

Registrar and Share Transfer Agent

MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited)

(Unit – Persistent Systems Limited)

CIN: U67190MH1999PTC118368

Block No. 202, Second Floor, Akshay Complex,

Off Dhole Patil Road, Pune 411 001.

Contact Person: Mr. Ashok Gupta

Phone: +91 (20) 2616 0084, 2616 1629

E-mail: investor.helpdesk@in.mpms.mufg.in • Website: <https://in.mpms.mufg.com/>

Depositories of the Company

National Securities Depository Limited

CIN: U74120MH2012PLC230380

SEBI Registration Number - IN-SD-NSDL-01-96

3rd Floor, Naman Chambers, Plot C-32, G-Block, Bandra Kurla Complex,
Bandra East, Mumbai, Maharashtra 400 051.
Phone: +91 (22) 2499 4200 • Fax: +91 (22) 2497 6351
E-mail: info@nsdl.co.in • Website: www.nsdl.co.in

Central Depository Services (India) Limited

CIN: L67120MH1997PLC112443

SEBI registration number: IN-SD-CDSL-02-98

Marathon Futurex, A-Wing, 25th floor, N. M. Joshi Marg, Lower Parel, Mumbai 400 013.

Phone: +91 (22) 2302 3333 • Fax: +91 (22) 2300 2035/2036

E-mail: investors@cdslindia.com • Website: www.cdslindia.com

ix. Details of bonus shares issued / sub-division of shares since inception are as follows:

Financial Year	1996-97	2002-03	2007-08	2014-15
Bonus Issue	15:1	9:1	5:2	1:1

Sub-division:

In the Financial Year 2023-24, the Board and the Shareholders approved Sub-Division / Split of One (1) Equity Share of INR 10/- (INR Ten Only) each into Two (2) Shares of INR 5/- (INR Five Only) each.

x. Legal Proceedings

There are no cases related to disputes over title to shares in which the Company was made a party to any dispute.

xi. Dematerialisation of Shares and Liquidity

The Company's Equity Shares have been dematerialised with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The International Security Identification Number (ISIN) is an identification number for traded shares. This number is to be quoted in each transaction relating to the dematerialised shares of the Company. The ISIN of the Company is INE262H01021.

As on March 31, 2026, 157,749,403 Equity Shares comprising 99.99% of the Company's total shares are held in dematerialised form.

xii. Share Transfer System

Pursuant to SEBI requirements effective April 1, 2019, transfer of securities of listed companies is permitted only in dematerialised form, while shareowners may continue to hold shares in physical form. Your Company encourages shareowners holding shares in physical mode to dematerialise their holdings to facilitate ease of transfer and effective communication.

Your Company undertakes various initiatives to communicate with shareholders, including dissemination of financial results, key decisions, and other updates through electronic communication channels to shareowners whose e-mail IDs are registered with their Depository Participants or with the Company.

xiii. Distribution of Shareholding as on March 31, 2026

Shareholding No. of shares	Shareholders	Percentage of Total	Total Shares	Percentage of Total
1 - 5,000	246,321	99.4617	12,454,326	7.89
5,001 - 10,000	444	0.1793	3,158,419	2.00
10,001 - 20,000	311	0.1256	4,460,159	2.82
20,001 - 30,000	140	0.0565	3,460,449	2.19
30,001 - 40,000	73	0.0295	2,557,020	1.62

Shareholding No. of shares	Shareholders	Percentage of Total	Total Shares	Percentage of Total
40,001 - 50,000	65	0.0262	2,949,264	1.86
50,001 - 100,000	136	0.0549	9,453,512	5.99
100,001 and above	164	0.0662	119,256,851	75.59
Total	247,654	100.0000	157,750,000	100.00

Note: The No. of shareholders are counted on Folio basis

xiv. Shareholding pattern as of March 31, 2026

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Equity Shares	Nominal Value of Equity Shares (in INR)	Percentage Holding
1.	Promoters	2	45,784,680	228,923,400	29.02
2.	Promoters Group	10	2,005,250	10,026,250	1.27
3.	Institutions				
	a. Mutual Funds	39	34,887,586	174,437,930	22.12
	b. Financial Institutions / Banks	2	1,750	8,750	0
	c. Foreign Portfolio Investors (Corporate)	839	34,887,919	174,439,595	22.12
	d. Foreign Institutional Investors	-	-	-	-
	e. Foreign Venture Capital Investors	-	-	-	-
	f. NBFC	5	2,353	11,765	0
	g. Alternate Investment Funds	18	338,467	1,692,335	0.21
	h. Insurance Companies	27	11,259,877	56,299,385	7.14
	i. Central Government	1	1	5	0
	j. State Government / Governor	-	-	-	-
	k. Provident Funds / Pension Funds	1	1,585,113	7,925,565	1
4.	Non - institutions				
	a. Bodies Corporate	964	552,877	2,764,385	0.35
	b. Individuals	2,26,411	20,040,357	100,201,785	12.71
	c. Directors / Relatives (excl. Independent Directors)	2	67,400	337,000	0.04
	d. Key Managerial Personnel	1	5,600	28,000	0
	e. IEPF	1	6,171	30,855	0
	f. NRI	8,924	2,963,743	14,818,715	1.88
	g. Foreign National	27	74,422	372,110	0.05
	h. Foreign Company	-	-	-	-
	i. Any other				
	ii. Trust	30	273,689	1,368,445	0.17
	iii. Clearing Members	39	151,515	757,575	0.1
	iv. Hindu Undivided Families	3,047	261,054	1,305,270	0.17
	v. Limited Liability Partnership	127	1,081,220	5,406,100	0.69

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Equity Shares	Nominal Value of Equity Shares (in INR)	Percentage Holding
5.	Employee Benefit Trust [under SEBI (Share Based Employee Benefit and Sweat Equity)] Regulations, 2021	1	1,518,956	7,594,780	0.96
Total		240,518	157,750,000	788,750,000	100

Note: The No. of shareholders are clubbed on the basis of PAN registered with the demat account.

xv. Shareholders (other than Promoters) holding more than 1% of the share capital as of March 31, 2026

Sr. No.	Name of Shareholder	No. of Shares	Percentage Holding
1.	Motilal Oswal Midcap Fund	4,026,493	2.55
2.	HDFC Mutual Fund - HDFC Mid-Cap Opportunities Fund	3,337,818	2.11
3.	Life Insurance Corporation Of India	2,532,249	1.60
4.	HDFC Trustee Company Limited-HDFC Flexi Cap Fund	2,254,790	1.42
5.	Shridhar Bhalchandra Shukla	2,202,592	1.39
6.	SBI Life Insurance Co. Ltd	2,185,198	1.38
7.	HDFC Life Insurance Company Limited	1,708,840	1.08
8.	Kotak Midcap Fund	1,680,183	1.06
9.	Nippon Life India Trustee Ltd- A/C Nippon India Growth Mid Cap Fund	1,644,232	1.04
Total		21,572,395	13.67

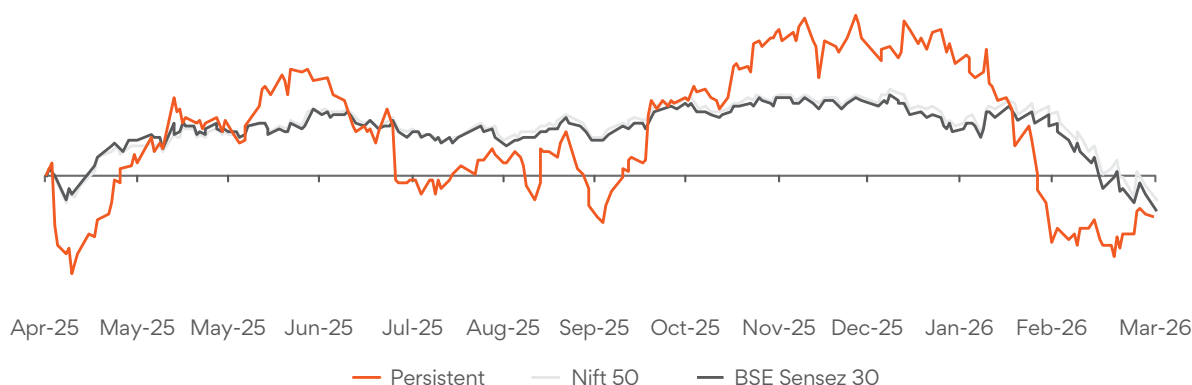
Note: The No. of Members are clubbed on the basis of PAN registered with the demat account.

xvi. Market Price Data

The Equity Shares of the Company were listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) on April 6, 2010. Accordingly, the highest traded price and the lowest traded price and total volume for the period from April 1, 2025, to March 31, 2026, on a monthly basis are as below:

Month ended	BSE			NSE			BSE + NSE
	High (INR)	Low (INR)	Volume ('000)	High (INR)	Low (INR)	Volume ('000)	Total Volume ('000)
Apr-25	5,575	4,164	767	5,510	4,149	21,828	22,595
May-25	5,962	5,239	310	5,955	5,311	9,457	9,767
Jun-25	6,175	5,450	288	6,180	5,449	9,642	9,930
Jul-25	6,111	5,051	351	6,113	5,082	12,759	13,109
Aug-25	5,509	5,008	212	5,510	5,009	8,103	8,315
Sep-25	5,688	4,786	428	5,690	4,785	11,717	12,145
Oct-25	5,999	4,805	441	5,977	4,804	11,067	11,507
Nov-25	6,480	5,700	279	6,478	5,699	7,793	8,071
Dec-25	6,597	6,015	360	6,599	6,014	7,732	8,092
Jan-26	6,596	5,980	364	6,598	5,980	9,454	9,818
Feb-26	6,578	4,588	1,967	6,553	4,585	20,864	22,831
Mar-26	4,982	4,450	531	4,987	4,449	14,292	14,822

Graphical presentation of movement of the Company's stock price as compared to Nifty and Sensex from April 1, 2025, to March 31, 2026, is as follows:



(Source: www.bseindia.com and www.nseindia.com)

xvii. American Depository Receipts / Global Depository Receipts/Warrants

As on March 31, 2026, the Company has no American Depository Receipts / Global Depository Receipts / Warrants or any such convertible instruments outstanding, and there is no likely impact on the Company's Equity Shares in the FY 2025-26.

xviii. Plant Locations

The Company is in the software business and does not have any manufacturing plants. However, it has software development centres / offices in India and abroad. The addresses of global development centres / offices of the Company are given elsewhere in the Annual Report.

xix. Calendar for declaring the financial statements for the quarters in the Financial Year 2025-26

Quarter Ending	Tentative Dates of the Board Meetings
June 30, 2026	August 1 and 2, 2026
September 30, 2026	October 14 and 15, 2026
December 31, 2026	January 19 and 20, 2027
March 31, 2027	April 20, 21 and 22, 2027

12. CEO and CFO Certification

As required by Regulation 17(8) of Listing Regulations, the [CEO and CFO certification](#) is provided in this Annual Report.

13. Corporate Governance Handbook

The Company has proactively and voluntarily prepared the Corporate Governance Handbook encompassing a set of guidelines and policies with respect to composition of the Board of Directors and Committees of the Board, meetings of the Board of Directors and Committees of the Board, Managerial Remuneration, Code of Conduct, Whistleblower Policy, Risk Management Policy, Internal Control Procedures etc., being adhered to by the Company. The Corporate Governance Handbook is updated on an annual basis at <https://www.persistent.com/investors/corporate-governance/>

14. Ethics Policy

The Company has continued to proactively and voluntarily implement the Ethics Policy in the Company. The objective of this policy is to explain guiding principles of Persistent's Ethics (for benefit of employees and all other

stakeholders like customers, vendors and investors) and to establish a framework for administration. The working of the Ethics Policy is monitored by the Ethics Committee chaired by a Head-Ethics who is nominated by the Board of Directors.

The Ethics Committee is an umbrella committee which oversees the handling of various complaints including employee grievances, prevention of insider trading cases, whistleblower cases, bribery and anti-corruption and anti-harassment cases. The Ethics Policy is uploaded on the website of the Company and can be accessed at <https://www.persistent.com/ethical-practices-at-persistent-systems/ethics-policy/>

15. Fraud Risk Management Policy

The Company has proactively and voluntarily implemented the Fraud Risk Management Policy in the Company. The objective of this policy is to protect the brand, reputation and assets of the Company from loss or damage resulting from any incidents of fraud or misconduct by employees or other stakeholders of the Company. The Fraud Risk Management Policy is uploaded on the website of the Company and can be accessed at <https://www.persistent.com/wp-content/uploads/2026/01/Fraud-Risk-Management-Policy-2026.pdf>

16. Secretarial Standards

The Institute of Company Secretaries of India (ICSI) issues Secretarial Standards. Your Company complies with Secretarial Standards and guidelines issued by the ICSI to the extent applicable to the Company.

17. Compliance with the Discretionary Requirements

The Company has ensured the implementation of non-mandatory items such as:

- Unmodified Audit opinions / reporting
- The Head of the Internal Audit reporting directly to the Audit Committee

18. Particulars of Total Fees paid to the Statutory Auditors

Particulars of total fees paid to the Statutory Auditors form part of the Note No. 39 of the Consolidated Financial Statements provided in this Annual Report.

19. Vendor Code of Conduct

In line with the best international governance practices, the Company has prepared the Vendor Code of Conduct that must be executed by all vendors prior to providing their services to the Company. This Code is explicit about the provisions seeking favours and bribes, and requires the vendors of the Company to follow the relevant legal and regulatory compliances applicable to them while working with the Company. They must follow acceptable business conduct while doing business with or on behalf of the Company. The Vendor Code of Conduct is uploaded on the website of the Company and can be accessed at <https://www.persistent.com/investors/corporate-governance/ethical-practices-at-persistent-systems/vendor-code-of-conduct/>

20. Best Corporate Governance Practices

a. Investors Website

Pursuant to the requirements of the Act and the SEBI Listing Regulations, the Company has revamped its Investor relations website for providing all the necessary information required by the various stakeholders. Share price movement chart / data, financials of the Company and all press releases are uploaded on the website of the Company at <https://www.persistent.com/investors/> for the easy access and analysis of the investors.

b. Investor Calls

Your Company organises Investor Calls at regular intervals after the announcement of the quarterly results. In the call, the Executive Directors and the Senior Management of the Company share information about the Company's performance for the quarter and answer the investors' queries.

c. Shareholder Communication

Your Company has undertaken an initiative to voluntarily communicate the quarterly results declared at the Board Meetings to the shareholders through emails.

d. Analyst Decks and Quarterly Press Releases

In addition to the submission to Stock Exchanges, the Company also publishes all its Investor presentations and press releases on its website on a quarterly basis after declaration of the financial results in the Board Meetings

21. Other Matters

Shareholders holding shares in physical form are requested to notify to MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) Registrar and Share Transfer Agent about any change in their address and Bank Account details under the signature of sole / first joint holder. Beneficial owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, if any, etc., directly to their Depository Participants (DP) as the same are maintained by the respective DPs.

Non-resident shareholders are requested to notify to MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) at the earliest on the following:

Change in their residential status on return to India for permanent establishment; Particulars of their NRE Bank Account with a bank in India, if not furnished earlier; and E-mail address, if any.

22. Nomination in Respect of Shares

Section 72 of the Act provides facility for making nominations by Members in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased Member to his / her nominee without being required to go through the process of obtaining Succession Certificates / Probate of the Will, etc. It would, therefore, be in the best interest of the Members holding shares as a sole holder to make such nomination.

Members holding shares in physical mode are advised to submit form SH-13 which is available for download at <https://www.persistent.com/investors/%20investors-communication/notice-to-physical-shareholders/> to the Registrar and Share Transfer Agent of the Company for making the nomination. Members holding shares in demat form are advised to contact their DP for making the nominations. Members are further requested to quote their E-mail IDs, Telephone / Fax numbers for prompt reply to their communication.

This space is intentionally kept blank.

Chief Executive Officer and Chief Financial Officer Certification

We, to the best of our knowledge and belief, certify that:

We have reviewed financial statements and the cash flow statement for the year ended March 31, 2026 and that

- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
- ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, and we have

- i. Designed such disclosures controls and procedures or caused such internal control over financial reporting to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared
- ii. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with the Generally Accepted Accounting Principles (GAAP) in India
- iii. Evaluated the effectiveness of the Company's disclosure, control and procedures
- iv. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting

We have indicated to the Statutory Auditors and the Audit Committee

- i. significant changes in internal control over financial reporting during the year
- ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
- iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting
- iv. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarise and report financial data, and have confirmed that there have been no material weaknesses in internal control over financial reporting including any corrective actions with regard to deficiencies

We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

**For and on behalf of
the Board of Directors**

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: USA
Date: June 8, 2026

Vinit Teredesai
Executive Director
and Chief Financial Officer
DIN: 03293917

Place: Pune
Date: June 8, 2026

Certificate from Practicing Company Secretary on Corporate Governance

To,
The Members,
Persistent Systems Limited,

1. Background

We have examined the compliance of conditions of Corporate Governance by **Persistent Systems Limited** (hereinafter referred to as **the Company**), for the **Financial Year ended on March 31, 2026**, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the Listing Regulations).

2. Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. The Management shall devise adequate systems, internal controls and processes to monitor and ensure the same.

3. Our Responsibility

Our responsibility was limited to conduct an examination of the procedures and implementation of systems adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

4. Methodology

4.1 In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.

4.2 Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Company to monitor and ensure compliance with the conditions of Corporate Governance and to report thereon.

5. Opinion

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company and its officers, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the financial year ended on March 31, 2026.

6. Disclaimer

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We further state that this certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVD & Associates
Company Secretaries

Sridhar Mudaliar
Partner

FCS No: 6156

CP No: 2664

Peer Review No: 6357/2025

UDIN: F006156H000594722

Place: Pune

Date: June 8, 2026

Note: We have relied on the documents and evidence provided by electronic mode, for the purpose of issuing this certificate.

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

Persistent Systems Limited,

'Bhageerath', 402 Senapati Bapat Road,
Pune MH 411016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Persistent Systems Limited** bearing CIN: **L72300PN1990PLC056696** (hereinafter referred to as **the Company**), having registered office at Bhageerath, 402, Senapati Bapat Road, Pune-411016, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for **the Financial Year ending on March 31, 2026** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Original Date of Appointment
1.	#Dr. Anand Deshpande	00005721	October 19, 1990
2.	^Mr. Sandeep Kalra	02506494	June 11, 2019
3.	Mr. Praveen Kadle	00016814	April 23, 2020
4.	Ms. Avani Davda	07504739	December 28, 2021
5.	Mr. Arvind Goel	02300813	June 7, 2022
6.	Dr. Ambuj Goyal	09631525	June 7, 2022
7.	Mr. Dan'l Lewin	09631526	June 10, 2022
8.	Dr. Ajit Ranade	00918651	June 6, 2023
9.	Ms. Anjali Joshi	10661577	June 12, 2024
10.	\$Mr. Vinit Teredesai	03293917	April 24, 2025

Note:

#Dr. Anand Deshpande (DIN: 00005721) has been re-appointed as the Managing Director for a period of 5 consecutive years, in the 35th Annual General Meeting of the Company held on July 21, 2025.

^Mr. Sandeep Kalra (DIN: 02506494) has been re-appointed as an Executive Director in the 35th Annual General Meeting of the Company held on July 21, 2025 for a period of 3 consecutive years w.e.f October 01, 2025.

\$Mr. Vinit Teredesai (DIN: 03293917) has been appointed as an Executive Director in the 35th Annual General Meeting of the Company held on July 21, 2025 w.e.f April 24, 2025 up to September 30, 2028.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SVD & Associates
Company Secretaries**

**Sridhar Mudaliar
Partner**

FCS No: 6156

CP No: 2664

Peer Review No: 6357/2025

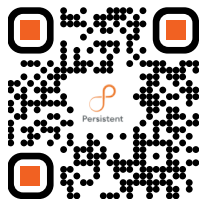
UDIN: F006156H000594700

Place: Pune

Date: June 8, 2026

Note: We have relied on the documents and evidence provided by electronic mode, for the purpose of issuing this certificate.





Scan the QR code for BRSR

Business Responsibility and Sustainability Report

FY 2025-26

Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L72300PN1990PLC056696
2. **Name of the Listed Entity:** Persistent Systems Limited
3. **Year of incorporation:** 1990
4. **Registered office address:** 'Bhageerath', 402 Senapati Bapat Road, Pune, Maharashtra 411 016
5. **Corporate address:** 'Bhageerath', 402 Senapati Bapat Road, Pune, Maharashtra 411 016
6. **E-mail:** corpsec@persistent.com
7. **Telephone:** +91 (20) 6703 3000
8. **Website:** www.persistent.com
9. **Financial year for which reporting is being done:** FY 2025-26 i.e., April 1, 2025, to March 31, 2026
10. **Name of the Stock Exchange(s) where shares are listed:**
BSE Limited (BSE) | National Stock Exchange of India Limited (NSE)
11. **Paid-up Capital as on March 31, 2026 is INR 78,87,50,000**
The Paid-up equity share capital as on March 31, 2026 is INR 78,87,50,000 comprising 157,750,000 Equity Shares of face value of INR 5 each
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**
Name: Mr. Amit Atre, Company Secretary & Ms. Chitra Byregowda, Senior VP, Global Head of Sustainability & ESG
Telephone: +91 (20) 6703 3000
E-mail: investors@persistent.com or companysecretary@persistent.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).**
The BRSR report is prepared on a consolidated basis unless otherwise specified in the respective indicator. ESG indicators are disclosed based on the operational control approach, as specified in the boundaries, and in accordance with SEBI BRSR Annexure 1 and Annexure 2 guidelines.
14. **Name of assurance provider:** DNV Business Assurance India Private Limited ('DNV').
15. **Type of assurance obtained**
 - Reasonable Level of assurance for BRSR 9 Core Attributes (Ref: Annexure I of SEBI Circular - SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated May 10, 2021)
 - Limited Level of assurance for BRSR Comprehensive indicators (Ref: Annexure II of SEBI Circular - SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated May 10, 2021)

Refer to the [Independent Assurance Statement](#)

II. Products / Services

16. **Details of business activities (accounting for 90% of the turnover):**
Persistent is a trusted Digital Engineering and Enterprise Modernisation partner, combining deep technical expertise and industry experience to help our clients anticipate what's next, and answer questions before they're asked. Our offerings and proven solutions create unique competitive advantage for our clients by giving them the power to see beyond and rise above.
Refer to Financial Performance Section in [Annual Report](#).

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Software and IT consulting (GICS classification – Information Technology – Software and Services)	Software enabled product engineering and designing and R&D services	92.5%
2	IP products (IP LED Services)	AMC, Royalty, license sales (Owned & Third-party), any customisation work on owned products etc.	7.5%

17. Products / Services sold by the entity (accounting for 90% of the entity's Turnover)

Click for more details <https://www.persistent.com/services/>

S. No.	Products / Services	NIC Code	% of total Turnover contribute
1	Software enabled product engineering and designing and R&D services	620	95%
2	IP products	620	5%

III. Operations

18. Number of locations where plants and / or operations / offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not Applicable	23	23
International	Not Applicable	46	46

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	12
International (No. of Countries)	21

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Contribution of exports as a percentage of the total turnover is 90.6%

c. A brief on types of customers

Persistent Systems (BSE: 533179 and NSE: PERSISTENT) is a global services and solutions company delivering AI-led, platform-driven Digital Engineering and Enterprise Modernisation to businesses across industries. With over 27,502 employees located in 21 countries, the Company is committed to innovation and client success. Persistent serves enterprise customers across various domains, including Software, Hi-Tech & Emerging Industries, Banking, Financial Services & Insurance, Healthcare & Life Sciences.

The Company offers a comprehensive suite of services, including software engineering, product development, data and analytics, CX transformation, cloud computing, and intelligent automation. Refer to details provided in customer segments of the [Annual Report](#), www.persistent.com.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Employees and workers						
Employees						
S. No.	Particulars	Male			Female	
		Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)
1	Permanent (D)	24,601	17,195	69.90%	7,406	30.10%
2	Other than Permanent (E)	2,901	2,157	74.35%	744	25.65%
3	Total employees (D + E)	27,502	19,352	70.37%	8,150	29.63%
Workers: Not Applicable						

The total workforce comprises full-time employees (FTEs), contractual staff and consultants, all of whom are classified as employees; no individuals are categorised as workers. Accordingly, disclosures applicable to the “workers” category are reported as Not Applicable. Gender-related data is disclosed on a voluntary basis, based on employee self-identification and self-declaration.

b. Differently abled Employees and workers:

Differently Abled Employees						
S. No.	Particulars	Male			Female	
		Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)
1	Permanent (D)	58	46	79.31%	12	20.69%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total employees (D + E)	58	46	79.31%	12	20.69%
Differently Abled Workers: Not Applicable						

The above data is based on voluntary self-disclosure by employees.

21. Participation / Inclusion / Representation of women

	Total (A)	No. (B)	% (B / A)
Board of Directors	10 *	2	20%
Key Managerial Personnel	4	0	0%

Key Management Personnel (KMP) includes Chairman and Managing Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary (CS).

* Mr. Vinit Teredesai (DIN: 03293917) was appointed as an Executive Director of the Company with effect from April 24, 2025.

22. Turnover rate for permanent employees and workers

	2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.26%	12.43%	13.01%	13.30%	12.10%	12.90%	11.60%	11.40%	11.50%

Note: Turnover rate for permanent employees includes voluntary attrition.

The Company observed a marginal increase in employee turnover in FY 2025-26 compared to previous years, primarily reflecting evolving industry demand and workforce mobility. The Company continues to focus

on strengthening retention through targeted initiatives such as reskilling, internal mobility, and employee engagement programmes, while periodically monitoring workforce stability as part of its human capital management framework.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
1	Persistent India Foundation, India	Subsidiary Company	100%	Yes
2	MediaAgility India Private Limited, India	Subsidiary Company	100%	Yes
3	Persistent Systems UK Limited, UK	Subsidiary Company	100%	Yes
4	Arrka Infosec Private Limited, India	Subsidiary Company	100%	Yes
5	Persistent Systems Malaysia Sdn. Bhd., Malaysia	Subsidiary Company	100%	Yes
6	Persistent Systems Pte. Ltd., Singapore	Subsidiary Company	100%	Yes
7	Persistent Systems France S.A.S., France~	Subsidiary Company~	100%	Yes
8	Persistent Systems Germany GmbH, Germany~	Subsidiary Company~	100%	Yes
9	Persistent Systems Switzerland AG, Switzerland~	Subsidiary Company~	100%	Yes
10	Persistent Systems Costa Rica Limitada*	Subsidiary Company*	100%	Yes
11	Persistent Systems S.r.l., Romania~	Subsidiary Company~	100%	Yes
12	Persistent Systems Inc., USA	Subsidiary Company	100%	Yes
13	Aepona Group Limited, Ireland*	Subsidiary Company*	100%	Yes
14	Persistent Systems Lanka (Private) Limited, Sri Lanka~	Subsidiary Company~	100%	Yes
15	Persistent Systems Poland spolka z.o.o., Poland*	Subsidiary Company*	100%	Yes
16	Persistent Systems Israel Ltd., Israel*	Subsidiary Company*	100%	Yes
17	Persistent Systems Mexico S.A. de C.V., Mexico*	Subsidiary Company*	100%	Yes
18	Persistent Systems Australia Pty. Ltd., Australia*	Subsidiary Company*	100%	Yes
19	MediaAgility Inc., USA*	Subsidiary Company*	100%	Yes
20	MediaAgility Pte. Ltd., Singapore**	Subsidiary Company**	100%	Yes
21	MediaAgility UK Ltd., UK**	Subsidiary Company**	100%	Yes
22	Digitalagility S de RL de CV, Mexico**	Subsidiary Company**	100%	Yes
23	Baixinteng System Service (Shanghai) Co. Ltd. i.e. Persistent Systems (Shanghai) Co. Ltd.^	Subsidiary Company^	100%	Yes

(*) Subsidiary of Persistent Systems, Inc. and Step-down subsidiary of Persistent Systems Limited, India

(^) Subsidiary of Persistent Systems Pte. Ltd., Singapore and Step-down subsidiary of Persistent Systems Limited, India

(~) Subsidiary of Aepona Group Limited, Ireland and Step-down subsidiary of Persistent Systems Limited, India

(**) A subsidiary of MediaAgility Inc. USA, Step down subsidiary of Persistent Systems Inc., and Ultimate Parent Company being Persistent Systems Limited

1. Aepona Group Limited, Ireland is Wholly Owned subsidiary of Persistent Systems Limited effective from December 5, 2025
2. Persistent Systems Switzerland AG is Wholly Owned subsidiary of Aepona Group Limited, Ireland effective from December 24, 2025
3. Persistent Systems Costa Rica Limitada is Wholly Owned subsidiary of Persistent Systems Inc. effective from December 24, 2025
4. Persistent Systems S.R.L., Romania (100%) is Wholly Owned subsidiary of Aepona Group Limited, Ireland effective from February 24, 2026
5. Establishment of 100% subsidiary of Singapore entity in China effective from February 27, 2026. The name of entity is Baixinteng System Service (Shanghai) Co. Ltd. [i.e., Persistent Systems (Shanghai) Co. Ltd.]
6. Merger of PTSI with PSI effective from February 28, 2026
7. Merger of Starfish LLC with PSI effective from March 2, 2026
8. Persistent Systems Poland spolka z.o.o., Poland (100%) is Wholly Owned subsidiary of Aepona Group Limited, Ireland effective from March 4, 2026
9. Persistent Systems France SAS, (France is Wholly Owned subsidiary of Aepona Group Limited, Ireland) effective from March 25, 2026
10. Persistent Systems Germany GmbH., (Germany is Wholly Owned subsidiary of Aepona Group Limited, Ireland) effective from March 31, 2026

Refer to <https://www.persistent.com/investors/corporate-governance/subsidiaries/>

VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
 - ii. Turnover: INR 144,279.59 Million
 - iii. Net worth: INR 67,103.08 Million

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VII. Transparency and Disclosures Compliances

25. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

		FY 2025-26			FY 2024-25		
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No) (If yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	The Company has a robust Whistleblower Policy in place and has established multiple reporting channels to enable the reporting of concerns in a confidential manner. A toll-free Whistleblower Helpline is available at: India: 1800 210 0165 USA: 1-833-605-8476 In addition, complaints may be reported online by writing to the Whistleblower Administrator at whistleblower@persistent.com. The Whistleblower Policy is publicly available on the Company's website: Whistleblower Policy Persistent Systems. Separately, the CSR team also engages with beneficiaries through appropriate stakeholder engagement mechanisms to address concerns and issues on an ongoing basis.	0	0	None	0	0	None

		FY 2025-26			FY 2024-25		
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No) (If yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes. Investors may raise grievances by writing to Registrar and Transfer Agent (RTA) of the Company or directly to investors@persistent.com	0	0	None	0	0	None
Shareholders*	Yes. Shareholders may raise grievances by writing to Registrar and Transfer Agent (RTA) of the Company or directly to investors@persistent.com	6	1	The 1 (One) pending complaint was resolved in due course.	2	0	None
Employees and workers	Employees may raise grievances through internal mechanisms, including the Global Help Desk, as well as through the Whistleblower mechanism mentioned above.	10	0	None	37	0	None
Customers	Yes. Customers may raise grievances through the whistleblower mechanism mentioned above	0	0	None	0	0	None
Value Chain Partners	Yes. Value Chain Partners, including suppliers, may raise grievances through the Whistleblower mechanism mentioned above.	1	0	None	5	0	None
Other (please specify)	Yes. Anonymous complainants may raise grievances through Whistleblower mechanism	14	0	None	0	0	None

*During FY 2025-26, we received a total of 83 other requests from shareholders, while during FY 2024-25, we received a total of 67 other requests.

All the requests were resolved. Refer to Corporate Governance section of [Annual Report](#).

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

The Company integrates material ESG risks and opportunities into its Enterprise Risk Management framework to enable holistic oversight, prioritisation, and mitigation across short, medium, and long-term horizons.

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Strategy (Transition & Physical Risks and Emission & Energy Management)	R / O	Risk: Climate change presents material risks to the Company through physical impacts, including disruption to data centres and office operations from extreme weather events, increased energy costs and supply chain interruptions. In addition, regulatory and transition risks—such as evolving climate regulations, carbon pricing mechanisms, and client sustainability mandates—may increase compliance costs, expose the Company to financial penalties, and affect operational continuity and competitiveness. Together, physical and transition risks have the potential to influence costs, service delivery and long-term business resilience. Opportunity: A proactive climate strategy focused on decarbonising operations, improving energy efficiency and investing in low carbon technologies presents a significant growth and resilience opportunity. Advancing climate action can reduce operating costs, mitigate regulatory and energy price risks and strengthen the Company's competitive positioning. In parallel, it enables the development of green IT and digital sustainability solutions, supports compliance with client climate expectations and attracts sustainability driven customers, thereby creating long-term value and market differentiation.	Strong commitment and action-oriented short-, medium- and long-term plan to reducing our carbon footprint through renewable energy adoption and energy efficiency measures and accounting of GHG emissions across Scope 1, 2, and 3. In line with these commitments, we achieved carbon neutrality for Scope 1 and 2 emissions for three consecutive years starting FY 2023-24, FY 2024-25, & FY 2025-26. We commit to reach Net-Zero greenhouse gas emissions across the value chain by 2050. Our net-zero strategy drives innovation in clean technologies and energy efficiency, ensuring long-term climate resilience. For more details refer "ESG Report FY 2025-26, Page 100".	Positive: • Lower energy and operating costs • Revenue opportunities from low carbon offerings • Improved access to capital and financing Negative: • Higher compliance and transition related costs • Increased capital expenditure for decarbonisation • Risk of operational disruption and asset impairment

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Waste Management	R / O	Risk: Ineffective waste management can negatively impact the Company's operations by increasing disposal and compliance costs, exposing the Company to regulatory penalties, and adversely affecting brand reputation. Poor waste handling practices may also heighten environmental and compliance risks, leading to operational inefficiencies and increased scrutiny from regulators and stakeholders. Opportunity: Adopting scientific waste segregation and disposal practices, aligned with the Reduce, Reuse and Recycle (3R) principle, presents an opportunity to enhance resource recovery and support a circular economy. Effective waste management can lower operational and disposal costs, improve regulatory compliance, and strengthen the Company's transition towards sustainable and responsible business practices, contributing to long-term environmental and economic value.	Our waste management strategy is anchored in a circular economy approach, aimed at minimising environmental impact through responsible waste reduction, reuse, recycling and compliant disposal practices. Key risk mitigation measures include: • Engagement with certified and authorised recyclers for the handling and disposal of all waste streams, including hazardous and non-hazardous waste • A robust e-waste management policy that promotes safe handling, tracking and environmentally sound recycling of electronic waste in line with applicable regulatory requirements • Systematic segregation of waste at source to enhance recycling efficiency and reduce landfill dependency • Regular monitoring and documentation of waste generation and disposal to ensure compliance and enable continuous improvement • Through these measures, we mitigate regulatory, environmental and reputational risks associated with waste management while supporting resource efficiency and responsible consumption For more details refer "ESG Report FY 2025-26, Page 127".	Positive: • Lower waste handling and disposal costs • Value recovery from recycled materials • Operational efficiency gains Negative: • Higher waste disposal and compliance costs. • Regulatory penalties and liabilities • Risk of contamination related remediation costs

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Water Management	R / O	Risk: Water scarcity and inefficient wastewater management pose risks to business continuity by increasing dependence on depleting groundwater resources, escalating regulatory and compliance pressures and driving higher operating costs. These risks may disrupt operations, particularly in water stressed regions and expose the Company to heightened scrutiny from regulators and stakeholders. Opportunity: Implementing efficient and scientific wastewater treatment practices, including zero liquid discharge (ZLD) and recycling and reuse of treated water, presents a significant opportunity to reduce freshwater dependency and operating costs. Strengthening water stewardship enhances operational efficiency, regulatory compliance and long-term resilience, while supporting sustainable water management and responsible resource use.	We prioritise water stewardship through efficient water use practices, rainwater harvesting, and wastewater recycling, supported by strong monitoring and conservation mechanisms across our operations. These measures help mitigate operational; regulatory and resource availability risks associated with water stress. For more details refer "Water Management, Page 122".	Positive: • Lower water procurement and treatment costs • Improved operational resilience in water stressed regions • Strengthened license to operate and stakeholder trust Negative: • Higher water sourcing and treatment costs • Risk of operational shutdowns due to water scarcity • Regulatory fines and compliance related penalties

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Diversity, Equity, Inclusion & Belonging (DEIB)	Opportunity	Opportunity: A well-defined and effectively implemented DEIB strategy creates opportunities to enhance innovation, productivity, and workplace creativity by fostering diverse perspectives and inclusive practices. Strong DEIB practices support the attraction, engagement, and retention of diverse talent, strengthen employee morale and enable the delivery of high quality, inclusive services to customers, contributing to sustainable growth and long-term value creation.	• Unbiased hiring and equitable people practice mitigating discrimination, attrition and talent availability risks • Leadership diversity initiatives to strengthen decision making quality and organisational resilience • Equal access to learning and career progression to enhance workforce productivity and retention • Board and leadership oversight supported by DEI policies and training on inclusive behaviours and equal opportunity • Continuous listening and measurement systems (surveys, dashboards) enabling data-driven decision-making and audit traceability For more details refer "Report FY 2025-26, Page 168".	Positive: • Improved employee retention, reducing recruitment and replacement costs • Higher workforce productivity and innovation, supporting revenue growth and margin improvement • Stronger talent pipeline, enhancing long-term organisational resilience and competitiveness • Enhanced employer branding and stakeholder trust, supporting investor perception and ESG positioning Negative: • Increased employee turnover leading to higher hiring, onboarding and training costs • Potential litigation and compliance costs arising from inequitable practices • Damage to employer brand, affecting talent attraction and long-term business performance

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Human Capital Development	R / O	Risk: Inadequate people management and lagging technology integration may result in talent inefficiencies, heightened attrition, sub optimal workforce planning and erosion of competitive advantage in fast evolving digital markets. Opportunity: Strong human capital management presents a significant growth opportunity by optimising talent performance, fostering engagement and innovation, and strengthening leadership continuity. Integrated talent and succession planning reduces attrition risks, enhances workforce efficiency and supports sustained competitiveness.	• Structured learning and development framework aligned with organisational and business priorities • Continuous upskilling and reskilling programmes to build future ready capabilities • Technology academies to strengthen digital and domain expertise • Leadership development initiatives to build a strong leadership pipeline • Clearly defined career progression and succession pathways • Robust performance management systems linked to capability development • Integration of learning objectives with business strategy to support talent retention, productivity and long-term growth For more details refer "ESG Report FY 2025-26, Page 157".	Positive: • Improved operational efficiency and productivity, positively impacting operating margins • Enhanced innovation capability supporting revenue growth and service differentiation • Greater internal mobility reducing external hiring costs and time to productivity • Strengthened future readiness of the workforce, supporting long-term enterprise value and business resilience Negative: • Reduced workforce productivity leading to inefficiencies and higher operating costs • Increased employee attrition resulting in higher recruitment, onboarding and replacement expenses. • Loss of critical skills and institutional knowledge impacting service delivery, growth potential and competitiveness

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Employee Well-being, Engagement, Health and Safety	R / O	Risk: Inadequate health and safety conditions, including poor ergonomic design and insufficient support for mental and emotional well-being, may lead to increased absenteeism, reduced employee engagement, and lower productivity. These factors can elevate operational risk, disrupt service delivery and expose the Company to regulatory penalties and compliance-related costs, ultimately impacting growth and business performance. Opportunity: Strengthening employee health, safety, and well-being is a critical opportunity in a high intensity technology environment. A safe, inclusive and supportive workplace enhances employee engagement, fosters innovation, and improves productivity, contributing to sustained performance, talent retention, and long-term organisational resilience.	- Continuous feedback mechanisms and professional development programmes to strengthen employee engagement, retention and productivity - Well-being initiatives designed to support a positive, motivating and high-performance work environment - Occupational Health and Safety (OHS) management system to safeguard employee safety and workplace conditions - Ergonomically designed workplaces to reduce health risks and improve comfort - Mental health support programmes to address stress and emotional well-being - Comprehensive well-being initiatives covering physical, social, financial and psychological well-being For more details refer “ESG Report FY 2025-26, Page 175”.	Positive: - Lower absenteeism and improved workforce availability - Higher productivity and operational efficiency - Reduced health, safety, and insurance claims Negative: - Costs arising from workplace incidents and injuries - Adverse impact on insurance premiums. - Operational downtime and productivity loss - Legal, regulatory and liability exposure
7.	Human Rights & Labour/ Workforce Practices	Risk	Risk: - Discriminatory practices, unethical labour / workforce actions, or misuse of employee or personal information can result in regulatory penalties, jurisdictional exposure, and non-compliance costs - Such incidents may lead to operational inefficiencies, legal liabilities and erosion of brand reputation, adversely impacting business continuity and stakeholder trust	- Robust labour/employee and human rights policies, supported by a formal Human Rights Commitment Statement - Effective grievance redressal mechanisms to address concerns and ensure accountability - Regular awareness and training programmes to embed ethical practices - Supplier assessments to promote respect for human rights across the value chain For more details refer “ESG Report FY 2025-26, Page 202”.	Positive: - Improved supply continuity and operational stability - Sustained market access and stronger investor confidence Negative: - Regulatory fines and remediation costs - Contract losses due to non-compliance - Brand and reputation damage impacting long-term value

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Corporate Citizenship & Individual Social Responsibility	Opportunity	Opportunity: Our strong commitment to social development and corporate responsibility builds societal trust, employee acceptance, and regulatory alignment. By integrating business growth with inclusive economic and social development, the Company enhances community welfare and well-being while supporting sustainable, long-term value creation.	Through our CSR initiatives, we focus: - On initiatives in education, skill development, healthcare and community welfare, preservation of heritage and wildlife - Support for underserved and marginalised communities through targeted programmes - Alignment of CSR efforts with national development priorities - Contribution to global development goals through sustained social impact initiatives For more details refer " ESG Report FY 2025-26, Page 222 ".	Positive: - Stronger community support - Smoother operational execution and project continuity - Enhanced brand value and stakeholder trust Negative: - Risk of community protests and stakeholder opposition - Project delays affecting timelines and costs - Reputational harm impacting long-term business value
9.	Risk Management and Business Continuity	Risk	Risk: In a rapidly evolving technology environment, insufficiently integrated risk identification and oversight may result in emerging ESG, cyber, data privacy, and technology risks being inadequately assessed or managed, potentially affecting operational resilience, regulatory compliance and enterprise value over the short, medium, and long-term.	We integrate ESG risks into our Enterprise Risk Management (ERM) framework to assess climate risks, regulatory challenges, and cybersecurity threats, ensuring business resilience and continuity. Enhancing detection systems, protocols, tools and processes - maintain uninterrupted business operations, in case of any disruptions or outages. For more details refer " ESG Report FY 2025-26, Page 262 ".	Positive: - Reduced disruption related losses - Enhanced operational resilience and business continuity - Increased investor confidence and trust Negative: - Operational downtime affecting service delivery - Revenue losses due to system or process disruptions - Increased recovery, remediation and incident response costs
10.	Corporate Governance	Risk	Risk: Weak governance may lead to inadequate oversight, conflicts of interest and poor decision making, increasing operational, compliance, and value erosion risks.	A strong and effective board or leadership oversight aligning with company's vision, mission, and business goals boosts investor confidence, lowers capital costs and promotes transparency in business operations and disclosures. Good governance strengthens company's position in the external environment, while poor governance results in compliance costs and administrative burdens, leading to stiffness in business growth. For more details refer " ESG Report FY 2025-26, Page 234 ".	Positive: - Improved access to capital and financing - Enhanced stakeholder and investor trust Negative: - Regulatory actions and compliance penalties - Strategic decision failures impacting long-term value

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11.	Business Ethics and Compliance	Risk	Risk: Ethical misconduct, bribery, or regulatory non-compliance may result in financial penalties, legal exposure, loss of stakeholder trust, and reputational damage, adversely affecting business continuity and long-term value.	• Zero-tolerance Ethics, Whistleblower & anti-corruption framework, supported by a comprehensive Code of Conduct, to ensure ethical behaviour and regulatory compliance • Strong governance and compliance oversight to prevent misconduct, mitigate legal and reputational risks, and strengthen stakeholder trust • Effective compliance controls to reduce exposure to fines, litigation, contract losses and value erosion, thereby protecting long-term enterprise value For more details refer " ESG Report FY 2025-26, Page 252 ".	Positive: • Reduced compliance-related losses and risk exposure • Stronger credibility with regulators, customers, and investors • Lower ongoing compliance and control costs Negative: • Regulatory fines and legal costs. • Reputational damage affecting long-term enterprise value
12.	Innovation Management	Opportunity	Opportunity: Innovation enables new products, process efficiency, and market expansion - In the current fast-paced evolving environment, being at the competitive edge encourages companies to accelerate product / service development and develop new service lines. Being agile in innovating and automating digital transformation optimises costs and drives customer satisfaction. However, innovation has its own risks of failure and unproven tech disruptions, therefore, it is essential to invest meaningfully in R&D and innovation management.	We integrate cutting-edge technologies such as AI, automation and digital transformation to enhance operational efficiency, sustainability, and customer experience. Our focus on continuous innovation strengthens our market leadership. For more details refer " ESG Report FY 2025-26, Page 300 ".	Positive: • New revenue streams and market expansion • Operational efficiency and productivity gains • Competitive differentiation and long-term growth Negative: • Obsolescence risk impacting product relevance and revenue potential • Foregone market opportunities leading to reduced growth and market share

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
13.	Client Value and Customer Satisfaction	R / O	Opportunity: Consistent value creation for clients and high customer satisfaction support revenue stability, repeat business, client retention, cross selling opportunities and long-term enterprise value. Risk: Declining customer satisfaction may increase service remediation costs, weaken client trust and loyalty and lead to customer attrition or revenue concentration risks, adversely affecting revenue predictability, growth, and long-term financial performance.	We focus on delivering consistent customer value and satisfaction through strong service quality standards, customer centric delivery models and continuous engagement mechanisms. Risks relating to customer satisfaction are mitigated through structured customer feedback and grievance redressal mechanisms, regular service reviews and corrective action processes to address issues in a timely manner. Strong governance, data protection practices and adherence to contractual and regulatory requirements further support trust, service reliability, and long-term customer relationships. A dedicated customer success team focusing on customer feedback process and improvement in customer satisfaction has been formed since last 12 months. For more details refer "ESG Report FY 2025-26, Page 300".	Positive: • Repeat sales and long-term revenue stability • Ability to command price premiums • Strong customer loyalty and retention Negative: • Higher warranty and service remediation costs • Loss of contracts and reduced market position

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S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
14.	Information Security, Cybersecurity, and Data Privacy	Risk	Risk: Cyber incidents, data breaches, or privacy failures can disrupt operations, expose the Company to regulatory penalties and legal liabilities, increase compliance and remediation costs, and erode customer trust and brand reputation, negatively impacting operational efficiency and growth.	• Protection of information assets, digital systems, and customer data through a robust information security and cybersecurity framework, supported by defined policies, controls, and governance mechanism • Deployment of advanced cybersecurity tools, including AI driven threat detection, and compliance with applicable global and local data protection regulations • Continuous risk mitigation measures, including real time monitoring, secure access management, periodic risk assessments, and secure data handling practices • Ongoing employee training and awareness programmes to strengthen cyber hygiene and data privacy compliance • Strong oversight mechanisms, including periodic audits and incident response protocols, to safeguard data confidentiality, integrity, and availability and reduce the risk of cyber incidents, data breaches, and regulatory non-compliance For more details refer “ESG Report FY 2025-26, Page 284”.	Positive: • Reduced loss exposure from cyber and data incidents • Strengthened client trust and confidence • Improved business continuity and service reliability Negative: • Breach response, remediation, and recovery costs • Regulatory penalties and litigation exposure • Operational downtime and productivity losses
15.	Sustainable Value Chain Management	R / O	Risk: Environmental, labour, or ethical lapses within the supplier base may create indirect operational, compliance, reputational, and continuity risks across the value chain.	We implement sustainable and responsible value chain management practices through strengthened compliance mechanisms, supply chain audits, green procurement, and responsible business relationships. Our approach promotes responsible sourcing, ethical supplier practices, and ESG compliance across the supply chain. Through sustainable procurement practices, regular supplier audits, and structured supplier engagement programmes, we enhance resource efficiency and optimise the use of resources across the value chain in a responsible and sustainable manner, driving accountability and long-term value. For more details refer “ESG Report FY 2025-26, Page 215”.	Positive: • More resilient and reliable supply base • Lower exposure to ESG, compliance, and continuity risks • Preferred customer status with responsible suppliers Negative: • Supply disruptions affecting operations and delivery • Higher compliance and supplier management costs • Reputational risks arising from supplier ESG failures

S. No.	Material Issues Identified	Risk / Opportunity (R / O)	Rationale for identifying the risk/opportunity	Management Approach (Risk Mitigation / Opportunity Realisation)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
16.	Responsible AI and AI Governance	R / O	Opportunity: Strong AI governance and responsible AI deployment enhance productivity, decision-making, and service quality while mitigating technology, compliance, and reputational risks, thereby protecting enterprise value and enabling sustainable growth amid evolving AI regulations. Risk: Uncertainties in AI and GenAI adoption—pace, scale, regulation, and return on investment—may delay customer programmes or, conversely, disrupt delivery models, pricing, and contracts if adoption accelerates • Impact on workforce requirements, associated reskilling, talent availability, and change management • Evolving AI regulation, IP protection, data privacy, and cybersecurity requirements may impact compliance requirements • Potential exposure to vulnerabilities in the evolving ecosystem (data, IP, governance, etc.)	Investment into AI tools and technologies, and updating and enhancing pricing, delivery models and contractual frameworks. Role-based training and awareness programmes have been instituted to strengthen AI literacy and promote responsible development, deployment, and use of AI and GenAI tools and platforms. Ongoing monitoring of regulatory, legal, and ethical developments related to AI is undertaken to support timely compliance, adapt governance practices, and enhance risk responsiveness in a rapidly evolving external environment. PSL has established a comprehensive AI Risk Management and Governance framework, supported by ISO/IEC 42001 certification. Responsible AI policies, aligned with recognised global standards, have been implemented with centralised oversight and clearly defined accountability mechanisms to ensure consistent governance across business units and delivery environments. The Company has strengthened data protection, cybersecurity, and intellectual property controls across AI ecosystems, including safeguards covering third-party platforms and tools. For more details refer “ESG Report FY 2025-26, Page 297”.	Positive: • Productivity gains and operational efficiency • Improved decision making and innovation capability Negative: • Increased compliance and governance costs • Errors, reputational damage, and legal or regulatory exposure

Section B: Management and Process Disclosures

Principle and Description
Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3: Businesses should promote the well-being of all employees.
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5: Businesses should respect and promote human rights.
Principle 6: Business should respect, protect, and make efforts to restore the environment.
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8: Businesses should support inclusive growth and equitable development.
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Policy and management processes a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	Refer to our Code of Conduct (CoC) Ethics Policy Whistleblower Policy Global Anti-Corruption and Anti-Bribery Policy Group Corporate Tax Strategy Responsible AI Policy Code of Conduct — Prevention of Insider Trading Policy Related Party Transactions Policy	Refer to our Vendor Code of Conduct Code of Conduct (CoC) EHS Policy ESG Policy	Refer to our EHS Policy ESG Policy Global Policy on Anti- Harassment and Prevention of Discrimination Anti-Human Trafficking Policy Code of Conduct (CoC) Human Rights Policy	Refer to our CSR Policy Related Party Transactions Policy Policy for Determination of Materiality of Event / Information Dividend distribution Policy Code of Fair disclosure Code of Conduct (CoC) Whistleblower Policy Vendor Code of Conduct Diversity and Inclusion Policy	Refer to our Anti-Human Trafficking Policy Diversity and Inclusion Policy Human Rights Policy Equal Employment Opportunity Policy	Refer to our EHS Policy ESG Policy Vendor Code of Conduct	Refer to our Code of Conduct Global Anti-Corruption and Anti-Bribery Policy Lobbying Policy	Refer to our CSR Policy Vendor Code of Conduct ESG Policy	Refer to our Code of Conduct (CoC) Privacy Policy Information Security Policy Global Anti-Corruption and Anti-Bribery Policy Responsible AI Policy ERM Policy
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	GRI standards UNGC Principles UN Guiding Principles on Business and Human Rights (UNGPs) OECD Principles of Corporate Governance	GRI standards UN SDGs UNGC Principles ISO 14001:2015 ISO 45001:2018 ISO 9001:2015 ISO 13485:2016 ISO 27001:2022 CMMI for Dev2.0 Maturity Level 5	GRI standards, UNGC Principles ILO core Conventions ISO 9001:2015 ISO 45001:2018	GRI standards OECD Guidelines UN Guiding Principles on Business and Human Rights (UNGPs) ISO 9001:2015	GRI standards UNGC principles Principles of Corporate Governance ILO Core Conventions UN Guiding Principles on Business and Human Rights (UNGPs)	ISO 14001:2015 ISO14068 Carbon Neutrality GHG Protocol Energy Star / Green building certifications (BIS / LEED) SBTi Net Zero commitment UNGC principles CDP TCFD UN SDG's	Principles of Corporate Governance UNGC principles OECD Guidelines Companies Act, 2013	GRI standards, CSR disclosures pursuant to Section 135 of the Companies Act, 2013 UN SDGs OECD guidelines UNGC principles	GRI Standards, ISO 27001:2022 ISO 27017:2015 System and Organisation Controls (SOC) 2 Type 2 ISO 42001:2023 ISO 27701:2019 ISO 27018:2019 ISO 22301 – Business Continuity Management

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

ESG goals and targets are reviewed on an annual basis as part of the Company's management approach. Targets achieved during FY2026 have been integrated into ongoing year-on-year commitments to ensure sustained performance and continuous improvement. In parallel, new targets for FY2027 have been defined to reflect evolving business priorities, regulatory developments and emerging disclosure requirements. These targets are reviewed by the Stakeholders' Relationship and ESG Committee of the Board, and formal approval is obtained, ensuring continued oversight, accountability and reinforcement of the Company's commitment to ongoing improvement.

ESG Goals FY 2025-26	ESG Goals FY 2026-27
Environmental Goals	
Climate Action Goals	
Maintain carbon neutrality across Scope 1 and Scope 2 emissions annually	Maintain carbon neutrality across Scope 1 and Scope 2 emissions annually
To source 100% of electricity from renewable energy for all owned facilities by FY2026	Short Term Target: To source 100% of electricity from renewable energy for all India owned facilities by FY2027 Long-term Target: To increase renewable energy sourcing to 80% for all locations in India by FY2034
Reduce absolute scope 1 and 2, 3 emissions by 54.6% by FY2034 from a FY2024 base year (as per SBTi approved targets)	Near Term Target: Reduce absolute Scope 1 and 2, 3 emissions by 54.6% by FY2034 from a FY 2024-25 base year (as per SBTi validated and approved targets)
Achieve Net-zero greenhouse gas emissions across the value chain by FY2050	Long-term Target: Achieve Net-Zero greenhouse gas emissions across value chain by FY2050 (as per SBTi validated and approved targets)
Water Stewardship	
Reduce 5% freshwater consumption and achieve 100% wastewater recycling in owned campuses Y-o-Y	Short-term Target: Reduce freshwater consumption by 5% Year-on-Year (YoY) across all owned campuses in India Long-term target: Achieve and maintain 100% recycling of wastewater across all owned facilities in India by 2030
Waste Management	
Reduce waste sent to landfill at owned campuses and achieve a 90% recycling Year-on-Year (YoY)	Zero Waste to Landfill (ZWL) Certification for 100% owned facilities by FY2027
Social Goals	
Inclusive workforce	
Aim for 35% gender diversity by FY2030	Aim to improve gender diversity by at least 0.5% Year-on-Year (YoY) and achieve 35% by FY2040
Include people of all genders, ethnicities, sexual preferences, religions and specially abled persons in our diverse workplaces	Include people of all genders, ethnicities, sexual preferences, religions and specially abled persons in our diverse workplaces
Employee Health and Safety	
Maintain zero workplace accidents Year-on-Year (YoY)	Maintain zero workplace accidents Year-on-Year (YoY)
Ensure work-life harmony to achieve professional and personal goals	Ensure work-life harmony to achieve professional and personal goals
Implement holistic well-being initiatives focusing on physical, social, financial and emotional health	Implement holistic well-being initiatives focusing on physical, social, financial and emotional health

ESG Goals FY 2025-26	ESG Goals FY 2026-27
Value Chain Sustainability	
Value chain disclosure for partners constituting 2% or more of purchases and sales (up to a total of 75%) by FY2026	Value chain disclosure for partners constituting 2% or more of purchases and sales (up to a total of 75%) by FY2027
Sustainable Livelihood	
Touch 55,000 plus lives to deliver high-impact programmes in Education, Health care, Community Development and Preservation of heritage and wildlife by FY2026	Touch 60,000 plus lives to deliver high-impact programmes in Education, Health care, Community Development and Preservation of heritage and wildlife by FY2027
Attract and Nurture Talent	
Achieve learning coverage of 92%	Achieve learning coverage of 92%
Nurture long-term employees to get them ready for senior management roles	Nurture long-term employees to get them ready for senior management roles
Ensure a healthy mix of internal and external talent	Ensure a healthy mix of internal and external talent
Governance Goals	
Ethical Conduct	
100% Training in Code of Conduct	100% Training in Code of Conduct
Zero tolerance for unethical and non-compliant behaviour	Zero tolerance for unethical and non-compliant behaviour
Risk and Compliance	
To be recognised as industry leader in information security and cloud practices	To be recognised as industry leader in information security and cloud practices
Use information governance to effectively manage data privacy and security-related risks	Use information governance to effectively manage data privacy and security-related risks
Human Rights	
Protect Human rights of all employees across all locations Practice “One Persistent, One Family”	Protect Human rights of 100% of employees across all locations in line with Human Rights Policy, guided by our “One Persistent, One Family” principle

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

We are steadily advancing toward our ESG goals, guided by a clear vision and measurable actions. Our progress reflects our commitment to creating long-term value for all stakeholders—people, planet, and partners.

ESG Goals Progress FY 2025-26	
Environmental Goals	
Climate Action Goals	Performance
Maintain carbon neutrality across Scope 1 and Scope 2 emissions annually	Carbon neutrality (Scope 1, 2 & 3) achieved for the third consecutive year in line with ISO 14068-1:2023
To source 100% of electricity from renewable energy for all owned facilities by FY2026	Renewable energy share: Owned India facilities – 96.54% All India locations – 76.70% Global locations – 68.22%

ESG Goals Progress FY 2025-26	
Reduce absolute Scope 1, 2 & 3 emissions by 54.6% by FY2034 from FY 2024-25 base year (as per SBTi validated & approved targets)	62.90% reduction Absolute Scope 1, 2 & 3 (market-based) emissions from FY2024 baseline
Achieve Net-zero greenhouse gas emissions across the value chain by FY2050	20.20% reduction Absolute Scope 1, 2 & 3 (location-based) emissions from FY2024 baseline
	42,360 trees planted, 199,190 cumulative total trees
Water Stewardship Goals	Performance
Reduce 5% freshwater consumption and achieve 100% wastewater recycling in owned campuses Year-on-Year (YoY)	21.41% of freshwater consumption reduced from FY2024 baseline
	11.01% reduction in water consumption from the previous year
	52% of treated wastewater in India-based owned campuses is reused within facilities
	100% wastewater recycling achieved across owned campuses in India
Waste Management Goals	Performance
Reduce waste sent to landfill at owned campuses and achieve a 90% recycling Year-on-Year (YoY)	96.21% waste recycled
	Achieved Zero Waste to Landfill (ZWL) for 6 India owned locations
Social Goals	
Inclusive workforce	Performance
Aim to improve gender diversity by at least 0.5% Year-on-Year (YoY) and achieve 35% by FY2040	29.63% Women in workforce
	12.51% Women in leadership roles
Include people of all genders, ethnicities, sexual preferences, religions and specially abled persons in our diverse workplaces	58 Specially abled people
	64 Nationalities
Employee Health and Safety	Performance
Maintain zero workplace accidents Year-on-Year (YoY)	Zero Accidents
Ensure work-life harmony to achieve professional and personal goals	577 Events around fitness, health, women in tech and work-life balance
Implement holistic well-being initiatives focusing on physical, social, financial and emotional health	106,535 participants took part in Well-being initiatives
Value Chain Sustainability	Performance
Value chain disclosure for partners constituting 2% or more of purchases and sales (up to a total of 75%) by FY2026	The value chain reporting process has been established in accordance with SEBI BRSR requirements
Sustainable Livelihood	Performance
Touch 55,000 plus lives to deliver high-impact programmes in Education, Health care, Community Development and Preservation of heritage and wildlife by FY2026	68,097 Lives impacted through CSR programmes
	10,296 Volunteers participated in ISR activities
	11,683 Hours of volunteering in ISR activities
Attract and Nurture Talent	Performance
Achieve 92% learning coverage year-on-year (YoY)	96.80% Learning coverage across workforce (FTE & Contractors)
	106.8 hours - Average Learning Hours per FTE
Nurture long-term employees to get them ready for senior management roles	15.91% positions for leadership roles fulfilled internally
Ensure a healthy mix of internal and external talent	

ESG Goals Progress FY 2025-26	
Governance Goals	
100% Training in Code of Conduct	99.43% employees completed Annual Policy Compliance - Code of Conduct
Zero tolerance for unethical and non-compliant behaviour	
To be recognised as industry leader in information security and cloud practices Use information governance to effectively manage data privacy and security-related risks	• A (9.9) Risk Recon • 790 (Advanced) Bitsight • A (100) Security Scorecard • ISO 27001, ISO 27701, ISO 22301, ISO 42001 and SOC 2 Type II certifications
Protect Human rights of all employees across all locations Practice “One Persistent, One Family”	Ethical practices, policies, systems and procedures audited

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).

Refer to the [ESG Report](#) on pages 8 to 11 for Chairman and Managing Director, CEO, and leadership statements highlighting ESG related challenges, targets and achievements.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Name of highest authority	Dr. Anand Suresh Deshpande
Designation	Chairman and Managing Director
DIN	00005721

9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, the [Stakeholders' Relationship and ESG Committee](#) provides oversight of the Company's commitments to environmental sustainability, social responsibility and robust governance practices. The Committee plays a key role in guiding ESG strategy, monitoring progress against stated goals and ensuring accountability through appropriate policies, disclosures, and performance review mechanisms.

The current composition of the Stakeholders' Relationship and ESG Committee is as follows:

- Mr. Arvind Goel, Chairman of the Committee and Independent Director (DIN: 02300813)
- Ms. Avani Davda, Independent Director (DIN: 07504739)
- Dr. Anand Deshpande, Chairman and Managing Director (DIN 00005721)
- Mr. Vinit Teredesai, Executive Director and Chief Financial Officer (DIN 03293917)

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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director (A) / Committee of the Board (B) / Any other Committee (C)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow up action	Yes, key functional heads and senior management conduct an annual review of the Company's policies. Following review and approval by the Board of Directors, any revised policies are communicated to relevant stakeholders through appropriate channels. Performance against these policies is periodically reviewed by the following Board level committees: • Stakeholders' Relationship and ESG Committee • Risk Management Committee • CSR Committee • Audit Committee								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	We comply with all applicable laws and regulations at every location where we operate. Refer to Corporate Governance Report.								

Subject for Review	Frequency (Annually / Half yearly / Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Quarterly								
Compliance with statutory requirement of relevance to the principles, and rectification of any non-compliances	Quarterly								

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No) to provide name of agency	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Note: Independent assessments of the Company's policies have been conducted by an external agency, Ernst & Young LLP. In addition, external third-party agencies review and audit the Company's policies as part of periodic management system audits such as ISO 14001, ISO 45001, ISO 14068, ISO 27001, ISO 27017, ISO 27701, ISO 27018, ISO 9001, SOC2, BRSR assurance, LEED certification, Cyber Security and Data privacy audits. During these audits and assessments, the auditors evaluate the effectiveness of relevant policies by examining governance structures, procedures, action plans, controls and related implementation mechanisms.									

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12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes / No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes / No)									
The entity does not have the financial or / human and technical resources available for the task (Yes / No)									
It is planned to be done in the next financial year (Yes / No)									
Any other reason (please specify)									

Not Applicable, as the Company's policies comprehensively address all relevant principles.

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SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	9	Annual Code of Conduct declaration by BOD and KMP. The Code of Conduct (CoC) is a Policy of the Company which is circulated annually to all Directors and Employees as an annual declaration taken from the Directors.	100%
Key Managerial Personnel	9	The Board of Directors receive trainings and informative sessions on various topics throughout the year such as Risk Management, geopolitical issues, AI, ESG, amendments to statutes applicable to the Company such as Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management, Mergers and Acquisitions and Taxations Laws in geographies where the Company operates. In addition to regular trainings, new Directors joining the Board are given a detailed Familiarisation Programme covering the Organogram, BU Head Introductions and important documents such as the Memorandum of Association (MoA) and Articles of Association (AoA) of the Company as a part of the induction kit. Principle 1 – Ethics, Transparency & Accountability Principle 2 – Sustainable Goods & Services Principle 4 – Stakeholder Engagement Principle 6 – Environment Principle 7 – Policy Advocacy	100%
Employees other than BoD and KMPs	5	The mandatory employee training programme covers key topics aligned with multiple BRSR Principles, including ethics and governance, employee well-being, human rights, health and safety, and environmental responsibility (Principles 1, 3, 5, and 6). Through structured online modules and annual employee attestation, the programme strengthens awareness, ensures consistent understanding of organisational policies and reinforces compliance with applicable laws and internal standards. This enables employees to uphold responsible business conduct in their day-to-day roles, mitigates ethical, safety, and human-rights-related risks, and supports the creation of a responsible workplace culture across all global operations. Topics covered include: - Annual Policy Compliance - Code of Conduct (Principle 1 – Ethics, Transparency and Accountability) - Human Trafficking and Modern Slavery (Principle 5 – Human Rights) - Safety at the Workplace (Principle 3 – Employee Well-being) - Environmental, Health and Safety (Principles 3 & 6 – Employee Well-being and Environment) - Human Rights (Principle 5 – Human Rights)	99.43%
Workers		Not Applicable	Not Applicable

Note: Our objective is to achieve 100% Code of Conduct (CoC) training coverage across the organisation. To support this goal, we are implementing enhanced system level controls and monitoring mechanisms to improve completion rates and ensure timely compliance.

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

None. During FY 2025-26, the Company, including its Directors and Key Managerial Personnel (KMPs), did not incur any monetary or non-monetary fines, penalties, punishments, awards, compounding fees, or settlement amounts in any proceedings with regulators, law enforcement agencies, or judicial bodies.

Monetary					
Type	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine			Nil		
Settlement			Nil		
Compounding fee			Nil		
Non- Monetary					
Imprisonment			Nil		
Punishment			Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Persistent Systems has a Global Anti-Corruption and Anti-Bribery Policy in place. The company is committed to preventing corruption, bribery, fraud and other unethical business practices across all its global operations. This commitment is aligned with Persistent's core principles of conducting business with honesty, integrity and the highest ethical standards. The policy strictly prohibits engaging in, supporting, or being associated with corrupt practices in any form and is applicable to all employees, directors and relevant third parties. For more details refer to the [Global Anti-Corruption and Anti-Bribery Policy](#).

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	None	0	None
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	None	0	None

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest
Not Applicable. No Complaints were received during the FY 2025-26.

8. Number of days of accounts payables (Accounts payable *365) / Cost of goods / services procured) in the following format:

	FY 2025-26	FY 2024-25
Number of days of accounts payables	34 days	32 days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	None	None
	b. Number of trading houses where purchases are made from	None	None
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	None	None
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	None	None
	b. Number of dealers / distributors to whom sales are made	None	None
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	None	None
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	None	None
	b. Sales (Sales to related parties / Total Sales)	None	None
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	None	None
	d. Investments (Investments in related parties / Total Investments made)	None	None

The details in the above table have been computed based on consolidated financial statements of the Company.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Virtual Webinar - 2 And Ongoing Online Webinar	- Persistent's ESG framework, ESG goals, and Supplier / Vendor Code of Conduct (Principle 1 – Ethics, integrity and accountability) - ESG fundamentals and sustainability integration (Principle 2 – Sustainable and responsible use of resources) - Occupational health & safety, working conditions, and statutory compliance (Principle 3 – Employee and worker well-being) - Stakeholder engagement expectations for suppliers, including transparent communication, grievance redressal and collaboration to address ESG risks (Principle 4 – Stakeholder interests) - Human rights, fair labour practices and responsible sourcing (Principle 5 – Human rights) - Climate change awareness and value chain decarbonisation (Principle 6 – Environment protection and restoration) - GHG accounting processes and methodologies, (Principle 6 – Environment protection and restoration) - Energy, water, waste and circularity management (Principle 6 – Environment protection and restoration)	75% ESG awareness programmes were conducted for supply chain partners representing approximately 75% of the total procurement spend, thereby ensuring coverage of a significant proportion of value chain partners by value of business.

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes / No) If yes, provide details of the same.

Yes.

The Company obtains annual declarations, or declarations at such periodicity as may be prescribed, from its Board members. These disclosures form part of the Corporate Governance framework and are detailed in the Corporate Governance section of the [Annual Report](#).

Refer: [Code of Conduct](#)

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PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

We firmly believe in conducting affairs with the highest level of integrity and fairness. Our Vendor Code of Conduct ensures all Persistent Vendors shall conduct their business activities in full compliance with the applicable laws and regulations of their respective countries and in respect of their transactions while conducting business.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	The Company allocates a defined portion of its R&D towards the design, development, and enhancement of solutions that improve the environmental and social performance of client products and processes. These investments focus on improving system efficiency, optimising operations, enhancing yield, reducing resource intensity, and enabling more sustainable and responsible outcomes across client value chains. Sustainability considerations, including ESG objectives, are increasingly embedded into the Company's innovation roadmap and future technology offerings.		
Capex	1.82%	2.54%	Capital investments in green infrastructure, energy efficient technologies, renewable energy, and electric vehicles contribute to the reduction of CO ₂ e emissions across operations.

2. **Details on Sustainable Sourcing**

a. Does the entity have procedures in place for sustainable sourcing?

Yes. Persistent Systems Limited has an end-to-end sustainable sourcing process, covering vendor screening, contract onboarding and ongoing supplier monitoring. Sustainability considerations are embedded into procurement through green procurement practices, assessment of environmental and social impacts prior to contract award, and integration of environmental and social clauses in supplier contracts. Suppliers are required to comply with the Company's Vendor Code of Conduct, which outlines expectations on ethical business conduct, environmental protection, labour standards, health and safety and human rights. Persistent encourages suppliers to adopt responsible sourcing, waste reduction and energy-efficient operational practices.

In addition, Persistent undertakes regular supplier ESG engagement and assessments, including initiatives aligned with SEBI BRSR Core requirements, to build ESG awareness and promote responsible practices across the value chain. These assessments and capacity-building initiatives support the identification and management of sustainability-related risks. The Company also emphasises inclusive procurement by actively engaging local suppliers, including MSMEs, thereby supporting local economic development while strengthening supply chain resilience.

Refer [Vendor Code of Conduct](#)

b. If yes, what percentage of inputs were sourced sustainably?

Sustainable sourcing is integrated into procurement processes, with a strong focus on eco-certified materials. Over the past year, the AR PG facility in Pune underwent a complete refurbishment and about 85% of the furniture purchased was eco-certified, demonstrating consistently high adoption. The Company continues to work with suppliers to further increase eco-certified sourcing.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) other waste.**

Not Applicable.

As a Software and IT consulting organisation, we do not manufacture physical products; hence, this question is Not Applicable to our business model. Nevertheless, we remain committed to minimising waste generated

from our operations. We have established a comprehensive waste management system covering collection, segregation, storage and disposal. All waste generated from our facilities is recycled or disposed of through authorised vendors in compliance with applicable legal and regulatory requirements. For more details refer “[ESG Report FY 2025-26, Page 127](#)”.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable.

Persistent Systems is a Software and IT consulting organisation that does not manufacture / import / sell regulated plastic packaging / EEE / batteries as an obligated producer.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public (Yes / No) If yes, provide the web-link
	Not Applicable. As a Software and IT services organisation, our operations are primarily service oriented, and therefore the applicability of formal Life Cycle Assessments (LCA), is limited. However, life cycle considerations are applied where relevant to our business, particularly in the procurement of products and services for internal operations. We prioritise the procurement of end user devices with lower carbon footprints and follow green procurement best practices. Our employees are trained on sustainability and are equipped to embed safety, privacy, and environmental responsibility into the solutions delivered to clients. Life cycle assessments for services are undertaken on a need basis, aligned with specific client requirements. We also plan to further strengthen and scale LCA related capabilities across our operations over time.				

2. If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Software and IT Consulting Services	No significant social or environmental risks identified, as the Company does not manufacture physical products. However, from a service life cycle perspective, the Company recognises that the primary environmental impact arises during the ‘use phase’, particularly through energy consumption associated with IT infrastructure, data processing and digital service delivery.	To mitigate these impacts, the Company has undertaken several measures, including increasing the share of renewable energy in its operations, implementing energy efficiency initiatives across facilities and IT infrastructure, and adopting efficient coding and optimisation practices that reduce computational intensity and iterations during the use phase. These actions collectively contribute to reducing energy consumption and associated emissions from service delivery.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Not Applicable. Persistent Systems is a software and IT consulting organisation and does not manufacture any products. Accordingly, the requirement relating to recycled or reused input materials used in production is Not Applicable. For service operations, input materials primarily comprise IT hardware, office infrastructure, consumables, and packaging materials. The Company promotes circularity through reuse, refurbishment and recycling of IT assets, responsible sourcing of office materials, and segregation and recycling of operational waste in compliance with applicable laws and regulations. All electronic waste is recycled exclusively through authorised Pollution Control Board approved recyclers, with 100% of e waste directed towards recycling. Relevant waste and circularity metrics are disclosed under Principle 6 – Essential Indicators 9 and 10 of the BRSR.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tones) reused, recycled and safely disposed, as per the following format:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable. Persistent Systems is a software and IT consulting organisation and does not manufacture physical products. Accordingly, the requirement relating to end of life reclamation of products and packaging is not applicable. For service operations, end-of-life material primarily relates to electronic equipment (IT assets) and limited operational packaging waste. All such waste is managed responsibly in accordance with applicable laws and regulations. All electronic waste generated by the Company is recycled exclusively through authorised Pollution Control Board approved recyclers. No products or packaging are reclaimed for reuse or disposal, as PSL does not sell physical goods. Relevant waste management and recycling disclosures are provided under Principle 6 – Essential Indicators 9 and 10 of the BRSR.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable. Persistent Systems Limited is a software and IT consulting organisation and does not manufacture or sell physical products. Accordingly, the requirement relating to reclaimed products and their packaging materials as a percentage of products sold is Not Applicable. For service operations, there are no products or associated packaging sold that require end-of-life reclamation. Materials generated at the end of the useful life of assets primarily relate to internal IT equipment, which is not sold as a product and hence is outside the scope of this disclosure. All end-of-life electronic assets are managed responsibly and routed exclusively through authorised Pollution Control Board-approved recyclers, in compliance with applicable environmental laws and regulations. Relevant waste management and recycling practices are disclosed under Principle 6 – Essential Indicators 9 and 10 of the BRSR.	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

We prioritise our people's well-being by providing a safe, secure and healthy workplace. Our Environmental Health & Safety (EHS) Policy ensures regular safety training and necessary support. We aim to nurture physical and mental well-being, ensuring the health and safety of our associates while protecting community interests.

Essential Indicators

1. a. Details of measures for the well-being of employees:

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)	
	Permanent employees										
Male	17,195	17,195	100%	17,195	100%	NA	NA	17,195	100%	17,195	100%
Female	7,406	7,406	100%	7,406	100%	7,406	100%	NA	NA	7,406	100%
Total	24,601	24,601	100%	24,601	100%	7,406	30%	17,195	70%	24,601	100%
Other than Permanent employees											
Not Applicable											

Note: The above table includes benefits offered to permanent employees across global locations.

- In some countries, accident insurance is a voluntary cover or forms part of statutory social security
- In certain jurisdictions where group insurance cover is Not Applicable, a reimbursement model is followed
- Day care / childcare facilities are provided to employees in accordance with applicable local laws
- A hybrid work environment is also provided to support employees with childcare needs

b. Details of measures for the well-being of workers:

Not Applicable

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Indicate input material	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	1.17%	1.72%

This space is intentionally kept blank.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	FY 2025-26			FY 2024-25		
Benefits	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y / N / NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y / N / NA)
PF	100%	Not Applicable	Yes	100%	Not Applicable	Yes
Gratuity	100%		Yes	100%		Yes
ESI	0.95%		Yes	0.72%		Yes
Superannuation	4.56%		Yes	3.46%		Yes
National Pension Scheme	5.54%		Yes	4.54%		Yes

Note: The above table relates to India operations.

- ESI benefits are provided to non-permanent employees; 100% of eligible employees are covered under the ESI scheme

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, Persistent Systems has a strong emphasis on accessibility and inclusion, with a focus on creating enablement friendly workplaces for persons with disabilities. The Company is committed to providing an inclusive, barrier free work environment and endeavours to ensure that its offices and premises are accessible in line with the Rights of Persons with Disabilities (RPwD) Act, 2016, and the Harmonised Guidelines issued thereunder.

Persistent offices are designed to accommodate the needs of persons with disabilities and include features such as accessible parking spaces, ramps at entry points, elevators, appropriate signage, disabled friendly restrooms, and height adjustable workstations, including provisions to support wheelchair users. Across all leased facilities, the Company ensures that accessibility requirements for persons with disabilities are duly addressed. In the digital environment, Persistent follows recognised accessibility standards and adheres to the Web Content Accessibility Guidelines (WCAG 2.0) to enhance accessibility of internal digital platforms. Where required, assistive technologies and reasonable accommodations are provided to support employees with specific needs. The Company conducts periodic reviews and audits of its facilities and undertakes necessary infrastructure upgrades on a continuous basis to further strengthen accessibility and inclusion, ensuring that individuals of all abilities can seamlessly access and engage with both physical and digital work environments. All our India Owned facilities including leased facilities are accessible to Persons with Disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

If so, provide a web-link to the policy.

Yes. Persistent Systems has Equal Employment Opportunity (EEO) Policy, which is aligned with the Rights of Persons with Disabilities (RPwD) Act, 2016.

Persistent is committed to providing equal employment opportunities to all individuals, including persons with disabilities, across the entire employee lifecycle—recruitment, hiring, compensation, learning and development, career progression, and workplace practices. The policy explicitly prohibits discrimination on the basis of disability and affirms the organisation's responsibility to create an inclusive, accessible, safe and respectful work environment. It supports diversity and inclusion through fair employment practices, reasonable accommodations, barrier free environments, prevention of harassment or discrimination and continuous monitoring of equal opportunity and inclusion initiatives, in line with statutory requirements under the RPwD Act, 2016.

The Policy can be accessed here- [Equal Opportunity Policy, Diversity and Inclusion Policy](#)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	Not Applicable	
Female	90%	100%		
Total	98%	100%		

Note: The above data is for India Location.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

(If yes, then give details of the mechanism in brief)	
Permanent Employees	Yes, Persistent Systems is committed to providing a safe and positive work environment as stated in our Code of Conduct. Employees and other stakeholders of the company have access to a well-established robust grievance resolution mechanism, as stated in the Whistleblower Policy, where they can highlight matters or concerns faced at the workplace. Key grievance redressal mechanisms include: • Employee Grievance Redressal Framework: Employees can raise concerns through defined internal grievance channels, including reporting to managers, Human Resources, or through designated grievance redressal forums • Whistleblower Mechanism: The Company has a strong Whistleblower policy in place and has also established a Toll-free Whistleblower Helpline Numbers: India:18002100165 USA:18336058476. Employees, contractors and stakeholders have access to multiple channels 24/7 to report concerns, ensuring transparency and accountability. Our Whistleblower channel is open to both internal and external stakeholders, including employees, customers, suppliers, communities, NGOs and other third-parties. The Individual Investigation team address the concerns raised on the Whistleblower channels. The investigation team follows standard procedures and framework approved by the Board. Also, post investigation completion, the Investigation report, reviewed by the Ethics Committee for approval on the recommendation for execution of the recommendation. These reporting mechanisms are actively communicated through internal platforms for all employees and to our stakeholders through website, emails & contractual agreements. All employees and other stakeholders of the Company are encouraged to report either orally or in writing to the Whistleblower Administrator on the following E-mail ID: whistleblower@persistent.com. Please refer to Whistleblower Policy Upon receipt of complaints, the Whistleblower administrator's office shall ensure further investigation as per the Company's investigation framework • POSH Complaints Mechanism: Persistent has an Internal Committee (IC) in place under the Prevention of Sexual Harassment (POSH) framework to address complaints in a fair and time bound manner • Code of Conduct & Ethics Reporting: Complaints relating to violations of the Code of Conduct and ethical standards can be reported through established reporting channels, including writing email on any incidents with respect to the Global Anti-Corruption and Anti-Bribery Policy to anti-corruptioncommittee@persistent.com The Company ensures that grievances are reviewed, investigated and addressed in accordance with internal policies and applicable laws, with appropriate corrective actions taken as required.
Other than Permanent Employees	Not Applicable

(If yes, then give details of the mechanism in brief)	
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective categories (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (C / D)
Total Permanent Employees	27,502	0	0%	24,594	0	0%
Male	19,352	0	0%	17,253	0	0%
Female	8,150	0	0%	7,341	0	0%
Total Permanent Workers	Not Applicable					
Male	Not Applicable					
Female	Not Applicable					

Persistent Systems Limited recognises and respects employees' fundamental rights to freedom of association and collective bargaining, in line with applicable labour laws and international human rights principles, including ILO Conventions. Employees are free to form, join, or choose not to join associations, trade unions, works councils, or collective bargaining bodies, without fear of retaliation, discrimination, intimidation, or harassment.

At present, Persistent does not have any recognised trade unions, works councils, or collective bargaining agreements. The absence of such arrangements is not due to any restriction or policy constraint and participation in employee representative structures remains entirely voluntary.

Persistent's commitment to freedom of association and collective bargaining is formalised through its [Human Rights Policy](#) and [Equal Employment Opportunity Policy](#) which apply across its global operations.

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Current Financial Year					Previous Financial Year				
	Total (A)	On health and safety measures		On skill upgradation		Total (A)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employee										
Male	19,352	19,234	99.39%	17,195	88.85%	17,253	13,827	80.14%	16,161	93.67%
Female	8,150	8,111	99.52%	7,406	90.87%	7,341	5,878	80.07%	6,978	95.06%
Total	27,502	27,345	99.43%	24,601	89.45%	24,594	19,705	80.12%	23,139	94.08%
Workers — Not Applicable										

Note: The above data represents average learning coverage across all employees.

Training coverage includes technical, non-technical and mandatory training programmes undertaken for skill upgradation.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	15,398	15,156	98.43%	14,110	13,809	97.87%
Female	6,892	6,773	98.27%	6,298	6,180	98.13%
Total	22,290	21,929	98.38%	20,408	19,989	97.95%
Workers — Not Applicable						

The above data represents 100% of permanent employees who were eligible for annual performance review.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity?

(Yes / No). If yes, the coverage of such system?

Yes.

India operations:

100% of the Company's plants and offices in India have been assessed for health and safety practices and working conditions through ISO 45001:2018 certified management systems and independent third-party audits. These locations are also 100% certified to ISO 14001:2015, ensuring comprehensive environmental and occupational safety coverage.

Global operations:

The EHS Management System covers all facilities in India, representing approximately 93% of Persistent's total global facility area. These facilities undergo regular third-party assessments, with certificates of conformance issued as applicable. The remaining global locations are assessed in line with applicable local statutory requirements and internal EHS standards.

Assessments include evaluation of working conditions, occupational health and safety practices, hazard identification, risk management, emergency preparedness and employee well-being, in accordance with ISO 45001:2018 standards.

References:

Refer [EHS Policy](#)

Refer [ESG Policy](#)

Refer [ISO 45001:2018 certificates](#)

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Persistent's Occupational Health and Safety (OHS) programmes are designed to proactively identify, assess and mitigate risks that could impact employee health, safety and well-being across all locations. In line with ISO 45001:2018 principles, the company follows a structured Hazard Identification and Risk Assessment (HIRA) approach covering all routine and non-routine activities within office premises and other operational environments.

As a services-led organisation, our OHS risk landscape primarily includes ergonomics-related risks, psychosocial factors, utilities and infrastructure safety, biological hazards, unsafe conditions, employee commute safety and others. Risks are systematically assessed using a comprehensive Risk Identification and Hazard Assessment Matrix that evaluates hazards based on severity, likelihood and potential impact. This assessment framework covers unsafe acts, unsafe conditions, new or changed processes, equipment upgrades and non-routine activities.

Risk identification is undertaken by process owners in consultation with safety experts, with controls implemented in line with the hierarchy of controls. Departments set clear EHS objectives aligned to identified risks, supported by periodic reviews and continuous improvement. Insights from incidents, audits and operational experience are integrated into the risk assessment process to strengthen preventive controls and ensure regulatory compliance. This structured approach supports a safe, healthy and resilient workplace.

Refer [EHS Policy](#)

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y / N)

Yes. The company has a proactive incident management system that enables employees and on-site stakeholders to report work related hazards, near misses, unsafe acts and conditions, and occupational illnesses or injuries. Incident reporting is accessible to all employees, contractors and vendors through defined reporting channels, and awareness is reinforced through induction and mandatory EHS training programme. Employees are encouraged to immediately report risks and remove themselves from unsafe situations. All reported incidents are investigated by EHS Officers, recorded in the location incident register, and addressed through corrective and preventive actions. Learnings from incidents are analysed to prevent recurrence and strengthen workplace safety controls. For FY 2025-26, the company maintained its OHS objective of zero workplace accidents and reported zero workplace accidents during the year.

d. Do the employees / workers of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes. The company provides comprehensive, inclusive and flexible benefits package that secures employees and their families during medical emergencies. Employees are covered under a Group Medical Insurance, Group Personal Accident (GPA) insurance policy, critical illness that provides coverage for all types of medical incidents and accidents. Employee health and well-being are supported through the My Life at Persistent initiative, which promotes balanced work practices and holistic well-being.

The Company offers physical and mental well-being programmes, including occupational health centres at select locations, access to visiting doctors, virtual medical consultations, gyms and recreational facilities, along with periodic health check-ups. As part of preventive health and awareness initiatives, Persistent organises Health Talks on Smart Nutrition aimed at enabling employees to make informed dietary choices to support energy, productivity and overall well-being. Dedicated sessions are held on Ergonomics to enable employees to make informed lifestyle choices and prevent musculoskeletal discomfort. Persistent also offers Online Yoga sessions, providing guided virtual fitness options to support physical fitness, flexibility and stress reduction. In addition, guided meditation sessions are organised to support mental well-being, stress management and emotional resilience. Initiatives such as the Persistent Run, organised globally, further encourage an active lifestyle and enhance overall physical well-being.

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	0	0
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	0	0
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	Not Applicable	Not Applicable

NA – Not Applicable

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Persistent Systems recognises Health and Safety as a fundamental aspect of sustainable and responsible business practices. Our EHS policy, processes and practices are designed to promote the physical, mental and social well-being of employees while preventing workplace injuries and ill-health. Persistent has established a robust Environmental, Health and Safety (EHS) management framework, with its Environmental and Occupational Health & Safety Management Systems certified to ISO 14001:2015 and ISO 45001:2018 standards across all India locations, in line with our commitment to providing a safe, secure and healthy workplace.

Key measures implemented include:

Robust EHS governance: The EHS Policy is followed in letter and spirit by all employees, partners and relevant supply-chain stakeholders.

Internationally certified management systems: Our Environmental and Occupational Health & Safety Management Systems are certified to ISO 14001:2015 and ISO 45001:2018 standards across 100% India locations. Overseas operations follow processes aligned with local legal and regulatory requirements.

Hazard identification and risk management: We conduct routine and non-routine hazard identification, risk assessment and incident investigation, applying the hierarchy of controls to eliminate hazards and minimise risks.

Emergency preparedness and response: Comprehensive safety training programmes cover emergency planning, fire safety, first aid, evacuation procedures and mock drills, enabling employees to respond effectively to potential emergencies.

Incident reporting and corrective action: Reported incidents, near-misses and unsafe conditions are reviewed to identify root causes, with corrective and preventive actions implemented to avoid recurrence.

Occupational health and ergonomics: Recognising that ergonomic risks and musculoskeletal disorders are key risks in IT / ITES environments, we promote ergonomic awareness, workstation safety practices, and preventive interventions. Health talks and awareness sessions are conducted to address posture, ergonomics and workplace-related health concerns.

Training and awareness: Regular EHS training programmes are conducted to build awareness on health, safety and environmental aspects, including first aid, fire safety, office safety, environmental conservation, climate action, and incident / near-miss reporting, with job-specific safety training provided to employees and contractual staff during induction and through periodic refreshers.

Employee participation and consultation: Employees participate in committees and hobby clubs under My Life at Persistent, which provide platforms to discuss health, safety, well-being, fitness, food and workplace facilities, supporting continuous engagement and feedback.

Stakeholder consultation: We consult relevant stakeholders to identify, manage and mitigate EHS risks related to our operations and activities.

Through these measures, Persistent Systems Limited continuously works towards maintaining a safe, healthy and supportive work environment for its employees and the communities in which it operates.

Refer [EHS Policy](#)

13. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	0	0	None	0	0	
Health and safety	0	0	None	0	0	

During FY 2025-26, zero complaints have been registered. The employee engagement survey allows employees to share their opinions on health and safety issues and working conditions.

14. Assessments for the year:

Assessments for the year:	% of your plants and offices that were assessed (by entity or statutory authorities or third-parties)
Health and safety practices	Yes India operations: 100% of the Company's plants and offices in India have been assessed for health and safety practices and working conditions through ISO 45001:2018 certified management systems and independent third-party audits. These locations are also 100% certified to ISO 14001:2015, ensuring comprehensive environmental and occupational safety coverage. Global operations: The EHS Management System covers all facilities in India, representing approximately 93% of Persistent's total global facility area. These facilities undergo regular third-party assessments, with certificates of conformance issued as applicable. The remaining global locations are assessed in line with applicable local statutory requirements and internal EHS standards. Assessments include evaluation of working conditions, occupational health and safety practices, hazard identification, risk management, emergency preparedness, and employee well-being, in accordance with ISO 45001:2018 standards. Refer EHS Policy Refer ESG Policy Refer ISO 45001:2018 certificates
Working conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Post assessments following mitigation practices have been implemented.

- Introduced Poco care App for PAN India rollout of Persistent-Care, a first-of-its-kind, tech-powered Medical Emergency Readiness and Response service
- All HIRA, AIS are revisited and updated
- Organised First aid training for employees & their family members
- All entry / exit of the major campuses have been modernised to enable smooth entry / exit of PWDs (People with Disability)

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y / N); (B) Workers (Y / N)?**

Employees: Yes

Workers: Not Applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Persistent Systems Limited has a structured approach to ensure that its value chain partners comply with applicable statutory requirements, including the timely deduction and deposit of statutory dues. The Company's [Vendor Code of Conduct](#) sets out mandatory compliance requirements that all suppliers must adhere to, including compliance with applicable laws and regulations in the jurisdictions where the Company operates. To strengthen oversight, quarterly vendor audits are conducted for manpower supply vendors to verify that statutory dues are accurately deducted and deposited in accordance with legal requirements.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

None.

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26		FY 2024-25	
Employees	0	0	0	0

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Persistent Systems Limited is a 'People First Organisation' and hence continually supports its employees throughout their careers. Further, as our employees transition to retirement phase or face any unforeseen situation, we continue to support and hand-hold. We connect with employees before their retirement date to help plan for their retirement benefits, including Provident Fund (PF), Gratuity and Superannuation. Additionally, we provide support for continued medical insurance coverage. For those interested in continuing to work, we offer assistance in finding direct consulting assignments within Persistent.

5. Details on assessment of value chain partners

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	100% Persistent Systems Limited has a robust Environment, Health and Safety (EHS) Management System aligned with internationally recognised standards. We ensure 100% of vendors working at our premises are assessed for Health and Safety practices and adhere to working conditions as defined by EHS management systems.
Working conditions	India operations- 100% of the Company's plants and offices in India have been assessed for health and safety practices and working conditions through ISO 45001:2018 certified management systems and independent third-party audits. These locations are also 100% certified to ISO 14001:2015, ensuring comprehensive environmental and occupational safety coverage. Global operations- The EHS Management System covers all facilities in India, representing approximately 93% of Persistent's total global facility area. These facilities undergo regular third-party assessments, with certificates of conformance issued as applicable. The remaining global locations are assessed in line with applicable local statutory requirements and internal EHS standards. Assessments include evaluation of working conditions, occupational health and safety practices, hazard identification, risk management, emergency preparedness and employee well-being, in accordance with ISO 45001:2018 standards. Refer EHS Policy Refer ESG Policy Refer ISO 45001:2018 certificates

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The Company follows a structured and proactive approach to manage ESG, health and safety risks or concerns across its value chain. All suppliers are required to adhere to the Vendor Code of Conduct, which sets out expectations relating to statutory compliance, ethical practices and workplace health and safety, in line with applicable laws and regulations in the geographies of operation.

The Company conducts regular Supplier ESG and EHS assessments through its dedicated Supplier ESG Assessment Platform, which helps identify health and safety risks / concerns improvement areas, and gaps in supplier practices. Where gaps are identified, value chain partners are required to implement time bound corrective action plans, with closure verified through follow up reviews, documentation checks, or audits.

In addition, quarterly audits are conducted for manpower supply vendors to verify compliance with statutory and health and safety requirements. To further strengthen supplier capability and awareness, Persistent has a dedicated supplier engagement and training platform, through which suppliers are sensitised on ESG expectations, compliance requirements and continuous improvement areas: [Supplier ESG Engagement Programme](#).

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company follows a structured process to identify key stakeholder groups based on their relationship with the Company and relevance to its operations and value chain. Key stakeholder groups identified include employees, customers / partners, suppliers / vendors and business partners, investors and shareholders, government and regulators, and local communities. Stakeholder's identification is undertaken using an impact-influence assessment, which considers both (a) the Company's impact on stakeholders and (b) stakeholders' ability to influence business outcomes. This process is integrated with the Company's materiality assessment and risk management framework ensuring that stakeholder expectations and concerns are systematically evaluated and prioritised.

As part of its governance framework, the Stakeholder's Relationship and ESG Committee oversees stakeholder engagement through Management. The Committee regularly engages with stakeholders via multiple channels to assess key concerns, identify material topics, and evaluate their actual and potential impacts on the business. Inputs from these engagements are consolidated by Management and reviewed by the Committee as part of its ongoing oversight.

The Stakeholders' Relationship and ESG committee twice annually reviews stakeholder engagement initiatives at each meeting, assesses progress on material topics and refines engagement approaches to enhance effectiveness. Outcomes of these discussions are aligned with the Company's broader ESG commitments and strategic priorities, ensuring transparency, ethical engagement, and sustained value creation for all stakeholders connected to the business.

For more details refer "[ESG Report FY 2025-26, Page 46](#)".

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually / Half yearly / Quarterly / others — please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	E-mail, stock exchange filings, answers to investor grievances, Investor survey forms, R&T agent communication, annual report, results announcements, media / press releases, Newspaper, Annual General Meeting (AGM) and website	Annually / half yearly / quarterly / need basis	We engage with shareholders through multiple structured and statutory communication channels to ensure timely, transparent and comprehensive information sharing. These include communications on TDS intimations, dividend credit confirmations, procedures for claiming unclaimed dividends, outcomes of quarterly Board meetings, timelines for transfer of shares and dividends to the Investor Education and Protection Fund Authority (IEPFA), and other applicable regulatory requirements. In addition, Annual Reports, notices of General Meetings and postal ballot communications are regularly disseminated to shareholders. The Company also conducts periodic investor and analyst calls to discuss financial performance, strategy and material developments. Further, ESG focused surveys and engagements are undertaken to seek investor feedback on sustainability priorities and disclosures, enabling continuous improvement in governance practices and stakeholder engagement.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually / Half yearly / Quarterly / others — please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Vendors and Consultants	No	Emails, one-on-one meetings, Annual Report, Supplier ESG Trainings, Survey	Ongoing basis	The Company ensured that all vendor payments were made within the due dates as per agreed contractual terms. The Company continues to strengthen its vendor partnership framework, aligning supplier engagement with business, organisational and sustainability objectives. Efforts are taken to deepen collaboration with vendors through initiatives related to onboarding support, hiring, training and knowledge sharing partnerships, aimed at building long-term capability and mutual value creation. To enhance supplier awareness and preparedness on sustainability practices, the Company conducted dedicated ESG training programmes for suppliers. These programmes focused on building supplier capacity on ESG parameters and enabling value chain data collection and disclosures in line with SEBI BRSR Core indicators, thereby supporting transparency, compliance, and continuous improvement across the supply chain.
Customers and Partners	No	Client visits and meetings, customer satisfaction surveys, social media, e-mails	Ongoing basis	The Company places strong emphasis on customer satisfaction and actively seeks feedback from customers on key aspects such as project delivery quality, adherence to timelines and challenges encountered during execution. Customer feedback is systematically reviewed to identify improvement opportunities and strengthen delivery effectiveness. Through this continuous engagement and responsiveness, the Company strives to deliver customer excellence, support successful project outcomes and help customers achieve their business objectives.
Directors	No	Quarterly meetings, emails, website	Ongoing basis	The Company maintains ongoing and structured communication with the Directors of the Company by regularly sharing notices, meeting agendas, meeting invitations, regulatory updates and other relevant information. This continuous flow of information supports informed decision making, effective Board oversight and the adoption of appropriate control and governance mechanisms in line with statutory and fiduciary responsibilities.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually / Half yearly / Quarterly / others — please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government Regulatory Authorities / Government Bodies / Chamber of Commerce	No	Press releases, surveys by the authorities (RBI and MCCIA), quarterly results, annual reports, sustainability / integrated reports, stock exchange and MCA filings, representations	Ongoing basis	The Company engages with Government bodies and regulatory authorities on an ongoing basis for statutory filings, compliance matters, consultations, initiatives and representations, as applicable. These engagements support regulatory compliance, policy alignment and constructive dialogue on matters impacting the Company's operations and broader business environment.
Society at Large	No	In-person meetings, site visits, website, surveys, volunteering activities, community engagement	Ongoing basis	The Company engages with society at large to understand community needs and gather inputs for identifying and prioritising material topics. Community interactions provide valuable insights into social and environmental issues relevant to the Company's operations and impact areas. Through its CSR initiatives, the Company encourages employee volunteering in mentoring and community engagement programmes. These initiatives enable meaningful, experience led interactions with the communities served, strengthen social impact and support informed decision making in programme design and implementation.
Employees	No	Surveys, townhalls, workshops, training, induction programmes, grievance handling process and performance appraisal	Ongoing basis	The Company engages with employees on an annual basis to gather inputs for its materiality assessment. These engagements provide insights on workplace practices, organisational culture, and emerging ESG priorities, which are considered while identifying and prioritising material topics. Employee and alumni feedback support informed decision making and helps align the Company's sustainability focus with stakeholder expectations.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Stakeholder consultations are primarily facilitated through Management-led engagement mechanisms, which include surveys, structured interactions, assessments and ongoing dialogues with key stakeholder groups such as employees, customers / partners, suppliers / vendors, investors, regulators, and communities. These engagements help identify stakeholder concerns, emerging risks and priority ESG topics.

Inputs and insights from stakeholder consultations are consolidated by Management and reviewed by the Stakeholder Relationship and ESG Committee, which assesses material issues, progress on ESG priorities and alignment with business objectives. Key initiatives & outcomes, material concerns, and proposed actions are periodically presented to the Board, or relevant Board Committees, to support informed decision-making and strategic oversight. In addition, the CSR Committee reviews, monitors and provides strategic direction on CSR practices and social initiatives.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, Persistent Systems Limited uses stakeholder consultation to support the identification and management of environmental and social topics. Inputs from employees, customers / partners, suppliers / vendors, investors, communities, and regulators are gathered through structured engagements and assessments and are a key input to the Company's materiality assessment process. Stakeholder feedback has informed the identification and prioritisation of material ESG topics, which are integrated into policies, ESG goals, supplier expectations, and programme design. Key insights are reviewed by Management and the Stakeholder Relationship and ESG Committee, with material matters periodically presented to the Board for oversight and action.

3. Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable / marginalised stakeholder groups.

Persistent Foundation, CSR arm of Persistent Systems Limited, engages with its local communities through various CSR programmes aimed at addressing key social issues and challenges faced by these groups. These programmes encompass holistic community development, institution building, and sustainability focused initiatives.

Engagements are undertaken with local communities, NGOs, and implementation partners to identify priority needs and design CSR initiatives focused on education, healthcare, skill development, accessibility, and livelihood enhancement, with feedback used to refine programme design and improve impact.

Insights from these engagements are reviewed by Management, the Stakeholder Relationship and ESG Committee, and the CSR Committee, and are incorporated into relevant policies, programmes, and operational practices to address stakeholder concerns and promote inclusive and sustainable outcomes. Refer to the CSR section in the FY 2025-26 [ESG Report](#).

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PRINCIPLE 5: Businesses should respect and promote human rights

At Persistent Systems, we are committed to upholding the highest standards of human rights in our operations and supply chain. We recognise that our responsibilities go beyond our legal obligations and extend to the communities in which we operate and the environment we all share. We will continue to work diligently to ensure that we respect and protect the human rights of all individuals impacted by our business.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	24,601	24,512	99.64%	22,205	21,930	98.76%
Other than Permanent	2,901	2,833	97.66%	2,389	1,929	80.75%
Total Employees	27,502	27,345	99.43%	24,594	23,859	97.01%
Workers						
Not Applicable						

Note: Our objective is to achieve 100% Code of Conduct (CoC) training coverage across the organisation. To support this goal, we are implementing enhanced system level controls and monitoring mechanisms to improve completion rates and ensure timely compliance. The reported data excludes employees on long term leave or those classified under inactive status.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent	24,601	0	0%	24,601	100%	22,205	0	0%	22,205	100%
Male	17,195	0	0%	17,195	100%	15,482	0	0%	15,482	100%
Female	7,406	0	0%	7,406	100%	6,723	0	0%	6,723	100%
Other than permanent	2,901	0	0%	2,901	100%	2,389	0	0%	2,389	100%
Male	2,157	0	0%	2,157	100%	1,771	0	0%	1,771	100%
Female	744	0	0%	744	100%	618	0	0%	618	100%

All employees, regardless of employment status (permanent and other than permanent), are compensated above the applicable legal minimum wage in the countries in which the Company operates.

3. a. Details of remuneration / salary / wages, in the following:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	3	43,884,202	-	-
Key Managerial Personnel	4	36,319,788	-	-
Employees other than BoD and KMP	17,192	2,424,034	7,405	1,774,711
Workers	Not Applicable			

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	22.88%	22.54%

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)

Yes. Persistent Systems Limited has established a structured governance mechanism to address human rights-related concerns, anchored through its Whistleblower and Ethics framework.

The Company's Whistleblower Policy provides a formal and transparent mechanism for employees, contractors, and external stakeholders to report concerns, including those related to human rights, ethics, or misconduct. Complaints can be raised confidentially through multiple reporting channels, including a toll-free helpline (India: 1800 210 0165; USA: 1 833 605 8476) and a dedicated email ID at whistleblower@persistent.com.

The mechanism is accessible to internal and external stakeholders, including employees, customers, suppliers, community members, NGOs, and other third-parties. All complaints are subject to independent review by a designated Investigation Team, which conducts inquiries in line with approved investigation framework.

Investigation outcomes are reviewed by the Ethics Committee, which serves as the focal committee for oversight. The Committee approves corrective and preventive actions and monitors their implementation to closure. Matters, where relevant, are escalated in accordance with the Company's governance and control processes.

Whistleblower and ethics mechanisms are actively communicated to employees through internal platforms and made available to external stakeholders via the Company website, contractual arrangements, and direct communications. All complaints are handled with due diligence, confidentiality and protection against retaliation, reinforcing the Company's commitment to ethical conduct and respect for human rights.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All employee's and contractors can raise grievances through Global Help desk. Upon receipt of complaints, the Whistleblower administrator's office shall ensure further investigation as per the Company's investigation framework.

This space is intentionally kept blank.

6. Number of complaints made, by employees and workers, on the following:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	3	1	The 1 (One) pending complaint was resolved in due course and within prescribed timelines.	4	1	One previously pending case was resolved and closed.
Discrimination at the Workplace	0	0	None	0	0	None
Child Labour	0	0	None	0	0	None
Forced Labour / Involuntary Labour	0	0	None	0	0	None
Wages	0	0	None	0	0	None
Other Human Rights Related Issues	2*	1	The 1 (One) pending complaint was resolved within in due course and within prescribed timelines.	0	0	None

*The cases reported are classified as "Office harassment". These cases were reported and resolved by Anti-Harassment Committee (AHC).

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	3	4
Complaints on POSH as a % of female employees / workers	0.04%	0.06%
Complaints on POSH upheld	3	4

The above data is for India operations.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Persistent Systems Limited has established robust mechanisms to prevent any form of retaliation or adverse consequences against complainants in cases of discrimination, harassment, or related misconduct. The Company has a zero-tolerance policy. Please refer to [Global Policy on Anti- Harassment and Prevention of Discrimination](#)

Key safeguards include:

- Non-retaliation assurance: The Company's policies explicitly prohibit retaliation against individuals who raise concerns or complaints in good faith. Any act of retaliation is treated as a serious violation and is subject to disciplinary action

- Confidential and secure reporting channels: Complaints can be raised through confidential grievance, whistleblower, and POSH mechanisms, ensuring privacy of the complainant and protection of identity, to the extent permitted by law
- Structured and impartial investigation process: All complaints are investigated by designated and trained independent teams in line with Board-approved investigation frameworks, ensuring fairness, objectivity and due process
- Awareness and communication: Employees and other stakeholders are regularly sensitised on their rights, reporting mechanisms, and anti-retaliation protections through policies, training programmes, and internal communication platforms

These mechanisms ensure that concerns related to discrimination and harassment can be raised without fear and are addressed in a safe, transparent, and respectful manner, in line with applicable laws and the Company's commitments to ethical conduct and human rights.

9. Do human rights requirements form part of your business agreements and contracts? (Yes / No).

Human rights requirements form an integral part of Persistent Systems Limited's business agreements and contracts. These requirements are embedded through contractual clauses, the [Vendor Code of Conduct](#), and references to the Company's [Human Rights Policy](#), requiring suppliers, contractors, and business partners to comply with applicable labour laws, human rights standards, and ethical business practices in the jurisdictions of operation. Compliance is reinforced through onboarding, periodic assessments, and ongoing engagement with value chain partners.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third-parties)
Child Labour	100% of Persistent's plants and offices have been assessed for compliance with applicable labour and workplace standards covering child labour, forced or involuntary labour, sexual harassment, workplace discrimination, and wages.
Forced / Involuntary Labour	
Sexual harassment	Our India operations are regularly assessed by the Persistent Internal Audit team and are 100% certified under ISO 14001:2015 (Environmental Management Systems) and ISO 45001:2018 (Occupational Health & Safety Management Systems), Internal process audits which include requirements related to legal compliance, worker welfare and safe and fair working conditions.
Discrimination at the Workplace	
Wages	
Others — please specify	For overseas locations, we have implemented processes aligned with local legal and regulatory requirements, supported by global policies and governance mechanisms, and ensure compliance across our international operations through internal reviews and management oversight. Refer EHS Policy Refer ESG Policy Refer ISO 45001:2018 certificates

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable, as we have not come across any significant concerns from assessments conducted at our plant and offices.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

Persistent Systems upholds high standards of business conduct, integrity and ethics. The Human Rights Policy provides for a safe, confidential and non-retaliatory mechanism to report concerns related to unethical behaviour or human rights issues, supported by our Ethics Policy and grievance redressal framework.

During the reporting period, no human rights grievances or complaints were reported that required modification or introduction of business processes.

However, as a proactive governance measure, Persistent undertakes annual reviews and periodic updates of its policies and internal processes to ensure continued relevance, effectiveness, and alignment with evolving regulatory requirements, best practices, and international human rights standards. Where grievances or complaints warrant corrective or preventive actions, appropriate changes to processes, controls, or policies are implemented to prevent recurrence.

2. Details of the scope and coverage of any Human Rights due diligence conducted.

At Persistent Systems, human rights due diligence is embedded within our governance, policy framework, and operational controls to ensure a safe, inclusive, and discrimination free workplace across our operations and value chain.

Our [Human Rights Policy](#), read along with the [EHS Policy](#) and [Code of Conduct](#), provides the overarching framework for identifying, preventing, mitigating, and addressing potential human rights risks. Compliance with these requirements is monitored through an enterprise-wide Compliance Management Tool, which tracks adherence to applicable local laws, international standards and internal policies across our operations.

The scope of human rights due diligence covers:

- Employees and contract workforce across India and international operations
- Workplace health, safety, and well-being, including freedom from discrimination, forced labour, child labour and harassment
- Occupational health and safety risks, monitored through structured EHS management systems
- Vendor and business partner compliance, wherein key supplier partners are assessed as part of onboarding and periodic reviews for alignment with Persistent's ethical and human rights expectations
- Our India operations are certified under ISO 14001:2015 and ISO 45001:2018, covering approximately 93% of our global facility area, with regular third-party audits providing external assurance on environmental and occupational health & safety practices, which form a critical part of human rights protection
- For overseas locations, compliance is ensured in line with local statutory and regulatory requirements, supported by internal policies and management oversight
- Any identified non conformances, grievances, or risks are tracked through formal escalation, corrective action, and remediation mechanisms, ensuring continuous improvement in our human rights practices

Refer [EHS Policy](#)

Refer [ESG Policy](#)

Refer [ISO 45001:2018 certificates](#)

3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, Persistent Systems has a strong emphasis on accessibility and inclusion, with a focus on creating enablement friendly workplaces for persons with disabilities. The Company is committed to providing an inclusive, barrier free work environment and endeavours to ensure that its offices and premises are accessible in line with the Rights of Persons with Disabilities (RPwD) Act, 2016, and the Harmonised Guidelines issued thereunder.

Persistent offices are designed to accommodate the needs of persons with disabilities and include features such as accessible parking spaces, ramps at entry points, elevators, appropriate signage, disabled friendly restrooms, and height adjustable workstations, including provisions to support wheelchair users. Across all leased facilities, the Company ensures that accessibility requirements for persons with disabilities are duly addressed. In the digital environment, Persistent follows recognised accessibility standards and adheres to the Web Content Accessibility Guidelines (WCAG 2.0) to enhance accessibility of internal digital platforms. Where required, assistive technologies and reasonable accommodations are provided to support employees with specific needs. The Company conducts periodic reviews and audits of its facilities and undertakes necessary infrastructure upgrades on a continuous basis to further strengthen accessibility and inclusion, ensuring that individuals of all abilities can seamlessly access and engage with both physical and digital work environments. All our India Owned facilities including leased facilities are accessible to Persons with Disabilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at the Workplace	100% of vendors working in our facilities are assessed by our Internal audit teams and HR team to ensure compliance with the mentioned topics.
Child Labour	Our vendor partners working on our premises at India locations are assessed to ensure they are complying to the local statutory rules and law of the land
Forced Labour / Involuntary Labour	Refer Human Rights Policy
Wages	Refer ISO 45001:2018 certificates
Others — please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

There were no significant risks / concerns reported from the assessments.

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PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26 (GJ)	FY 2024-25 (GJ)
From renewable sources		
Total electricity consumption (A) — Wind Energy & Solar Energy	18,888.72	21,618.45
Total fuel consumption (B)	0	0
Energy consumption through other sources (C) - Green Tariff	22,025.48	12,497.09
Total energy consumed from renewable sources (A+B+C)	40,914.20	34,115.54
From non-renewable sources		
Total electricity consumption (D) — Grid Electricity	18,641.93	25,447.76
Total fuel consumption (E) — DG Electricity	269.17	324.69
Energy consumption through other sources (F)	150.79	146.82
Total energy consumed from non-renewable sources (D+E+F)	19,061.89	25,919.28
Total energy consumed (A+B+C+D+E+F)	59,976.08	60,034.82
Energy intensity per rupee of turnover		
(Total energy consumption / turnover in rupees)	0.000000407	0.000000503
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) – in USD		
(Total energy consumed / revenue from operations adjusted for PPP)	0.00000827	0.000010273
Energy intensity in terms of physical output	Not Applicable	Not Applicable
Energy intensity (optional) — the relevant metric may be selected by the entity – Per Employee	2.18	2.44

Note: Boundary — Electricity consumption in the above table is reported for all global locations.

Revenue from operations has been adjusted for purchasing power parity (PPP) using the latest conversion factor published by the World Bank for India for 2026 (20.34).

Renewable energy consumption for the reporting period comprises a combination of physical renewable energy procurement and market-based instruments. Physical renewable energy, sourced through green tariff arrangements across all owned locations, accounted for approximately 5,593,347 kWh of electricity consumption, resulting in an estimated 4,016.02 tCO₂e reduction in Scope 2 emissions through a lower-carbon electricity mix. In addition, the Company utilises International Renewable Energy Certificates (I-RECs) as market-based instruments to address residual electricity demand that cannot be met through direct renewable sourcing. Under the applied accounting methodology, Scope 2 emissions are disclosed using both location-based and market-based approaches in accordance with the GHG Protocol. While physical renewable energy is accounted based on supplier-specific or grid-adjusted emission factors, I-RECs are retired against grid electricity consumption to reflect contractual emission reductions. This dual approach ensures transparent reporting of renewable energy usage and supports the Company's progress towards its decarbonisation and carbon neutrality objectives.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency:

Yes, the company's BRSR core disclosures are externally assured by an independent third-party DNV Business Assurance India Private Limited ('DNV').

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y / N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	0.00	0.00
(ii) Groundwater	16,207.00	17,904.39
(iii) Third-party water	70,005.37	69,055.52
(iv) Seawater / desalinated water	0.00	0.00
(v) Others — Packed drinking water	395.27	373.90
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	86,607.64	87,333.81
Total volume of water consumption (in kilolitres)	68,997.64	77,533.82
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000047	0.00000065
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000095	0.0000133
Water intensity in terms of physical output KL / FTE (per year)	Not Applicable	Not Applicable
Water intensity (optional) — the relevant metric may be selected by the entity – Per Employee	2.89	3.66

Note: Boundary — Water consumption and withdrawal are reported for India locations. The Company does not have operational control over water data for global locations, as this is managed by building operators as part of facility maintenance.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency:

Yes, the company's BRSR core disclosures are externally assured by an independent third-party DNV Business Assurance India Private Limited ('DNV').

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0
(ii) To Groundwater		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0

Parameter	FY 2025-26	FY 2024-25
(iii) To Seawater		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0
(iv) Sent to third-parties		
No treatment	0.00	0
With treatment — Wastewater is discharged to a municipal sewage treatment plant, where secondary treatment is undertaken. The treated effluent is subsequently reused for irrigation of a public park.	17,610	9,799.99
(v) Others		
No treatment	0.00	0
With treatment — please specify level of treatment	0.00	0
Total water discharged (in kilolitres)	17,610	9,799.99

Note: Boundary — Water discharge by destination and level of treatment is reported for India-based owned locations with on-site sewage treatment plants (STPs) and municipal STPs.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency:

Yes, our company's BRSR core disclosures are externally assured by an independent third-party DNV Business Assurance India Private Limited ('DNV').

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, wastewater generated at owned locations in India is treated through on-site sewage treatment plants, as well as through common sewage treatment facilities operated by municipal corporations, in compliance with applicable local regulations.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Kg	7.98	31.95
SOx	Kg	9.73	27.95
Particulate matter (PM) (PM2.5)	Kg	13.12	26.88
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC) CO	mg / m3	<50	<50
Hazardous air pollutants (HAP)	NA	NA	NA
Others — please specify (PM10)	Kg	14.51	45.71

The Company does not have air emissions from combustion sources other than DG sets at its owned locations in India. DG sets are used on a limited basis, restricted to emergency power outages and periodic BCP testing, resulting in minimal non GHG air emissions.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	83.85	274.51
Total Scope 2 emissions – Location-based (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	9,671.57	*9,988.44
Total Scope 2 emissions – Market-based (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	0.00	0.00
Total Scope 1 and Scope 2 - Location-based emissions	tCO ₂ e	9,755.42	10262.95
Total Scope 1 and Scope 2 - Market-based	tCO ₂ e	83.85	274.51
Total Scope 1 and Scope 2 emissions per rupee of turnover – Location-based (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e / INR	0.000000066	0.000000086
Total Scope 1 and Scope 2 emissions per rupee of turnover – Market-based (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e / INR	0.000000001	0.000000002
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) – Location-based (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO ₂ e / INR PPP	0.000001345	0.000001926
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) – Market-based (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO ₂ e / INR PPP	0.000000012	0.000000052
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	Not Applicable	Not Applicable
Total Scope 1 and Scope 2 emission intensity – per employee – Location-based	tCO ₂ e / Employee	0.355	0.417
Total Scope 1 and Scope 2 emission intensity – per employee – Market-based	tCO ₂ e / Employee	0.003	0.011

Note — Boundary: Scope 1 emissions are reported for India-based locations under the Company's operational control. The Company does not have operational control over Scope 1 emissions for locations outside India.

Boundary — Scope 2 emissions (electricity consumption) are reported for all global locations.

* Scope 2 (location-based) emissions for the previous reporting year have been recalculated and restated following the adoption of the updated India GHG Protocol methodology.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency:

Yes, our company's BRSR core disclosures are externally assured by an independent third-party DNV Business Assurance India Private Limited ('DNV').

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Persistent Systems implements a structured and performance-driven approach to reducing greenhouse gas emissions across its operations. The Company focuses on direct operational emissions through energy efficiency, infrastructure optimisation and transition to low-carbon technologies, while also addressing value chain emissions through supplier engagement and sustainable practices. Key initiatives include large-scale adoption of renewable energy through solar, wind and green tariff sourcing, enabling significant reduction in electricity-related emissions and achievement of sustained carbon neutrality.

Operational measures such as HVAC system upgrades, deployment of energy-efficient equipment and real-time energy management systems have improved energy performance and reduced emissions intensity. In addition, mobility-related emission reduction is supported through adoption of electric vehicles and optimisation of business travel. The Company also engages with suppliers and promotes responsible practices to address indirect emissions. These initiatives are aligned with Science Based Targets and contribute towards long-term decarbonisation and net zero commitments.

Initiative	Benefits	Reduction in Emission (tCO ₂ e)
Scope 1 Emission Reduction		
HVAC Retrofit – Implementation of energy-efficient upgrades, including replacement of existing R-22 systems and aged AC units with R410a refrigerant, along with optimisation initiatives such as upgradation of Chiller Plant Manager project to improve overall system efficiency and reduce associated emissions.	This initiative supports decarbonisation through the replacement of high-emission equipment with energy-efficient alternatives and optimisation of cooling systems, resulting in a significant reduction in direct (Scope 1) emissions. As a result of these interventions, Scope 1 emissions have reduced from 274 metric tonnes in FY2025 to 83 metric tonnes in FY2026, demonstrating the effectiveness of technology upgrades and operational improvements in lowering the Company's overall emissions footprint.	280.51
Scope 2 Emission Reduction		
LED / Lighting Retrofit and Automatic Lighting controls	Implemented lighting efficiency measures through light management systems and LED upgrades to reduce electricity consumption and associated Scope 2 emissions.	152.75
Green Tariff energy consumption in all our Owned locations	Shifted purchased electricity to renewable sources through green tariff procurement, reducing dependence on conventional grid electricity and lowering Scope 2 emissions.	5593.35
EC motor exhaust fans retrofit	Replaced / optimised exhaust systems using energy-efficient EC motors to reduce electricity use and corresponding Scope 2 emissions.	6.17
AHU Automation in out multi-tenant locations	Automated AHU operations to improve HVAC efficiency, reduce unnecessary run-time, and lower electricity-related emissions.	108.58
HVAC energy via smart controls systems implementation	Deployed smart controls to optimise HVAC energy consumption through improved monitoring and control logic, reducing Scope 2 emissions from purchased electricity.	105.53

Initiative	Benefits	Reduction in Emission (tCO ₂ e)
Scope 3 Emission Reduction		
Switch over to Electric Vehicles (EV) for business travel and associate commute	This initiative supports decarbonisation by transitioning from conventional fuel-based transportation to electric mobility solutions, thereby reducing indirect (Scope 3) emissions associated with business travel and employee commuting. The adoption of EVs contributes to lowering fuel consumption, improving energy efficiency and reducing the overall carbon footprint of mobility-related activities.	5.72
T&D loss reduction attributable to renewable energy transition	This initiative contributes to the reduction of indirect (Scope 3) emissions by minimising transmission and distribution losses through increased adoption of renewable energy sources. A cleaner electricity mix with lower grid losses results in reduced upstream emissions, supporting the Company's broader decarbonisation strategy and enhancing overall energy efficiency across operations.	675.91
Switch over from fossil fuel to CNG fuel (lower GHG intensity fuel mix)	This initiative supports emission reduction by transitioning from higher carbon-intensity fossil fuels to lower-emission alternatives such as Compressed Natural Gas (CNG). This shift reduces fuel-related indirect emissions, improves fuel efficiency and contributes to lowering the overall greenhouse gas footprint associated with fuel consumption.	138.51

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total waste generated in MT		
Plastic waste (A)	11.40	4.6
E-waste (B)	194.47	8.4
Bio-medical waste (C)	0.63	0.6
Construction and demolition waste (D)	0.00	0.0
Battery waste (E)	12.34	0.5
Radioactive waste (F)	Not Applicable	Not Applicable
Hazardous waste. Please specify, if any. (G)	0.66	0.89
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	534.65	107.2
• Paper Waste	33.93	28.3
• Glass Waste	46.36	1.0
• Metal Waste	199.62	18.7
• Wood Waste	201.02	1.5
• Organic waste	53.72	57.8
Total (A + B + C + D + E + F + G + H)	754.14	122.1

Parameter	FY 2025-26	FY 2024-25
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000000511	0.00000000010
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000104	0.0000000021
Waste intensity in terms of per employee	0.0274	0.0050
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	725.57	121.20
(ii) Re-used	0.0	0.0
(iii) Other recovery operations	0.0	0.0
Total	725.57	121.20
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	28.57	0.89
(ii) Landfilling	0.0	0.0
(iii) Other disposal operations	0.0	0.0
Total	28.57	0.89

Note: Boundary — Data reported in the table above pertains to all global locations. Waste data for leased facilities in India and international locations is estimated, as Persistent Systems does not have direct operational control over waste managing and disposal at these sites.

Hazardous waste included oil filter waste and used oil.

Total waste generation in FY 2025-26 increased to 754.14 MT compared to 122.10 MT in FY 2024-25. This increase is primarily attributable to the refurbishment and upgrade activities undertaken at the Pune office during the year, which led to a one-time generation of additional non-hazardous waste, including wood, metal, and glass. The increase reflects one-time, circular transition activity rather than adverse impact. The Company continues to prioritise responsible waste management practices. Of the total waste generated, 725.57 MT (~96%) was recycled, with the remaining waste being disposed of in accordance with authorised and environmentally compliant methods. Further, sustainability considerations were integrated into procurement decisions during the refurbishment, with approximately 85% of the furniture procured for refurbishment was eco-certified, demonstrating continued commitment to environmentally responsible sourcing.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency:

Yes, our company's BRSR core disclosures are externally assured by an independent third-party DNV Business Assurance India Private Limited ('DNV')

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Persistent Systems Limited is a software and IT consulting organisation and does not undertake manufacturing activities. Waste generated at its establishments primarily comprises e waste, paper, plastic, food waste and other non-hazardous operational waste, which is managed through segregation at source, recycling, reuse, and authorised disposal in compliance with applicable environmental laws. All electronic waste is channeled exclusively to authorised Pollution Control Board-approved recyclers.

The Company's operations involve minimal use of hazardous chemicals, limited mainly to facility management activities such as cleaning and maintenance. To reduce risks, Persistent adopts a strategy of minimising chemical usage, encouraging the use of eco-friendly and certified alternatives, and ensuring safe handling, storage and disposal through authorised vendors. Any hazardous or regulated waste, where applicable, is handled and disposed of strictly as per statutory requirements.

These practices support responsible waste management, environmental compliance, and continuous improvement in resource efficiency across operations.

- 11. The entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S.No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y / N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			
Persistent Systems Limited evaluates environmental sensitivities while establishing its offices and operations. The Company's offices and establishments are not located in or adjacent to ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, or coastal regulation zones where specific environmental clearances are required. In the event of any operations or leased premises being located near environmentally sensitive areas, the Company ensures compliance with applicable environmental laws, regulations, and approval requirements of the relevant local authorities, as per statutory obligations.			

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Persistent Systems Limited is compliant with applicable environmental laws and regulations in India, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and the Environment (Protection) Act and the Rules framed thereunder. As a software and IT services organisation, the Company's environmental impacts primarily arise from office and facility operations. Compliance is ensured through: • Obtaining and maintaining required statutory consents and approvals for facilities, where applicable • Adherence to applicable environmental norms related to water, air emissions, waste management and hazardous waste handling • Implementation of an Environmental, Health & Safety (EHS) Management System, supported by periodic internal reviews and monitoring The Company continuously monitors regulatory requirements through EY monitoring tool and takes necessary actions to ensure ongoing compliance with applicable environmental legislation.				

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y / N). If not, provide details of all such non-compliances, in the following format:

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	The Company is compliant with applicable environmental laws and regulations in India, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and the Environment (Protection) Act and the Rules framed thereunder. As a software and IT services organisation, the Company's environmental impacts primarily arise from office and facility operations. Compliance is ensured through: - Obtaining and maintaining required statutory consents and approvals for facilities, where applicable - Adherence to applicable environmental norms related to water, air emissions, waste management and hazardous waste handling - Implementation of an Environmental, Health & Safety (EHS) Management System, supported by periodic internal reviews and monitoring The Company continuously monitors regulatory requirements through EY monitoring tool and takes necessary actions to ensure ongoing compliance with applicable environmental legislation.			

Leadership Indicators

1. **Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):** For each facility / plant located in areas of water stress, provide the following information:

i. Name of the area

During FY 2025-26, our offices located in following cities of India fall under water stress zones. These zones have been identified as per the Aqueduct report. Please refer to our water conservation efforts mentioned in the [ESG Report FY 2025-26, Page 122](#).

Persistent offices located in Pune, Nagpur, Ahmedabad, Jaipur, Gurugram, Kochin, Noida, Hyderabad, Indore, Bengaluru.

Note: India is a water-stressed country, underscoring the need for responsible water management. The Company is focused on mitigating water risks through measures such as water efficiency improvements, recycling and reuse initiatives, and adoption of conservation practices, along with periodic monitoring of water usage to enhance resource efficiency.

ii. Nature of operations:

IT Services

iii. Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) To Surface water	0.00	0.00
(ii) To Groundwater	15,776.00	16,924.39
(iii) Third-party water	63,961.61	62,872.38
(iv) Seawater / desalinated water	0.00	0.00
(v) Others — Packed drinking water	304.54	280.71
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	80,042.15	80,077.48
Total volume of water consumption (in kilolitres)	62,432.15	70,277.49

Parameter	FY 2025-26	FY 2024-25
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000042	0.00000059
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in INR (Total water consumption / Revenue from operations adjusted for PPP) in USD	0.00000086	0.0000120
Water intensity (per employee)	2.62	3.31
No treatment	0.0	0.0
With treatment — please specify level of treatment	0.0	0.0
(ii) To Groundwater		
No treatment	0.0	0.0
With treatment — please specify level of treatment	0.0	0.0
(iii) To Seawater		
No treatment	0.0	0.0
With treatment — please specify level of treatment	0.0	0.0
(iv) Sent to third-parties	17,610	9,799.99
No treatment	0.0	0.0
With treatment — Wastewater is discharged to a municipal sewage treatment plant, where secondary treatment is undertaken. The treated effluent is subsequently reused for irrigation of a public park.	17,610	9,799.99
(v) Others		
No treatment	0.0	0.0
With treatment — please specify level of treatment	0.0	0.0
Total water discharged (in kiloliters)	17,610	9,799.99

Note: Boundary — Water withdrawal, consumption and discharge in water-stressed areas are reported for all India locations. The Company does not have operational control over water data for global locations, as this is managed by building operators as part of facility maintenance.

Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency:

Yes, our company's BRSR core disclosures are externally assured by an independent third-party DNV Business Assurance India Private Limited ('DNV').

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	3,818.69	3,105.59
Total Scope 3 emissions per rupee of turnover	tCO ₂ e / INR	0.0000000259	0.000000026
Total Scope 3 emission intensity (optional) — the relevant metric may be selected by the entity	tCO ₂ e / INR PPP	0.00000053	0.00000053
Total Scope 3 emission intensity in terms of physical output	-	Not Applicable	Not Applicable
Total Scope 1 and Scope 2 emission intensity (optional) – Per Employee	tCO ₂ e / FTE	0.139	0.125

- **Boundary** — The following categories are included for Scope 3 emissions across global locations: purchased goods and services, capital goods, business travel, fuel- and energy-related activities, waste generated from operations, and upstream transportation and distribution
- **India** — Associate commute-related emissions are included for India operations. The Company does not provide employee commuting services outside India; therefore, such emissions are not considered for other geographies
- **Scope 3 emissions** are estimated for selected categories based on available data and applicable estimation methodologies

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency: Yes, our company's BRSR core disclosures are externally assured by an independent third-party DNV Business Assurance India Private Limited ('DNV').

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable, as the Company does not operate in or near ecologically sensitive areas and therefore has no direct or indirect impact on biodiversity in such areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

The Company adopts energy management practices aligned with internationally recognised standards such as ISO 50001 to enable a structured and data-driven approach to energy optimisation. Through systematic monitoring of energy performance, identification of efficiency opportunities and implementation of targeted interventions, the Company drives continuous improvement in energy intensity.

S.No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Energy conservation programmes	HVAC Retrofit: This initiative supports decarbonisation through the replacement of high-emission equipment with energy-efficient alternatives and optimisation of cooling systems, resulting in a significant reduction in direct (Scope 1) emissions. As a result of these interventions, Scope 1 emissions have reduced from 274 metric tonnes in FY2025 to 83 metric tonnes in FY2026, demonstrating the effectiveness of technology upgrades and operational improvements in lowering the Company's overall emissions footprint. LED / Lighting Retrofit and Automatic Lighting controls: Implemented lighting efficiency measures through light management systems and LED upgrades to reduce electricity consumption and associated Scope 2 emissions. HVAC energy via smart controls systems implementation: Deployed smart controls to optimise HVAC energy consumption through improved monitoring and control logic, reducing Scope 2 emissions from purchased electricity. AHU Automation in out multi-tenant locations: Automated AHU operations to improve HVAC efficiency, reduce unnecessary run-time and lower electricity-related emissions. EC motor exhaust retrofit: Replaced / optimised exhaust systems using energy-efficient EC motors to reduce electricity use and corresponding Scope 2 emissions.	Energy Saving: 474.47 MWh Emission reduction: 621.18 tCO₂e Annual Cost saving: INR 5.50 Mn

S.No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
2	Emission reduction programmes	Renewable energy transition (Green tariff): Persistent Systems has increased the adoption of renewable energy through green tariff procurement across its owned locations, enabling a shift from conventional grid electricity to cleaner energy sources. This transition supports the reduction of Scope 2 emissions by lowering the carbon intensity of purchased electricity and advancing the organisation's decarbonisation strategy. The approach contributes to achieving long-term sustainability commitments, including carbon neutrality, while strengthening the overall energy mix with environmentally sustainable sources.	Energy Saving: 5593.35 MWh Emission Avoidance: 4,016.02 tCO ₂ e

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.

Persistent Systems operates a mature, ISO/IEC 22301:2019-aligned Business Continuity Management System (BCMS) framework, integrated with ISO/IEC 27001 controls and embedded within Enterprise Risk Management. The framework spans all entities—subsidiaries, locations, functions and customer accounts—and is governed by defined roles with oversight from the Board's Risk Management Committee and the CISO. BCM is driven by Business Impact Analysis and risk assessments, with resilience priorities aligned to financial materiality and contractual risk. Business Continuity Plans (BCPs) are implemented for critical services and key customer engagements, supported by industry-leading RTOs (up to 24 hours) and RPOs (up to 15 minutes). A multi-tiered approach, integrated with cyber resilience, crisis playbooks, and SOPs, ensures effective incident response. Robust Disaster Recovery (DR) testing, along with regular drills, simulations, and BC / DR exercises, is conducted to validate recovery capabilities and assure readiness. Periodic reviews and test outcomes drive continuous improvement and sustained operational resilience.

[Business Continuity and Disaster Recovery](#)

6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Persistent Systems Limited is a software and IT consulting organisation.

No significant adverse environmental impacts directly attributable to the value chain have been identified during the reporting period. However, recognising the potential environmental risks inherent in value chain activities, the Company has implemented several mitigation and adaptation measures, including:

- Supplier ESG assessments and engagement, covering environmental compliance, emissions, resource use and waste management practices
- Integration of environmental expectations into supplier contracts and the Vendor Code of Conduct, requiring compliance with applicable environmental laws and responsible practices
- Focus on Scope 3 emissions management, including supplier awareness programmes, data collection initiatives, and alignment with the Company's SBTi approved near term and net zero targets
- Responsible procurement and IT asset management practices, including refurbishment, reuse and authorised recycling of end of life electronic equipment
- Continuous monitoring through materiality and climate risk assessments, with findings reviewed by Management and the Stakeholder Relationship and ESG Committee to guide mitigation actions

Through these measures, Persistent Systems Limited seeks to proactively manage and reduce potential adverse environmental impacts across its value chain and support long-term environmental sustainability.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

2% value chain partners (by value of business done with such partners) were assessed for environmental impacts.

8. How many Green Credits have been generated or procured:

- a. By the listed entity: No Green Credits were generated or procured by Persistent Systems Limited during the reporting period. The Company has relied on internationally recognised market-based instruments such as International Renewable Energy Certificates (IRECs) and verified carbon credits and is closely monitoring developments under the MoEF&CC Green Credit Programme (GCP) for potential future alignment.
- b. By the top ten value chain partners (by value of purchases and sales): As part of the Company's value chain sustainability assessment, suppliers were engaged to provide information on Green Credits generated or procured under the Ministry of Environment, Forest and Climate Change (MoEF&CC) Green Credit Programme. Based on responses received, no such information has been reported by value chain partners during the reporting period.

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PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1a. Number of affiliations with trade and industry chambers / associations:

8

1b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

S. No	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	National Association for Software and Services Companies (NASSCOM)	National
2	Confederation of Indian Industry (CII)	National
3	Mahratta Chamber of Commerce Industries and Agriculture (MCCIA)	State
4	Indo-German Chamber of Commerce (IGCC)	International
5	Software Exporters Association of Pune (SEAP)	State
6	Hinjewadi Industries Association, Pune (HIA)	State
7	The German Chambers of Commerce Abroad (AHK)	International
8	Indo-Australian Chamber of Commerce (IACC)	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable. Persistent Systems Limited did not receive any adverse orders or directions from regulatory authorities in relation to anti-competitive conduct during the reporting period. Accordingly, no corrective actions were required or are underway. The Company maintains robust internal controls through its Code of Conduct, which includes explicit provisions on anti trust and anti competition, requiring all employees to comply with applicable competition laws and prohibiting practices such as collusion, price fixing, market allocation, or any conduct that may undermine fair competition. Ongoing awareness and adherence to these requirements support ethical and compliant business practices across operations. Please refer to the Code of Conduct Policy.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes / No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify)	Web Link, if available
Our active participation in trade and industry associations allows us to stay informed about industry developments, contribute to policy discussions, share our perspectives and insights to research undertaken and foster collaboration within the business community.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable During the current financial year, the Company did not undertake any projects that triggered the requirement for a Social Impact Assessment (SIA) under applicable laws. Accordingly, no Social Impact Assessments were conducted and there are no related notifications, assessment agencies, or public disclosures to report for the period.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is Ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
None During current year, the Company has not undertaken any projects that require Rehabilitation and Resettlement (R&R).						

3. Describe the mechanisms to receive and redress grievances of the community.

Persistent Systems has a well-established and accessible grievance redressal mechanism to receive and address concerns from its communities and other external stakeholders in a transparent, confidential, and non-retaliatory manner.

The Company has a robust Whistleblower Policy in place, which enables stakeholders, including community members, NGOs, suppliers, customers, and other third-parties, to report concerns confidentially and without fear of retaliation. Grievances can be raised through multiple channels, including:

- **Toll-free Whistleblower Helplines**

- India: 1800 210 0165
- USA: 1 833 605 8476

- **Email:** whistleblower@persistent.com

- **Online access:** Whistleblower Policy available on the Company's website

The Whistleblower mechanism is overseen by the designated Whistleblower Administrator and the Company's Ethics framework, ensuring confidentiality, impartial review, and timely resolution of grievances. All complaints are investigated in accordance with a structured, Board approved investigation framework, with oversight by the Ethics Committee, and corrective actions are implemented wherever required.

In addition to the formal whistleblower mechanism, community related concerns are also addressed through the Company's CSR governance framework. Persistent Systems implements its community initiatives in line with its CSR Policy and maintains regular engagement with NGO implementation partners through periodic meetings, field interactions, reviews, and feedback mechanisms. These engagements provide an additional channel to identify, escalate, and resolve project related issues on an ongoing basis.

Further, all CSR project MoUs with implementing partners clearly specify the contact details of the Ethics Committee lead, enabling direct access for raising grievances related to project implementation, conduct, or ethical concerns. This ensures transparency, accountability, and clear escalation pathways at the community level.

Refer [Whistleblower Policy](#)

Refer [CSR Policy](#)

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs / small producers	1.60%	1.86%
Sourced directly from within India	16.69%	49.74%

Note: The above data is applicable to India operations only.

5. Job creation in smaller towns — Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Rural	0%	0%
Semi-urban	1.09%	1.13%
Urban	5.33%	5.00%
Metropolitan	93.58%	93.87%

Note: The above data is applicable to India operations only.

Classification is based on the RBI Guidelines and Census 2011. As per the latest census all urban would be classified as Metropolitan based on the population index.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impact identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): None

Details of negative social impact identified	Corrective action taken
None	
During the reporting period, the Company did not undertake any projects that required a Social Impact Assessment (SIA) under applicable laws. Accordingly, no negative social impacts were identified , and no mitigation actions were required or undertaken in relation to Social Impact Assessments during the year.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District	Amount spent (In INR)
None		
During the reporting period, the Company did not undertake any CSR projects in Government identified Aspirational Districts. Accordingly, no CSR expenditure was incurred in aspirational districts during the year.		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes / No):

Yes, for Micro, Small & Medium Enterprises (MSME) suppliers we follow statutory requirements for making on-time payments as per the law of the land.

Yes, the Company promotes inclusive and responsible procurement practices through its broader supplier governance framework, including adherence to the Vendor Code of Conduct, ethical sourcing expectations, and compliance with applicable labour and human rights standards. Opportunities to strengthen inclusive sourcing practices continue to be evaluated as part of the Company's evolving sustainability and responsible supply chain initiatives.

(b) From which marginalised / vulnerable groups do you procure?

MSMEs certified by Indian government.

(c) What percentage of total procurement (by value) does it constitute?

1.60% is from MSME.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable, as the Company operates in the software and IT services sector and does not deal with intellectual properties based on traditional knowledge.			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes where in usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable, as the Company operates in the software and IT services sector and does not deal with intellectual properties based on traditional knowledge.		

6. Details of beneficiaries of CSR Projects:

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	Projects implemented to improve the quality of education and infrastructure development, skill development, and support for higher education	37,512	100%
2	Projects implemented in the area of curative health care focusing on geriatric and pediatric age group	6,962	100%
3	Tree plantation	41 farmers	100%
4	Support for livelihood	528	100%
5	Compressive watershed development programmes	6,565 farmers, 26 villages	100%
6	Support for drinking water	1,450 villagers	100%

Note: Women, children and persons with disabilities with low-income groups constitute the primary vulnerable groups identified.

This space is intentionally kept blank.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the response to consumer complaints and feedback.

Customer satisfaction at Persistent Systems is assessed through a two-level feedback mechanism, comprising an organisation wide NPS based customer satisfaction survey and a project level customer satisfaction (PSAT) survey. During FY 2025–26, the organisation wide Net Promoter Score (NPS) stood at 72 with 87% data coverage, while the project level PSAT NPS reached 92 with 92% data coverage, reflecting sustained improvement in overall customer experience.

In addition, Persistent Systems Limited has established well-defined mechanisms to capture, track, and address client (customer) complaints and feedback in a structured, transparent and timely manner.

Client complaint intake and governance platform: Client complaints and escalations are received through dedicated Client Partners and Delivery Heads and are formally recorded in the Company's delivery governance platform, Persistent Integrated Quality (PiQ), enabling end to end tracking and accountability.

Issue assessment and corrective action planning: The Delivery Partner and Software Quality Assurance (SQA) teams evaluate the business impact, identify root causes, and develop a Corrective and Preventive Action (CAPA) plan. Customer validation of the CAPA is obtained to ensure alignment and clarity on resolution actions.

Implementation monitoring and progress tracking: The Project Manager, supported by the Delivery Excellence team, executes the CAPA plan. Implementation progress is monitored, reviewed periodically and updated within the PiQ system until completion.

Resolution confirmation and formal closure: Upon resolution, the Delivery Partner secures customer acknowledgement of closure. The SQA team validates the effectiveness of actions taken and formally closes the escalation in PiQ, with relevant internal stakeholders kept informed.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Persistent Systems Limited is a software and IT services organisation and does not manufacture or sell physical consumer products. Accordingly, the Company's offerings primarily comprise software enabled product engineering, digital engineering, and IT consulting services. All significant products and services offered by the Company are governed by contractual disclosures, service agreements, and applicable regulatory requirements, which include information relating to service scope, delivery terms, data protection, customer responsibilities, grievance redressal, and compliance obligations. As such, 100% of the Company's turnover is derived from products and services that carry relevant and applicable information as required under contractual and statutory frameworks.
Recycling and / or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	None	None	There were no complaints registered	None	None	There were no complaints registered
Advertising	None	None		None	None	
Cyber-security	None	None		None	None	
Delivery of essential services	None	None		None	None	
Restrictive trade practices	None	None		None	None	
Unfair trade practices	None	None		None	None	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls	Persistent Systems Limited is a software and IT services organisation and does not manufacture, distribute, or sell physical consumer products. Accordingly, the question of voluntary recalls or forced recalls due to safety issues is Not Applicable. The Company's offerings primarily involve software enabled services and solutions delivered under contractual agreements, which do not entail product level safety recall requirements.	

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy. Yes

Yes. Persistent Systems Limited has a comprehensive framework and policies in place to address cyber security risks and data privacy across its operations.

Key elements include:

- A formal Information Security Management System (ISMS) and cyber security framework, supported by Board approved policies and procedures to identify, assess, and mitigate cyber risks, and to ensure secure handling of information assets
- A dedicated data privacy and protection framework, including a Privacy Information Management System (PIMS), to manage personal data responsibly and comply with applicable privacy regulations such as GDPR, CCPA and India's Digital Personal Data Protection Act (DPDPA)
- Incident response and breach management processes, covering detection, investigation, remediation, and regulatory notification where required, along with regular cyber security and data privacy training for employees and contractors
- These frameworks are supported by periodic risk assessments, internal and external audits, and senior management and Board level oversight, ensuring continuous improvement and robust governance of cyber security and data privacy risks
- The Company holds ISO 27001, ISO 27017, ISO 27018, ISO 27701, ISO 22301 and ISO 42001 certifications. [Supporting certificates](#) are maintained and publicly disclosed.

For more details, refer to more details available at:

[Information Security](#)
[Privacy Policy](#)

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

7. Provide the following information relating to data breaches:

(a) Number of instances of data breaches

Nil in the Company environment. 1 (One) at the third-party service provider of the Company

(b) Percentage of data breaches involving personally identifiable information of customers

Nil

(c) Impact, if any, of the data breaches

During the reporting period, a cyber incident occurred within a third-party service provider's environment, leading to the unauthorised disclosure of limited personal information relating to certain current and former employees. The incident was contained entirely within the vendor's systems, did not involve or impact the Company's IT environment and did not affect any customer information or customer data. As of the date of this disclosure, no affected individual has reported any threats or attempts to derive undue benefit from this exposure. The primary Incident Report was filed by our vendor to CERT-In within the reporting period.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We provide Digital Engineering and Enterprise Modernisation services, combining technical expertise and industry experience to assist our clients in preparing for future challenges. Our offerings aim to give clients a competitive edge by helping them foresee and address potential issues.

[About Persistent](#)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.

Persistent Systems Limited educates customers on safe and responsible use of its services through contractual disclosures, onboarding materials, and service documentation, covering security, data privacy, and usage guidelines. Ongoing engagement via client governance meetings, reviews and technical walkthroughs reinforces responsible usage. Dedicated escalation and feedback mechanisms enable customers to seek clarifications and report concerns, supporting continuous improvement and secure service delivery.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

Persistent Systems Limited has established structured mechanisms to inform customers of any potential risk of disruption or discontinuation of services. Delivery risks are jointly assessed with customers on a monthly basis, evaluated using a Risk Priority Number (RPN) and aggregated at the project level, with projects crossing defined thresholds classified as high or critical risk and reviewed fortnightly with senior delivery leadership. Risks and mitigation plans are proactively communicated through weekly status reports, monthly and quarterly business reviews, CXO to CXO interactions, and business continuity plans, with designated client contacts in place for escalations. These practices support transparency, timely mitigation, and continuity of essential services, and are complemented by strong client satisfaction outcomes in delivery and project management

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)

Not Applicable. Persistent Systems Limited is a software and IT services organisation and does not sell physical consumer products. However, the Company provides additional service-related information beyond statutory requirements through contractual documents, service documentation, onboarding materials and customer engagements. This includes details on service scope, delivery processes, information security and data privacy controls, escalation mechanisms, business continuity arrangements, and responsible service usage, as applicable. Consumer satisfaction survey: Yes. The Company conducts regular customer satisfaction surveys, including an organisation wide Net Promoter Score (NPS) survey and project level customer satisfaction (PSAT) surveys, covering major services and key locations of operation. Feedback from these surveys is reviewed by Management and used to drive continuous improvement in service quality and customer experience.



Independent Assurance Statement - Reasonable level of Assurance BRSR 9 core attributes

INDEPENDENT ASSURANCE STATEMENT to the Management of Persistent Systems Limited

Persistent Systems Limited (Corporate Identity Number L72300PN1990PLC056696, hereafter referred to as 'PSL' or 'the Company') has commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent of assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include BRSR Core as per Annexure 17A and the non-financial disclosures as per Annexure 16 of SEBI's Master Circular for BRSR (Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, dated January 30, 2026).



Our Conclusion:

Reasonable level of Assurance- BRSR Core

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core Key Performance Indicators (KPIs) under 9 ESG attributes (as listed in Annexure I of this statement) for FY 2025-26 are reported in accordance with reporting requirements outlined in Industry Standard on Reporting of BRSR Core.

Limited Level of Assurance- BRSR Disclosures

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the non-financial disclosures (as listed in Annexure I of this statement) in BRSR do not properly adhere to the reporting requirements as per BRSR reporting guidelines in Annexure 16 of SEBI's Master Circular.

Scope of Work and Boundary

The scope of our engagement includes a reasonable level of assurance for the 'BRSR Core' attributes and a limited level of assurance for the non-financial disclosures, for the Financial Year (FY) 2025-26.

Reasonable assurance of BRSR Core: Boundary covers the performance of PSL operations that fall under the direct operational control of the Company's legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of PSL as stated in the table below.

BRSR Core Attribute	Boundary for Reasonable Assurance
Attribute 1 GHG footprint: Scope 1 emissions	All Global locations*
Attribute 1 GHG footprint: Scope 2 emissions	All Global locations
Attribute 2 Water footprint	India locations**
Attribute 3 Energy footprint	All Global locations
Attribute 4 Waste Management	All Global locations***
Attribute 5 Enhancing Employee Wellbeing and Safety	All Global locations
Attribute 6 Gross wages paid to females as % of wages paid	All Global locations
Attribute 6 POSH	India locations
Attribute 7 Enabling Inclusive Development	India locations
Attribute 8 Fairness in Engaging with Customers and Suppliers	All Global locations
Attribute 9 Openness of business	All Global locations

*Scope 1 emissions from PSL's international sites have not been accounted for, as the company does not have direct operational control over these leased facilities.

**Water consumption data is reported only for India operations, as PSL does not have the operational control required to accurately measure or manage water usage across international locations.

***Waste data is estimated for PSL leased facilities for India and International locations, as PSL does not have direct operational control over managing and disposing the waste.

Limited assurance of rest non-financial disclosures in BRSR: Boundary for limited assurance of rest non-financial disclosures in BRSR covers the operations of PSL across all global locations, unless otherwise specified in the report.

This boundary for limited assurance also applies to the BRSR Core attribute-related disclosures as mentioned in the table above and cross-references, except where the BRSR report explicitly specifies that certain disclosures are applicable only to India operations.

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment - General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e FY 2025-26, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

Reporting Criteria and Standards

The disclosures have been prepared by PSL in reference to:

- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated Dec 20, 2024.
- BRSR Core (Annexure 17A) as per Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated January 30, 2026.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Assurance Methodology/Standard and Level of Assurance

This assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards. DNV conducted Reasonable level of assurance for the BRSR Core KPIs under 9 ESG attributes; and a Limited level of assurance for the rest non-financial disclosures of BRSR.

Basis of our conclusion

As part of our independent assurance engagement, we have evaluated the reported environmental, social, and governance (ESG) information against the agreed criteria. Throughout the engagement, we exercised rigorous professional judgment and maintained a high level of professional skepticism to ensure the integrity and reliability of our conclusions.

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of PSL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

BRSR Core Indicators - Reasonable level of Assurance	Rest non-financial disclosures in BRSR - Limited Level of Assurance
Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The Industry Standard on Reporting of BRSR Core used a basis of reasonable level of assurance.	Reviewed the disclosures under BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators. Assessment of operational control and reporting boundaries	Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in BRSR. Understand and test, on a sample basis, to evaluate adherence to the reporting principles.
Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.	Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders.
DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure II.	DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.

In both the cases, DNV teams conducted the:

- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ Protocol, V6.0 for both reasonable level and limited level of assurance for the disclosures.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV's opinion on specific BRSR Core Attribute 8 on "Number of days of accounts payable", Attribute 9 "Open-ness of business" and all sections of BRSR indicators where currency or INR has been applied relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

Responsibility of the Company

PSL has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core and BRSR. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. PSL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

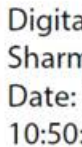
DNV's Responsibility

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Use and distribution of Assurance statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV's work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the PSL. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

For DNV Business Assurance India Private Limited,			
Sarkar, Chandan 		Sharma, Anjana 	
Digitally signed by Sarkar, Chandan Date: 2026.05.29 18:25:01 +05'30'		Digitally signed by Sharma, Anjana Date: 2026.05.30 10:50:47 +05'30'	
Chandan Sarkar Lead Verifier		Anjana Sharma Assurance Reviewer	
Assurance Team: Goutam Banik, Shilpa Swarnim, Poornachander Maratha			

29/05/2026, Bengaluru, India.

Annexure I

1. BRSR Core Verified Data- for reasonable level of assurance

Sr. No.	Attribute	Parameter	Unit of Measures	Verified Value
1	Green-house gas (GHG) footprint	Total Scope 1 emissions	Total emissions (tCO ₂ e)	83.85
		Total Scope 2 emissions - Location Based	Total emissions (tCO ₂ e)	9,671.57
		Total Scope 2 emissions - Market Based	Total emissions (tCO ₂ e)	0
		Total Scope 1 +2 emissions - Location Based	Total emissions (tCO ₂ e)	9,755.42
		Total Scope 1+2 emissions - Market Based	Total emissions (tCO ₂ e)	83.85
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover - Location Based	tCO ₂ e/Total Revenue from Operations INR	0.000000066
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover - Market Based	tCO ₂ e/Total Revenue from Operations INR	0.000000001
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) - Location Based	tCO ₂ e / Total Revenue from Operations adjusted for PPP in USD	0.000001345
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) - Market Based	tCO ₂ e / Total Revenue from Operations adjusted for PPP in USD	0.000000012
		Total Scope 1 and Scope 2 emission intensity - per employee - Location Based	tCO ₂ e/Total Output of Product or Services (Employee)	0.355
		Total Scope 1 and Scope 2 emission intensity - per employee - Market Based	tCO ₂ e/Total Output of Product or Services (Employee)	0.003
2	Water footprint	Total water consumption	KL	68,997.64
		Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	KL / Total Revenue from Operations	0.000000047
		Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in USD (Total Water consumed / Revenue from operations adjusted for PPP)	KL / Rupee adjusted for PPP in USD	0.00000095
		Water intensity in terms of physical output - KL/Employee Per Year	KL/Employee Per Year	2.89
		Water Discharge by destination and levels of Treatment	KL	17,610.00
3	Energy footprint	Total energy consumed	Giga Joules (GJ)	59,976.08
		% of energy consumed from renewable sources	In % terms	68.22%
		Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	GJ/ Total Revenue from Operations	0.000000407
		Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in USD (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/ Rupee adjusted for PPP in USD	0.000000827
		Energy intensity in terms of physical output - Per Employee Global	GJ/ Employee Global	2.18
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	11.40
		E-waste (B)	MT	194.47
		Bio-medical waste (C)	MT	0.63
		Construction and demolition waste (D)	MT	0.00
		Battery waste (E)	MT	12.34
		Radioactive waste (F)	MT	Not Applicable
		Hazardous waste (G)		0.66
		Discarded Containers / Barrels / liners	MT	Not Applicable
		Chemical Sludge (ETP Sludge)	MT	Not Applicable
		Oil-soaked Cotton, Oil Filter Waste	MT	0.02
		Used / Spent Oil (MT)	MT	0.64
		Non-hazardous waste		534.65
		Total Non-Hazardous Waste (H)	MT	534.65
		Total (A+B + C + D + E + F + G+ H)	MT	754.14
		Waste intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Metric tonnes /Total Revenue from Operations	0.00000005113
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) in USD (Total energy consumed / Revenue from operations adjusted for PPP)	Total waste generated in MT/ Revenue from operations adjusted for PPP in USD	0.000000104
5	Enhancing Employee Wellbeing and Safety	For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	MT	725.57
			intensity	96.21%
		For each category of waste generated, total waste disposed by nature of disposal method	MT	28.57
			Intensity	3.79%
		Spending on measures towards well-being of employees and workers - cost incurred as a % of total revenue of the company	In % terms	1.17%
		Number of Permanent Disabilities		0

		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	0
			No. of fatalities	0
		Gross wages paid to females as % of wages paid	In % terms	22.88%
6	Enabling Gender Diversity in Business	Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported	3
			Complaints on POSH as a % of female employees / workers	0.06%
			Complaints on POSH upheld	3
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases -and from within India	Directly sourced from MSMEs/ small producers (in % terms - As % of total purchases by value)	1.60%
			Sourced directly from within India	16.69%
		Job creation in smaller towns - Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Location	
			Rural	0.00%
			Semi-urban	1.09%
			Urban	5.33%
			Metropolitan	93.58%
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	0%
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	34
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Purchases from trading houses as % of total purchases	None
			Number of trading houses where purchases are made from	None
			Purchases from top 10 trading houses as % of total purchases from trading houses	None
			Sales to dealers / distributors as % of total sales	None
			Number of dealers / distributors to whom sales are made	None
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	None
			Share of RPTs (as respective %age) in	
			Purchases	None
			Sales	None
			Loans & advances	None
			Investments	None

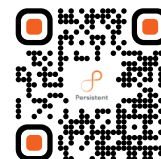
2. BRSR Disclosures- Limited level of assurance

- Section A: General Disclosures- 20-a, b, 21, 22, 25
- Section C: Principle Wise Performance Disclosure
 - Principle 1: Essential Indicator 1, Leadership Indicator 1
 - Principle 2: Leadership Indicator 4, 5
 - Principle 3: Essential Indicator 1-a, b, 2, 5, 7, 8, 9, 13, 14; Leadership Indicator 3, 5
 - Principle 5: Essential Indicator 1, 2, 6, 10; Leadership Indicator 4
 - Principle 6: Essential Indicator 6, Leadership Indicator 1, 2, 7
 - Principle 8: Leadership Indicator 6
 - Principle 9: Essential Indicator 2, 3, 4

Annexure II - Sites selected for audits

S.no	Site	Location
1.	Corporate Office	Pune- Bhageerath
2.	India offices (onsite audits)	Pune AR-PG Pune Hinjawadi Pune-Bhageerath Pune- Ramanujan Nagpur-Gargi Maitreyi Goa-Charak Bhaskar Bengaluru - RMZ PRITECH PARK, The Cube Hyderabad - Wave Rock
3.	India offices (remote audits)	Noida - Logix Cyber Park

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Management Discussion and Analysis Report

Global Business Outlook

The global economy enters Financial Year 2025-26 against a backdrop of slowing growth and renewed inflationary pressure. These conditions are linked to last year's trade barriers and elevated uncertainty, with ongoing conflict in the Middle East compounding the strain. The challenges are particularly acute for emerging markets and developing economies, which remain more vulnerable to external shocks and financial instability.

While increased defense spending in response to geopolitical tension may provide a temporary boost to economic activity, it also intensifies inflationary pressure and strains fiscal health, raising the likelihood of social unrest in fragile regions. The overall outlook remains clouded by substantial downside risks, including prolonged conflict, deepening geopolitical fragmentation and the resurgence of protectionist trade policies.

In this volatile environment, organisations are under pressure to strike a careful balance between cost efficiency and the need to build resilience, agility and progress toward climate objectives, especially as regulatory frameworks grow more complex and unpredictable. At the same time, rapid advances in automation and artificial intelligence are helping to reduce operational workloads, but these technologies require strong governance structures and proactive workforce reskilling to ensure successful integration. As your Company looks to 2026 and 2027, the pace of disruption is accelerating, with technology companies moving from experimental AI pilots to large-scale, ROI-focused deployments that prioritise safety, security and regulatory compliance, while also laying the groundwork for the adoption of transformative quantum technologies.

Company Outlook

Your Company is a premier global provider of digital engineering and enterprise modernisation services. With more than 27,500 employees across 21 countries, it specialises in AI-driven solutions and software product engineering for industries such as BFSI, Healthcare and Hi-Tech, with deep expertise in building software products from conception to deployment. Its focus is on embedding AI-driven solutions across platforms, helping enterprises move from technical debt to competitive differentiation through a platform mindset.

Your company's strategic approach centers on AI readiness through modern technology and data stacks, enabling clients to become value creators. It modernises core platforms and embeds AI across operations, aligning modernisation with strategic priorities to accelerate product launches, improve cost-to-income ratios and build customer trust. From product engineering to cloud and AI-powered automation, your Company drives smarter, safer and more sustainable industrial ecosystems. Its expertise in building next-generation software products at speed, with breakthrough operational efficiency, continues to be valued by its clients and its focus on delivering insights-driven, omnichannel customer experiences using best-in-class technologies underpins the long-term relationships it sustains with most of its customers.

Building the AI-led Enterprise

For most enterprises, the question is no longer whether to adopt Generative AI, but where AI creates genuine value and where greater autonomy introduces risk. The market is shifting decisively from experimentation to disciplined, large-scale production. Generative AI is now firmly established from pilot to deployment, toward Agentic AI woven into core business processes. Yet realising AI's full potential remains demanding. Integrating intelligence with existing enterprise systems is both complex and expensive and outcomes must be governed, secure and dependable at scale.

Your Company's AI strategy is anchored on three reinforcing pillars, underpinned by Responsible AI. **Engineering Hyper-Productivity** embeds AI across the software development lifecycle, so engineering teams deliver faster, raise quality and do more with less. **Business Hyper-Productivity** applies AI to automate and optimise business process workflows and decision-making across enterprise functions, enabling organisations to drive efficiency and faster outcomes. **Enterprise Data Readiness** prepares the enterprise data foundation, with the right structure, governance and accessibility so AI can deliver accurate, contextual and trusted outcomes at scale. Together, these pillars define the path enterprises must take to realise the full value of AI. Success lies in the last mile, making AI-driven outcomes repeatable, transparent and governed at scale, so that the desired business outcome is sustained and trusted across the enterprise.

Each of these pillars is brought to life by purpose-built Persistent platforms: **SASVA** for Engineering Hyper-Productivity, GenAI Hub and Agent Studio for Business Hyper-Productivity, and **iAURA** for Enterprise Data Readiness. These platforms together provide enterprises with a responsible, secure path to experiment with and scale AI. **SASVA 4.0** advances enterprise AI engineering further still, enabling human teams and AI agents to collaborate within governed boundaries to raise the quality and predictability of outcomes. Its central “Brain” combines visual control with deterministic guardrails to produce reliable, production-ready results across the entire project lifecycle. The **Persistent GenAI Hub** provides a governed environment for building and operationalising AI across multiple large language models, with built-in evaluation, observability and cost management. **iAURA 2.0** applies Agentic AI to enterprise data management, delivering flexible, scalable integration across leading cloud and large language model providers. Together, these platforms mark a generational shift in how enterprises build, deploy and govern AI.

The 3C Framework of Persistent AI

Underpinning these platforms and client engagements is your Company’s **3C Framework — Core, Context and Coordination** — an architecture that moves AI from fragmented pilots to integrated, enterprise-wide outcomes, and provides a repeatable path from experimentation to production at scale.

Core establishes the governed, cloud-agnostic foundation that secures, observes and cost-controls every AI workload from day one.

Context supplies the enterprise intelligence grounding agents in verified data, knowledge graphs, institutional memory and domain semantics so that they speak the language of the business.

Coordination orchestrates auditable, multi-agent workflows across functions and systems of record, enabling people and agents to collaborate at production scale with full traceability.

Each pillar reinforces the others. Together, they convert isolated experiments into outcomes the business can trust and repeat. The foundation on which your Company is building durable, AI-led transformation for its clients.

Customer Experience Practices at Persistent

Customer experience is undergoing a fundamental transformation as artificial intelligence and intelligent systems reshape how organisations operate. Rather than simply adding new digital channels or upgrading interfaces, businesses are now tackling the root causes of customer dissatisfaction, such as disconnected processes and manual handoffs between departments. In the past, even advanced technologies often left gaps that required employees to intervene, coordinate or manually resolve issues that technology alone could not address.

The emergence of AI-driven solutions marks a significant shift. These systems are now capable of proactively managing workflows, predicting customer needs and orchestrating complex processes without constant human oversight. By automating decision-making and communication across departments, AI helps ensure that customers receive seamless, consistent service, reducing friction and delay. Importantly, your Company’s approach does not focus on technology alone; it also prepares employees for new collaborative models, equipping them with the tools and training needed to thrive alongside intelligent systems. By aligning AI initiatives with strategic business objectives and evolving customer expectations, your Company ensures that organisations are positioned to deliver superior experiences and maintain a competitive edge in a rapidly changing landscape.

Opportunities and Challenges

In 2026-27, the technology sector is experiencing a pivotal shift from exploratory innovation to mature, operational execution at scale. Artificial intelligence is no longer an industry buzzword; it is now the foundation of enterprise architecture, driving both strategy and daily operations. Companies that thrive in this environment will be those able to demonstrate clear AI return on investment, effectively manage increasingly complex ecosystems and respond with agility to the ongoing fragmentation of global markets and regulations.

For your Company, these changes present significant opportunities. They offer a chance to differentiate through smarter, more responsive products and services, and a path forward in developing agentic interoperability that enables its AI-powered systems to collaborate seamlessly across diverse cloud platforms and software ecosystems. As quantum computing begins to deliver practical applications and AI-native development platforms transform how teams build software, your Company’s ability to innovate swiftly and efficiently will be critical.

These opportunities come with real challenges. Measuring AI ROI remains difficult, particularly given the complexities of data readiness and infrastructure. Geopolitical shifts are forcing a rethink of technology sovereignty and compliance, as regulations become more stringent and data residency requirements proliferate. Sophisticated cybersecurity threats and evolving skill gaps require ongoing investment in talent, particularly in data engineering and AI security, while the energy demands of advanced models necessitate a sustainable, efficiency-focused IT strategy. Navigating these regulatory and ethical landscapes will demand both vigilance and adaptability as your Company positions itself for success in a rapidly changing industry.

AI is not replacing humans, it is enabling them to do much more, much faster.

ESG Commitment

At your Company, Environmental, Social and Governance (ESG) considerations are not a parallel agenda, but a core enabler of long-term resilience, responsible growth and stakeholder trust. As technology reshapes industries and societies, your Company believes that enterprises that combine innovation with accountability, and growth with stewardship, will define responsible leadership in the AI era. ESG is integrated into core business practices through a structured governance framework that ensures accountability, risk oversight and alignment with strategic priorities and stakeholder expectations.

Since 2022, your Company has been a signatory to the United Nations Global Compact and aligns its practices with the Ten Principles covering human rights, labour, environment and anti-corruption. With Net Zero 2050 targets approved by the Science Based Targets initiative (SBTi), your Company remains aligned with globally recognised frameworks and climate science. ESG oversight rests with the Board-level Stakeholders' Relationship and ESG Committee, with the Chief Financial Officer and Head of ESG accountable for driving strategy implementation, supported by a cross-functional ESG Council that embeds ESG across business functions.

Environmental

Your Company's approach to environmental sustainability is anchored in clear, science-based commitments. It maintains carbon neutrality across Scope 1 and Scope 2 emissions annually, having achieved this for the third consecutive year. We were able to source 96.54% of electricity from renewable energy for all owned facilities in FY 2026. We reduced 62.90% Market-based Emissions and 20.20% Location-based Emissions from FY 2024 baseline (Scope 1, 2 & 3). This is in line with SBTi approved targets. These commitments drive a long-term decarbonisation strategy aligned with the global objective of limiting temperature rise to 1.5°C and with the goal of achieving net-zero greenhouse gas emissions by 2050.

Social

On the social front, your Company achieved 96.80% overall learning coverage through continuous learning and AI-led skilling, trained 75% of suppliers (by value) on ESG aspects, and ensured that 99.43% of employees completed training on EHS, Human Rights and Annual Policy Compliance - Code of Conduct. Beyond business performance, your Company continues to create meaningful societal impact through the Persistent India Foundation and Persistent USA Foundation, supporting initiatives in education, healthcare and community development. We were able to impact 68,097 lives through Persistent Foundation. This year around 10,300 colleagues volunteered their time, a spirit of service visible across offices in India and in the communities supported by colleagues in the United States. With effect from

FY 2025-26, Persistent India Foundation, a Section 8 Company, became the primary CSR arm of the Company, with the total CSR contribution for the year amounting to INR 237.71 Million, in line with the requirements of the Companies Act, 2013.

The total expenditure on CSR activities during the past three Financial Years (FYs) are as follows:

Financial Year	Prescribed CSR Amount (INR Million)	Actual Amount Spent (INR Million)
FY 2022-23	140.99	117.60*
FY 2023-24	175.45	175.45
FY 2024-25	214.75	217.78**

* During FY 2022–23, the Company utilised a set-off of INR 23.39 Million, which represents excess CSR expenditure incurred in FY 2020–21, in accordance with applicable provisions of the Companies Act, 2013 (the ‘Act’).

** During FY 2024–25, the Company spent INR 3.03 Million in excess of its prescribed CSR obligation. The said excess amount has not been set off as on date and remains available for set-off against future CSR obligations up to FY 2027–28, in accordance with applicable provisions of the Act.

The Company remains committed to its CSR initiatives for the society. More details about the CSR projects are disclosed under the Annual Report on CSR.

Governance and Ratings

Strong governance and transparent disclosure remain central to your Company’s ESG agenda. Its Carbon Disclosure Project score improved from B to A, placing it among the top 4% globally. With our inclusion in the Dow Jones Best-in-Class World Index and a CSA score of 86, we now rank among the top 10% of IT services companies in the S&P Global Sustainability Yearbook 2026, an NSE ESG Rating of 79 and an SES ESG Score of 81.7. During the year your Company was recognised among BW Businessworld’s India’s Most Sustainable Companies 2024-25, ranking 3rd overall and 2nd in the Information Technology and Digital Services sector and received an ESG Recognition from DNV confirming its use of certified management systems to support its ESG commitments. Your company was also listed in the Perpetual Capital–Hurun India Impact 50 (2026). Looking ahead, your Company remains focused on deepening ESG integration across strategy, operations and value chains, balancing innovation, governance and societal impact to build durable, long-term value. Detailed disclosures are presented in the ESG Report and the Business Responsibility and Sustainability Report (BRSR), which form an integral part of this Annual Report.

Financial performance

Particulars	Unit	FY 2025–26	% to Revenue (FY26)	FY 2024–25	% to Revenue (FY25)	Growth
Revenue	INR Million	147,484.49	–	119,387.17	–	23.53%
Revenue	\$ Million	1,654.42	–	1,409.10	–	17.40%
Earnings before interest, depreciation, amortisation and taxes	INR Million	27,064.18	18.35%	20,581.93	17.56%	31.49%
Profit Before Tax and after exceptional item	INR Million	24,112.12	16.35%	18,223.08	15.26%	32.32%
Profit After Tax and after exceptional item	INR Million	18,651.20	12.65%	14,001.61	11.73%	33.21%
Earnings Per Share (EPS) – Basic	INR	119.74	–	91.22	–	31.26%
Earnings Per Share (EPS) – Diluted	INR	118.87	–	90.24	–	31.73%

Share Capital

The authorised share capital of the Company as at March 31, 2026, was INR 2,000.00 Million (INR 200 Crore) divided into 400 Million equity shares of INR 5 each. The paid-up share capital as at March 31, 2026, was INR 788.75 Million divided into 157.75 Million equity shares of INR 5 each (Previous year INR 779.25 Million divided into 155.85 Million equity shares of INR 5 each). The ESOP Trust was granted new shares during the year which caused the dilution of shares.

Other Equity

The Other Equity as at March 31, 2026, stood at INR 77,589.80 Million as against INR 62,411.40 Million as at March 31, 2025, showing a growth of 24.32%. The details of Other Equity are as below:

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
General Reserve	31,693.88	27,730.15
Share Options Outstanding Reserve	1,081.99	3,432.38
Capital Reserve	72.28	65.19
Capital Redemption Reserve	35.75	35.75
Retained Earnings	41,826.66	28,833.47
Securities Premium Reserve	3,609.92	3,438.70
Treasury Shares	(2,153.64)	(2,994.10)
PSL ESOP Trust Reserve	(259.36)	180.77
Effective portion of cash flow hedges	(1,676.01)	(2.32)
Exchange differences on translating the financial statements of foreign operations	3,358.33	1,691.41
Total	77,589.80	62,411.40

General Reserve

During the year, there has been a transfer of INR 3,963.73 Million from Share Options Outstanding Reserve on exercise / expiry of stock options by the employees. The balance in General Reserve stood at INR 31,693.88 Million as at March 31, 2026, as against INR 27,730.15 Million as at March 31, 2025.

Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Share Options Outstanding Reserve

In accordance with Ind AS 102 – 'Share Based Payments', the cost of equity-settled transactions is determined by the fair value of the options at the date of the grant and recognised as employee compensation cost over the vesting period following graded vesting method.

The amount of stock options outstanding as at March 31, 2026, was INR 1,081.99 Million for 4.48 Million options outstanding as on that date (the corresponding amount in the stock options outstanding account as on March 31, 2025, was INR 3,432.38 Million for 6.71 Million options outstanding as on that date). The increase in liability represents the fair value of options granted (including deep-discounted options) to employees during the year. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Capital Reserve

As per Ind AS 103 – 'Business Combinations', if the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognised as Capital Reserve under Other Comprehensive Income. The Company has carried out the fair valuation of all identifiable assets, liabilities and contingent liabilities acquired under the business acquisitions after the date of transition to Ind AS (i.e. April 1, 2015). Based on this, the Capital Reserve stood at INR 72.28 Million as at March 31, 2026, as compared to INR 65.19 Million as at March 31, 2025. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Capital Redemption Reserve

Capital Redemption Reserve represents the nominal value of the shares bought back and is created and to be utilised in accordance with Section 69 of the Companies Act, 2013. The Capital Redemption Reserve was unchanged and stood at INR 35.75 Million as at March 31, 2026 and March 31, 2025. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Retained Earnings

The balance retained in the Statement of Profit and Loss as at March 31, 2026, is INR 41,826.66 Million, after appropriation towards dividend of INR 5,816.50 Million.

The details of changes in Retained Earnings are as follows:

(In INR Million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	28,833.47	19,346.09
Net profit for the year	18,651.20	14,001.61
Items recognised in / from other comprehensive income for the year	158.49	143.27
Dividend	(5,816.50)	(4,657.50)
Closing balance	41,826.66	28,833.47

Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Treasury shares represent the number of shares held by ESOP Trust. The treasury shares have a balance of INR 2,153.64 Million as at March 31, 2026, as compared to INR 2,994.10 Million as at March 31, 2025.

Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

PSL ESOP Trust Reserve

Your Company has created an Employee Stock Options Trust (ESOP Trust) to provide share-based payment to its employees. Your Company uses the ESOP Trust as a vehicle for distributing shares to employees. The ESOP Trust buys shares of your Company from the market to give shares to employees. The shares held by ESOP Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in equity. Share options, whenever exercised, would be satisfied with treasury shares. The PSL ESOP Trust reserve has a balance of INR 259.36 Million as at March 31, 2026, as compared to INR 180.77 Million as at March 31, 2025.

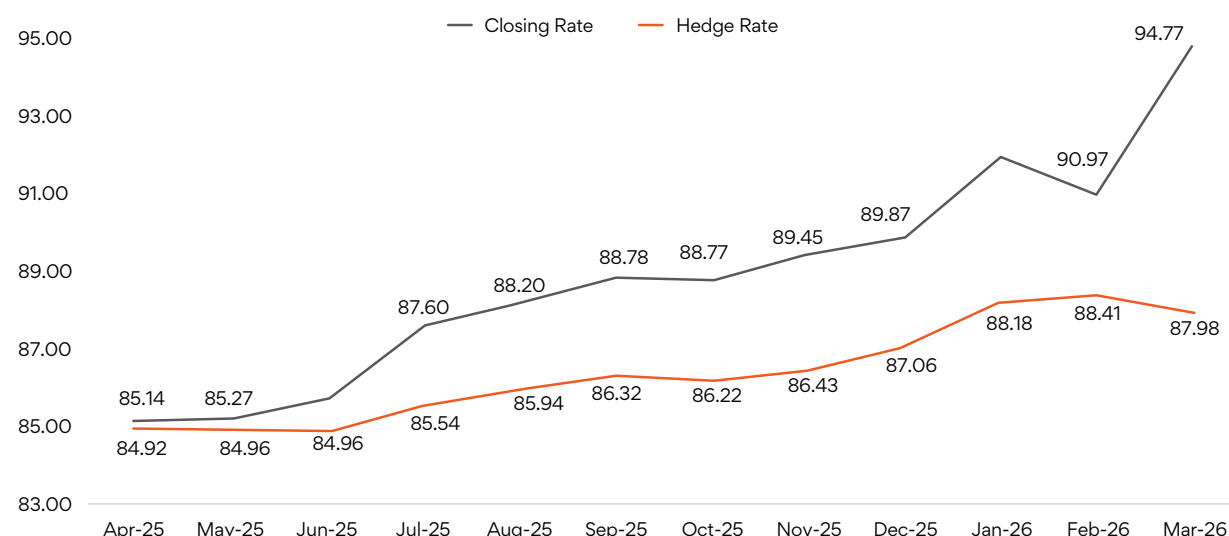
Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Effective Portion of Cash Flow Forward Covers

The Company derives a substantial part of its revenues in foreign currency, while a major part of its expenses is incurred in Indian Rupees. This exposes the Company to the risk of loss due to fluctuations in foreign currency rates.

The following chart shows the movement of monthly spot and forward rates of the Rupee against the USD in Financial Year 2025-26, indicating the volatility that the currency faced throughout the year:

This space is intentionally kept blank.

INR/\$ Currency Movement

The Company minimises the foreign currency fluctuation risk as per the Company's Foreign Exchange Risk Management Policy. The Company holds plain vanilla forward contracts against a portion of expected future receivables in USD to manage the risk of changes in exchange rates.

As per the accounting principles laid down in Ind AS 109 – 'Financial Instruments' relating to cash flow hedges, derivative financial instruments which qualify for cash flow hedge accounting are fair valued at balance sheet date and the effective portion of the resultant loss / (gain) is debited / (credited) to the hedge reserve under other comprehensive income and the ineffective portion is recognised in the statement of profit and loss. Derivative financial instruments are carried as forward contract receivable when the fair value is positive and as forward contract payable when the fair value is negative.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised in the statement of profit and loss as they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognised under other comprehensive income is transferred to the statement of profit and loss when the forecasted transaction occurs or affects profit or loss or when a hedged transaction is no longer expected to occur.

Accordingly, the Forward Cover Reserve (net of tax effects) as at March 31, 2026, stood at a debit balance of INR 1,676.01 Million as against a debit balance of INR 2.32 Million as at March 31, 2025. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Exchange Differences on Translating the Financial Statements of Foreign Operations

While consolidating the financial statements of subsidiaries (including step down subsidiaries) with the financial statements of the Parent Company, the assets and liabilities are stated in Indian Rupees by applying the closing exchange rates, equity is stated in Indian Rupees by applying the historical exchange rates and income and expenditure are stated in Indian Rupees by applying the average exchange rates. This creates an exchange difference on consolidation, which is accumulated under the foreign currency translation reserve.

The balance in the foreign currency translation reserve was INR 3,358.33 Million as at March 31, 2026, as against INR 1,691.41 Million as at March 31, 2025. Please refer to 'Other Equity' under Statement of Changes in Equity in the consolidated financials for details.

Non-current Assets (other than non-current financial assets) – Fixed Assets

The non-current assets (other than non-current financial assets) as at March 31, 2026, stood at INR 28,935.62 Million, as against INR 26,184.43 Million as at March 31, 2025. The details of the Net Block of Assets are as below:

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Property, Plant and Equipment	3,968.88	4,350.88
Capital work-in-progress	106.85	41.84
Right of use assets	5,471.81	3,798.67
Goodwill	13,596.88	12,337.94
Other Intangible assets	5,522.25	4,923.33
Intangible assets under development	268.95	731.77
Total	28,935.62	26,184.43

Property, Plant and Equipment

The gross block of Property, Plant and Equipment amounted to INR 12,600.64 Million as at March 31, 2026 as against INR 12,866.55 Million as at March 31, 2025. The decrease is primarily because of the disposal of computers during the year. The Company initiated a buy-back scheme for laptops, in which employees were offered old laptops at a discounted price.

Capital Work-in-progress

Capital work-in-progress (Capital WIP) stood at INR 106.85 Million as at March 31, 2026, as against INR 41.84 Million as at March 31, 2025. The increase is primarily because of capitalisation of some of the assets which became operational.

Right of Use Assets

The gross block of Right of Use Assets stood at INR 8,578.23 Million as at March 31, 2026 as against INR 5,690.50 Million as at March 31, 2025. Net additions of INR 2,887.73 Million have been made towards renewals / additions of leased office premises and other leased assets.

Goodwill

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired Company. The Goodwill as at March 31, 2026, was INR 13,596.88 Million as against INR 12,337.94 Million as at March 31, 2025. The increase is due to currency fluctuations.

Other Intangible Assets

The gross block of intangible fixed assets amounted to INR 20,766.88 Million as at March 31, 2026, as against INR 17,551.39 Million as at March 31, 2025. The additions mainly pertain to software purchased and capitalisation of SASVA which is an internally generated software.

Non-current Financial Assets

The non-current financial assets as at March 31, 2026, were INR 8,913.73 Million as against INR 7,853.25 Million as at March 31, 2025. The details of non-current financial assets are as follows:

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivable	899.36	664.40
Investments	7,001.38	6,415.04
Other non-current financial assets	1,012.99	773.81
Total	8,913.73	7,853.25

Non-current Financial Assets: Trade Receivable

In some IP deals, we have deferred credit arrangements with certain large enterprise customers. These customer outstanding are realisable after 12 months and are shown as Non-current trade receivables. The trade receivables stood at INR 899.36 Million as at March 31, 2026 as against INR 664.40 Million in the previous year.

Non-current Financial Assets: Investments

The total non-current investments as on March 31, 2026, stood at INR 7,001.38 Million as against INR 6,415.04 Million in the previous year. The net increase in non-current investments is mainly due to an increase in investment in mutual funds and new investment in Mila Health, a healthcare venture while we have liquidated our investment in SwanAI. Please refer to Note 6 of the consolidated financials for details.

Other Non-current Financial Assets

Other non-current financial assets consist of the non-current deposits with banks and the financial institutions including interest accrued on these deposits.

The Company has fully provided for the deposits of INR 130.00 Million with IL&FS Ltd., and INR 300.00 Million with IL&FS Financial Services Ltd., by FY 26. In the previous year, the Company received INR 21.12 Million from the IL&FS Group, and the Management is hopeful of recovering the balance amount with a time lag. The Company continues to monitor developments in the matter and is committed to taking steps including legal action that may be necessary to ensure full recovery of the said deposits.

Deferred Tax Assets and Deferred Tax Liabilities

On March 31, 2026, the net deferred tax assets amounted to INR 3,133.69 Million, compared to INR 1,873.75 Million on March 31, 2025.

Please refer Note 9 of the consolidated financials for component-wise details of deferred tax balances.

Other Non-current Assets (other than financial assets)

Other non-current assets, besides financial assets, include Income tax assets (net) and other non-current assets. The amount of Income tax assets (net) was INR 1,032.97 Million as at March 31, 2026, as against INR 787.55 Million as at March 31, 2025. Other non-current assets were INR 450.32 Million as at March 31, 2026, as against INR 257.02 Million as at March 31, 2025.

The details for the Other non-current assets are given below:

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	28.07	33.53
Prepayments	422.25	223.49
Total	450.32	257.02

Current Financial Assets

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments	9,146.28	3,388.17
Trade receivables (net)	33,343.87	26,791.69
Cash and cash equivalents	10,749.15	6,744.06
Bank balances other than cash and cash equivalents	1,433.36	3,510.65
Other current financial assets	73.45	116.44
Total	54,746.11	40,551.01

Current Investments

As per the Investment Policy approved by the Board of Directors, the Company invests its surplus funds in liquid and debt schemes, and fixed maturity plans of some reputed mutual funds with a focus on capital preservation, liquidity and optimisation of returns.

Investment in mutual funds classified under current investments stood at INR 9,146.28 Million as at March 31, 2026, as compared to at INR 3,388.17 Million as at March 31, 2025.

Trade Receivables

Trade receivables (net of provision for doubtful debts including unbilled) amounted to INR 33,343.87 Million as at March 31, 2026, as against INR 26,791.69 Million as at March 31, 2025.

The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the historical payment track record of customers. Further, the policy incorporates the provisioning of all customer balances which are overdue for a period of more than 180 days.

Provision for doubtful debts stood at INR 1,283.10 Million as at March 31, 2026, as against INR 916.03 Million as at March 31, 2025. Please refer to Note 12 of the consolidated financials for details.

DSO (billed) was 53 days as of March 31, 2026, compared to 58 days as of March 31, 2025.

Cash and Cash Equivalents

Cash and cash equivalents include bank balances and cash on hand. Cash and cash equivalents increased to INR 10,749.15 Million as at March 31, 2026, from INR 6,744.06 Million as at March 31, 2025.

Bank Balances Other Than Cash and Cash Equivalents

Deposits with banks having a maturity of more than twelve months from the balance sheet date, including interest thereon, and the balances on unpaid dividend accounts are considered under other bank balances. These deposits amounted to INR 1,428.82 Million as at March 31, 2026, as compared to INR 3,490.42 Million as at March 31, 2025. The balances on unpaid dividend accounts were INR 4.54 Million as at March 31, 2026, as against INR 20.23 Million as at March 31, 2025. Please refer Note 14 of the consolidated financials for details.

Other Current Financial Assets

Other current financial assets were INR 73.45 Million as at March 31, 2026, as compared to INR 116.44 Million as at March 31, 2025. Following are the components of other current financial assets:

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	49.06	116.44
Other receivables	24.39	–
Total	73.45	116.44

Please refer Note 16 of the consolidated financials for details.

Other Current Assets

Other current assets were INR 16,226.72 Million as at March 31, 2026, as compared to INR 9,708.52 Million as at March 31, 2025.

Other current assets include advances recoverable in cash or kind within period of twelve months from the Balance Sheet date and VAT receivable, Service Tax and GST receivable.

Current ratio was 2.43 as at March 31, 2026, as against 2.36 as at March 31, 2025.

Non-current Liabilities

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities	2,996.70	2,156.67
Provisions	2,632.77	66.95
Other financial liabilities	157.14	425.90
Other non-current liabilities	31.44	47.63
Total	5,818.05	2,697.15

Non-current Liabilities: Lease liabilities

The balance of INR 2,996.70 Million represents the non-current portion of Lease Liability as at March 31, 2026, as against the previous year balance of INR 2,156.67 Million.

Non-current Liabilities: Provisions

The long-term provisions are those provisions that are not expected to be settled within twelve months from the date of the Balance Sheet. The total long-term provisions have increased to INR 2,632.77 Million as at March 31, 2026 as compared to INR 66.95 Million as at March 31, 2025 mainly due to increase in provisions for Gratuity and Leave Encashment.

Non-current Liabilities: Other financial liabilities

The balance of INR 31.44 Million represents the non-current portion of Unearned revenue as at March 31, 2026, as against previous year balance of INR 47.63 Million.

Current Liabilities

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liabilities		
- Trade payables	11,341.88	8,886.17
- Lease liabilities	1,777.78	952.30
- Borrowings	-	-
- Other financial liabilities	8,272.69	2,438.40
Other current liabilities	6,805.36	4,516.47
Provisions	570.25	4,028.54
Income tax liabilities (net)	474.60	505.85
Total	29,242.56	21,327.73

Trade Payables

Trade payables increased to INR 11,341.88 Million as at March 31, 2026, from INR 8,886.17 Million as at March 31, 2025, essentially on account of the growth in operations of the Company.

Lease Liability

The balance of INR 1,777.78 Million represents the current portion of Lease Liability as at March 31, 2026, as against previous year balance of INR 952.30 Million.

Other Current Financial Liabilities

Other current financial liabilities include capital creditors, accrued employee liabilities, unpaid dividends and other contractual liabilities. Other current financial liabilities have increased to INR 8,272.69 Million as at March 31, 2026, from INR 4,726.04 Million as at March 31, 2025, due to higher accrued employee liabilities.

The details of major components of other current financial liabilities are shown below:

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital creditors	100.77	59.66
Accrued employee liabilities	4,838.19	3,287.01
Unpaid dividend	4.61	20.23
Other liabilities	5.12	38.99
Foreign exchange forward contracts	2,791.65	36.82
Payable to Selling Shareholders	532.35	1,283.33
Total	8,272.69	4,726.04

Other Current liabilities

Other current liabilities include unearned revenue, advances from customers and statutory and other liabilities. Unearned revenue represents the billing in respect of contracts for which the revenue is not recognised. The other current liabilities have increased to INR 6,805.36 Million as at March 31, 2026, from INR 4,516.47 Million as at March 31, 2025. Please refer to Note 24 of the consolidated financials for details.

Current Liabilities: Provisions

The short-term provisions denote the employees' liabilities expected to be settled within a period of twelve months from the date of the Balance Sheet.

The short-term provisions were INR 570.25 Million as at March 31, 2026, as against INR 1,740.90 Million as at March 31, 2025. The details of the components of short-term provisions are given below:

(In INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
– Gratuity	–	24.78
– Leave encashment	570.25	1,716.12
– Long service awards	–	–
– Other employee benefits	–	2,287.64
Total	570.25	4,028.54

Income Tax Liabilities (Net)

Current tax liabilities were INR 474.60 Million as at March 31, 2026, as against INR 505.85 Million as at March 31, 2025. Refer to Note 33 of Consolidated Financial Statements for details.

Revenue from Operations (Net)

The Company provides product engineering services, platform-based solutions and IP-based software products for global customers. The Company derives a significant portion of revenues from exporting software services and products.

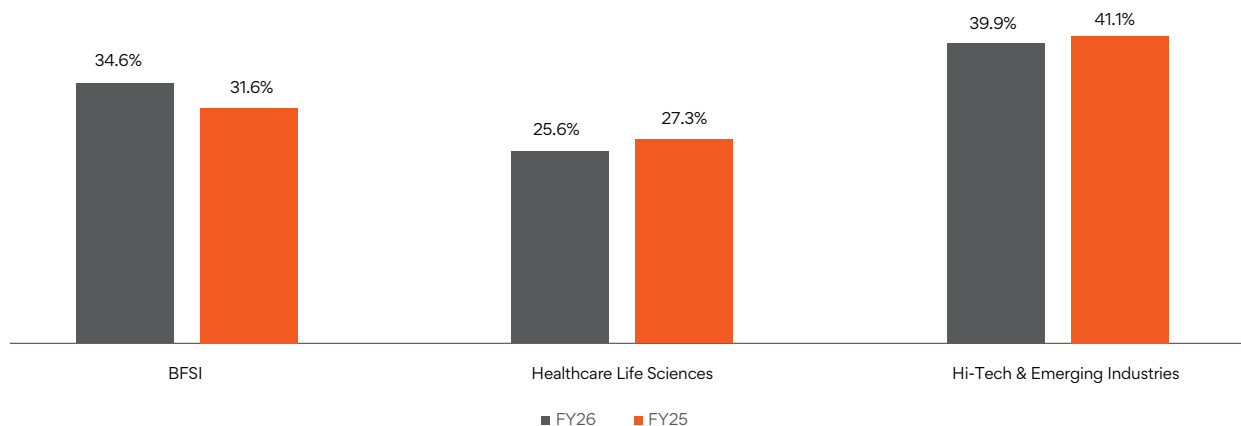
Revenue for the year in USD terms was up 17.4% at USD 1,654.41 Million as compared to USD 1,409.1 Million in the previous year. In Rupee terms, the revenue was INR 147,484.49 Million as compared to INR 119,387.17 Million, representing a growth of 23.53% over the previous year. The average rate of the Rupee depreciated by 5.2% during the year against the US Dollar.

The operating segments of the Group are:

- Banking, Financial Services and Insurance (BFSI)
- Healthcare & Life Sciences
- Technology Companies and Emerging Verticals

The following is the graphical presentation of the contribution of the segments in the total revenue:

Revenue Shares by Segments



(In INR Million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	Growth
Segmental revenue			
- BFSI	50,932.99	37,709.68	35.07%
- Healthcare & Life Sciences	37,721.65	32,551.45	15.88%
- Software, Hi-Tech and Emerging Industries	58,829.85	49,126.04	19.75%
Total	-	-	-
Segmental Operating income			
- BFSI	17,685.92	13,486.46	31.14%
- Healthcare & Life Sciences	14,029.58	12,768.39	9.88%
- Software, Hi-Tech and Emerging Industries	20,592.67	14,320.53	43.80%
Total	-	-	-
Segmental Operating margin %			
- BFSI	34.72%	35.76%	-
- Healthcare & Life Sciences	37.19%	39.23%	-
- Software, Hi-Tech and Emerging Industries	35.00%	29.15%	-

In terms of the geographical mix of revenue, North America continued to dominate by contributing 81.4% of the total revenue. Contribution from India was 8.3% while the Rest of the World contributed 10.3% of the total revenue.

The details in respect of the percentage of revenues generated from top customer, top 5 customers and top 10 customers are as under:

Particulars	2025-26	2024-25
Top 1	9.3%	10.4%
Top 5	32.2%	31.3%
Top 10	41.6%	40.9%

Other Income

As explained in Note 27 of the consolidated financials, Other Income consists of income from investment of surplus funds in the form of dividends from mutual funds, profit on sale of investments, interest on deposits and bonds, foreign exchange gain and miscellaneous income. Other income has increased to INR 1,804.26 Million for the year ended March 31, 2026, from INR 1,381.54 Million for the year ended March 31, 2025. One of the major reasons for an increase in other income was due to an increase in foreign exchange gain of INR 394.35 Million in the current year, as against INR 89.18 Million in the previous year, plus gain on sale of financial assets of INR 632.50 Million as against the gain of INR 492.76 Million in the previous year.

The details of other income are given below:

(In INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	Change
Investment income (including interest, dividend, fair value gain / loss and profit on sale of investments)	1,134.37	1,077.33	5.29%
Foreign exchange gain	394.35	89.18	342.20%
Miscellaneous income (including advances and excess provisions written back and profit on sale of fixed assets)	275.54	215.03	28.14%
Total	1,804.26	1,381.54	30.60%

Personnel Expenses

Personnel Expenses for the year amounted to INR 102,371.81 Million (INR 101,481.56 Million plus extra-ordinary item of INR 890.25 Million) as against INR 86,228.82 Million for the previous year, showing an increase of 18.7%. Main reason for such an increase is one time impact of New Wage code implemented on 21st November 2025.

As a percentage of revenue, these expenses dropped to 69.4% during the year as compared to 72.2% in the previous year. The drop was primarily because of improved utilisation and a few other cost optimisation measures.

Please refer to Note 28 of the consolidated financials for details.

Other Expenses

Other operating expenses for the year amounted to INR 18,048.50 Million against INR 12,576.42 Million in the previous year. As a percentage of revenue, the expenses increased to 12.2% from 10.5%.

The main reasons for variations in Operating and other expenses are as below:

- Travelling and conveyance costs went up by 34%, primarily due to an increase in airfares as well as an increase in travel days. More than 500 employees participated in our annual planning exercise, resulting in more travel days
- The purchase cost of software licenses increased by 35%, mainly due to higher headcount. The cost of sales for revenue through partners increased and the rupee depreciation also added to the increase
- Legal and professional fees have increased by 23% mainly towards professional fees incurred for legal as well as financial due diligence for a probable acquisition target and also on account of fees paid to external consultant towards cost optimisation program

Please refer to Note 29 of the consolidated financials for more details.

Profit Before Interest, Tax, Depreciation and Amortisation

During the year, the Company reported Profit before interest, tax, depreciation and amortisation of INR 27,064.18 Million, representing an increase of 31.5% over the previous year's INR 20,581.71 Million. The margin of Profit before interest, tax, depreciation and amortisation increased to 18.4% during the year from 17.2% in the previous year.

Depreciation and Amortisation

The depreciation and amortisation for the year amounted to INR 4,029.50 Million as against INR 3,069.10 Million in the previous year. Increase is mainly on account of amortisation of intangibles acquired under business combinations and new additions during the year in leased assets.

Depreciation and amortisation as a percentage of revenue was 2.7% for the year against 2.6% for the previous year.

The details on depreciation and amortisation are given below:

In INR Million)		
Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
On Property, Plant and Equipment	990.00	920.65
On Other Intangible assets	1,532.80	921.15
On Right of Use assets	1,506.70	1,227.30
Total	4,029.70	3,069.10

Tax Expense

Tax expenses consist of current tax and deferred tax.

The Company's two major tax jurisdictions are India and the United States, though the Company also files tax returns in other overseas jurisdictions.

The tax expense for the year amounted to INR 5,972.45 Million (including tax charge in respect of earlier years of INR 90.95 Million) against INR 4,721.97 Million (including tax charge in respect of earlier years of INR 41.92 Million) in the previous year. The deferred tax credit for the year was INR 511.53 Million against the deferred tax credit of INR 500.50 Million in the previous year.

The total tax expense for the year amounted to INR 5,460.92 Million against INR 4,221.47 Million for the previous year. The Effective Tax Rate (ETR) for the year amounted to 22.6% as compared to 23.2% in the previous year.

Please refer to Note 33 for reconciliation of estimated income tax expense at Indian statutory income tax rate to the income tax expense reported in the statement of profit and loss.

Net Profit after Tax

The Net Profit for the year amounted to INR 18,651.20 Million against INR 14,001.61 Million for the previous year, an increase of 33.21%. The Net Profit margin for the year was 12.65%, compared to 11.73% in the previous year.

Dividend

The Board of Directors recommended a Final Dividend of INR 18 per share. This brings the total dividend for the year to INR 40 including an interim dividend of INR 22 per equity shared declared in January 2026. The Final Dividend of INR 18 per share recommended by the Board is subject to approval at the ensuing Annual General Meeting.

For the previous year, the total dividend was INR 35 per share.

The total appropriation towards interim dividend for the year was INR 3,478.75 Million as against INR 3,117 Million for the previous year.

On approval of the final dividend of INR 18 per share, which was recommended by the Board in its meeting held in April 2026, the amount of INR 2,346.00 Million will be appropriated from reserves. Subject to approval at the AGM, dividends will be paid on the basis of outstanding shares as on the date of distribution.

Summary of dividends declared

Particulars	FY 2025-26 Interim	FY 2025-26 Final	Total for FY 2025-26	FY 2024-25 Interim	FY 2024-25 Final	Total for FY 2024-25
Month of Declaration / recommendation	Jan-26	Apr-26		Jan-25	Apr-25	
Amount of Dividend per Equity Share (INR 5 face value)	22	18*	40	20	15	35
% of Dividend	440%	360%	800%	400%	300%	700%
Total Dividend (INR Million)	3,478.75	2,839.50		3,117.00	2,346.00	
Total Dividend Outflow for the Year (INR Million)	6,318.25	-		5,463.00	-	

The dividend payout ratio (including proposed final dividend) for the year was 33.9% as compared to 39.0% for the previous year.

*Subject to approval in the AGM, the dividend will be paid on the basis of outstanding shares as on the date of distribution.

Earnings Per Share (EPS)

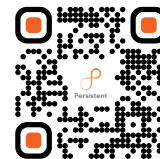
Basic and Diluted earnings per share went up to INR 119.74 per share and INR 118.87 per share respectively, compared to INR 91.22 per share and INR 90.24 per share respectively in the previous year, recording an increase of 31.26% and 31.73% respectively.

Ratio Analysis and its Elements

Sr. No	Ratio	March 31, 2026	March 31, 2025	% Change	Reason for variance (if more than 25%)
1	Current ratio	2.43	2.36	2.97%	-
2	Debt-Equity ratio	NA	NA	0.00%	-
3	Debt Service Coverage ratio	NA	NA	0.00%	-
4	Return on Equity ratio	26.64%	25.18%	5.82%	-
5	Trade Receivables turnover ratio	4.31	4.35	-0.95%	-
6	Trade payables turnover ratio	3.46	3.47	-0.31%	-
7	Net capital turnover ratio	3.53	4.13	-14.35%	-
8	Net profit ratio	12.65%	11.73%	7.83%	-
9	Return on Capital employed	29.27%	27.65%	5.85%	-
10	Return on investment	5.18%	5.74%	-9.73%	-

** Earnings available for debt service = Profit Before Tax + Finance cost + Depreciation & Amortisation - Other income - Lease payments

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Report on Risk Management

Persistent's Approach to Risk Management

Persistent has a robust Enterprise Risk Management (ERM) framework comprising a formal risk management policy, defined processes, governance mechanisms, and ongoing awareness programmes. Our ERM function is focused on strengthening and embedding a proactive risk management culture across the organisation.

The ERM function works closely with various organisational units and business leadership to facilitate the identification, assessment, and management of risks. Oversight is provided by the Risk Management Committee (RMC) of the Board of Directors, which was constituted on April 24, 2017, ahead of the regulatory requirement for such a committee.

ERM Objectives

The key objectives of Persistent's ERM function are to:

- Promote an effective system to manage risks essential to support the Company's growth strategy and business objectives, while ensuring resilience despite changing business dynamic
- Improve institutional decision-making by providing senior management and the Board with timely and accurate information, and proposing mitigation plans, enabling them to better comprehend the risks and opportunities at the enterprise level and make informed decisions
- Ensure that the Company meets all legal, regulatory, and policy compliance obligations
- Establish a structured process to identify and assess risks that may impact the business continuity of the Company, and define appropriate response and recovery plans
- Proactively identify potential risks and opportunities to prepare for future challenges and breakthroughs
- Strengthen the organisation's ability to comprehend, manage, and control risk exposures, fostering a culture of responsible risk-taking
- Integrate risk and opportunity assessment into the Company's periodic planning procedures, such as strategic planning and the annual budgeting cycle
- Promote a Risk-Intelligent Culture wherein conscious, enterprise-wide efforts are made to align the organisation's approach to risk, enabling consistent, risk-factored decision-making through targeted programmes such as Risk Familiarisation Programmes for Directors and Key Managerial Personnel, and risk training across key functions

ERM Framework

The Enterprise Risk Management (ERM) framework adopted by Persistent is aligned with ISO Standard 31000:2018 Risk Management — Guidelines, COSO ERM — Integrating Strategy and Performance (2017), and applicable regulatory requirements in India. The framework takes a holistic approach to identifying the full range of risks the Company faces, with particular emphasis on those that are critical to strategic success. The framework provides guidance on identifying, assessing, measuring, monitoring, and responding to risks across the enterprise in alignment with the Company's objectives and risk appetite. The ERM function reports enterprise-level risks to executive leadership and the Risk Management Committee (RMC) of the Board on a timely basis as needed. A formal review is conducted quarterly.

The Company's risk management framework is further strengthened through the active involvement of internal auditors and statutory auditors, who periodically review risk mitigation plans and related controls. Through their independent assessments and audit processes, they provide oversight of the Company's risk management practices — reinforcing governance and supporting continuous improvement of enterprise risk management. The auditors also provide inputs on key risk areas and emerging concerns as part of the overall risk management process.

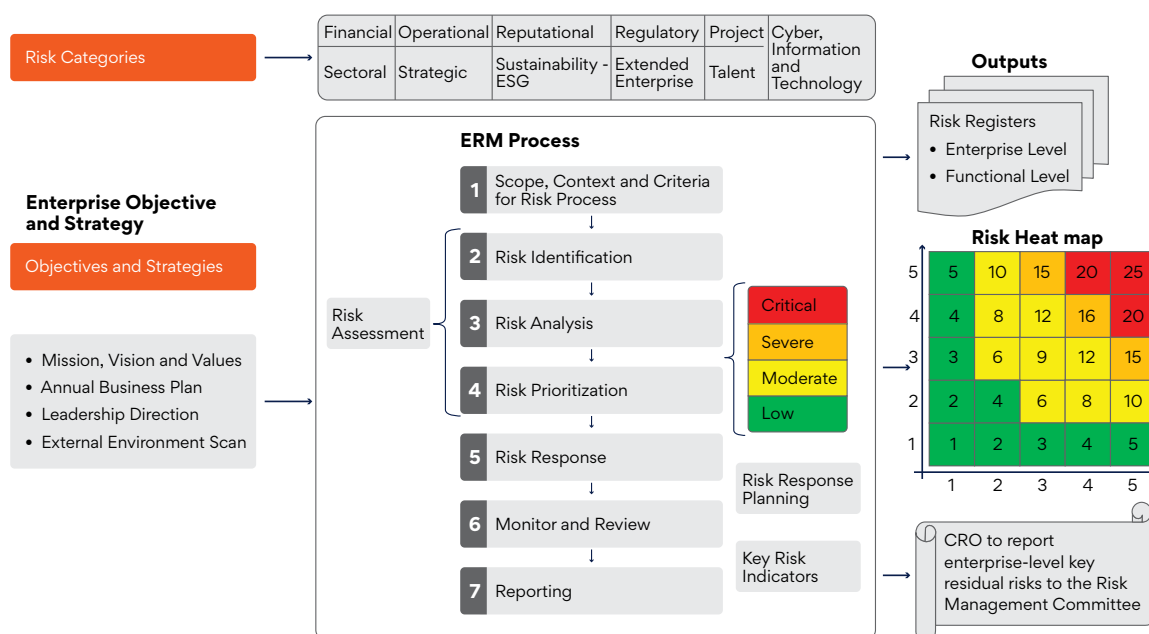
Responsibility for managing risks is shared across the organisation to ensure an effective and consistent process for avoiding and responding to risks in a timely manner. Dedicated leadership forums support the identification, monitoring, and tracking of enterprise-level risks, while the Risk Management Committee (RMC) of the Board has ultimate oversight of the Company's risk management function.

ERM Process Flow

The risk management process followed at Persistent comprises the following key steps:

- **Risk Identification:** Identify plausible uncertainties and risks that may impact the achievement of functional, organisational, and business objectives, or pose a threat to business continuity. This includes risks arising from internal operations as well as external factors. Identified risks are categorised into financial, operational, reputational, regulatory, extended enterprise, strategic, sustainability, talent, and technology for further assessment.
- **Risk Analysis:**
 - Existing and newly identified risks are analysed based on impact, likelihood, and velocity and are evaluated against established risk criteria, including potential business and financial impact
 - For each enterprise-level risk, Key Risk Indicators (KRIs) are defined and monitored against approved risk appetite and tolerance thresholds to assess current risk health and the organisation's readiness to manage it
 - Where applicable, risks are assessed for potential financial exposure by identifying associated revenue, cost, or operational drivers. Probability of occurrence, inferred from KRI performance and risk assessment, is applied to estimate realistic downside impact and support prioritisation
 - Selected risks are further analysed through scenario based assessments to evaluate the impact of plausible future conditions such as regulatory changes, market movements, or technological developments. Scenario outcomes help identify vulnerabilities and interdependencies, and inform mitigation planning
- **Risk Prioritisation:** Risks are prioritised based on criticality, emerging trends, and alignment with the Company's objectives, enabling focused management attention on key risks
- **Risk Response:** Appropriate risk response strategies are defined to avoid, mitigate, or manage key enterprise-level risks. Mitigation plans are aligned to identified risk drivers, control effectiveness, and defined tolerance thresholds
- **Monitor and Review:** Mitigation actions are integrated into day-to-day operations and monitored through defined indicators. The overall risk environment, effectiveness of mitigation measures, and emerging signals are reviewed periodically
- **Reporting:** Consolidated risk insights, including risk status and key trends, are reported to executive leadership and the Risk Management Committee (RMC) of the Board on quarterly basis to support risk-informed decision-making and oversight

The ERM Process is illustrated in the block diagram below:



Risk Categorisation

Risk categorisation at Persistent follows the 'FORRESSSTT' model, derived from the 'PESTEL*' model. Details of the FORRESSSTT model are as follows:

Risk Domains	Definition
Financial	Risk of potential financial loss resulting from breach of key risk indicators or ineffective or inefficient processes and controls
Operational	Risk of potential breakdowns or deficiencies in process effectiveness or efficiency resulting from controls gaps or design weaknesses, which may cause material exposure
Reputational	Risk of potential damage to reputation or loss of stakeholder confidence arising from non-compliance with risk management requirements, operational breakdown, legal or regulatory breach, unsuccessful product launches, or other adverse events
Regulatory	Risk of potential fines, litigation costs, or enforcement actions from changes in the legal and regulatory environment, perceived or actual conflicts of interest, and potential actions or breaches of compliance and risk management requirements
Extended Enterprise	Risk of potential disruption due to inadequate identification, assessment, or mitigation of risks associated with third-party relationships
Sectoral	Risks specific to the industry or sector in which the Company operates
Strategic	Risks that could disrupt key assumptions underpinning the Company's strategy, affecting strategic positioning, execution, or outcomes
Sustainability – ESG	Risks associated with managing corporate responsibility and sustainable development issues that may impact long-term growth and value creation for beneficiaries
Talent	Risk arising from attrition, skill shortages, or workforce challenges relative to industry and market benchmarks
Technology & Cyber	Risk arising from potential system failures, technology deficiencies, or unauthorised or malicious use of information systems

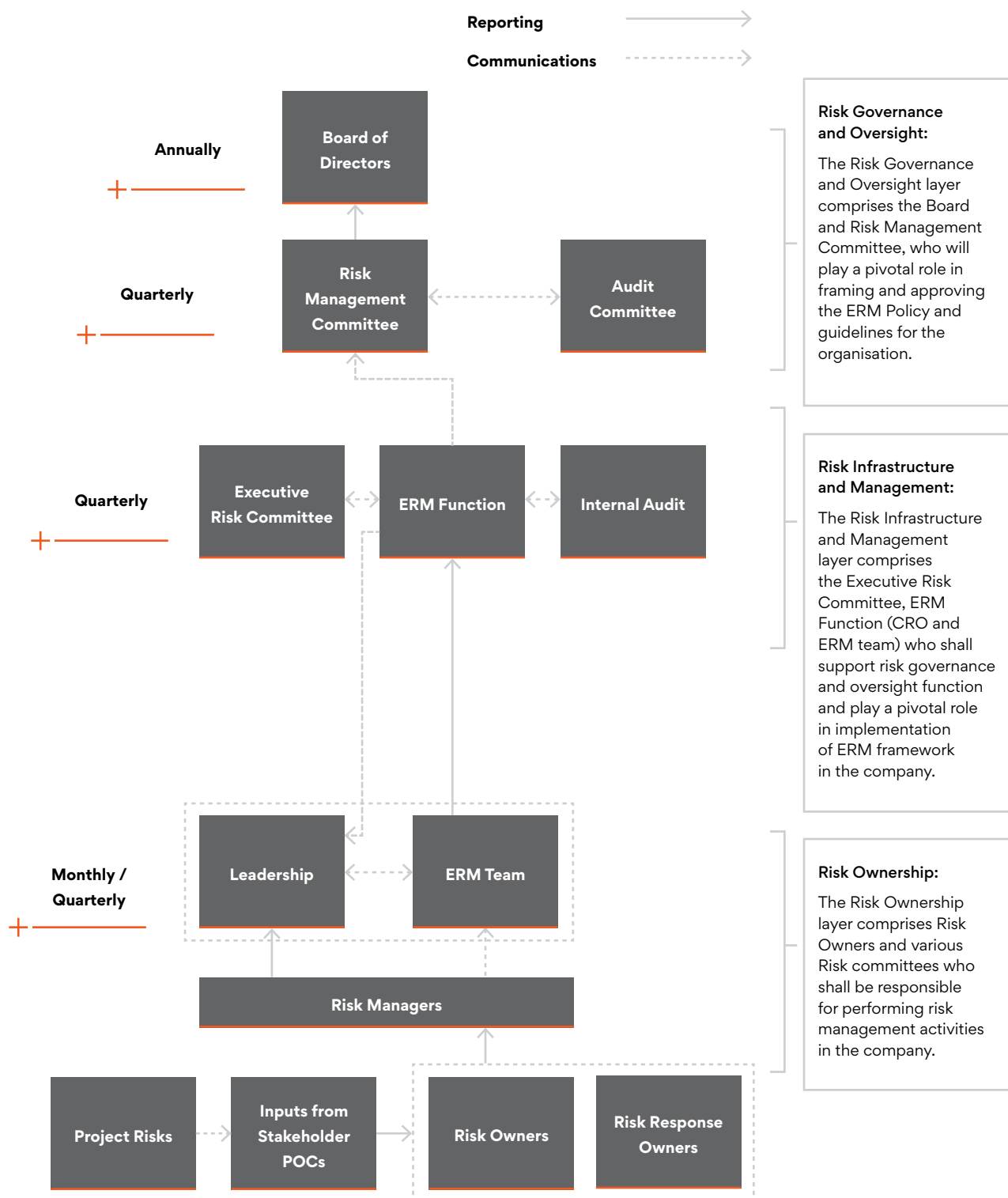
*PESTEL stands for Political, Economic, Social, Technological, Environmental, Legal

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Risk Governance Structure

The Company has established a governance structure based on three pillars of risk management responsibility: Risk Oversight, Risk Infrastructure and Management, and Risk Ownership. This structure cascades risk management responsibilities across senior management and all employees, including subsidiaries of the Company.

The risk management governance structure at Persistent is as follows:



Audits

Enterprise-level resilience is continuously enhanced through rigorous audits and assessments conducted at both entity and functional levels. Key improvement opportunities identified through these reviews are incorporated by the respective teams into their processes and operations. Examples of audits and assessments conducted during the year include:

- Internal Audit of Organisational Units
- SOC-2 Type 2 Audit
- Various ISO Audits
- Capability Maturity Model Integration (CMMI) Assessments

Highlights of FY26

FY2026 was marked by heightened geopolitical uncertainty and continued macro-economic volatility, including regional geopolitical developments, global trade and tariff-related uncertainty, and policy-led industry considerations. Throughout the year, the Company closely monitored these developments and activated appropriate mitigation measures to safeguard business continuity, workforce safety, and customer delivery. The Company's diversified delivery footprint, established business continuity planning, and crisis management arrangements enabled stable operations during the period. These developments did not have a material impact on the Company's operations, financial performance, or delivery commitments during FY 2026. However, given the evolving nature of the external risk environment, these areas remain under active monitoring and are supported by scenario-based contingency planning.

Geopolitical and macro-economic developments were assessed through structured enterprise-level risk reviews and ongoing management oversight. The Company's service-oriented business model, geographic diversification, and limited exposure to high-risk regions supported operational resilience. Proactive stakeholder communication and operational flexibility further enabled continuity during the year.

Against this backdrop, the Company continued to strengthen its enterprise risk management framework with a forward-looking focus. Increased emphasis was placed on emerging and evolving risks, including artificial intelligence-related considerations, cyber security and data privacy, regulatory and labour-law developments, and macro-economic uncertainty. These risks were addressed through structured assessments, enhanced control frameworks, employee awareness initiatives, and scenario-based resilience testing to support informed decision-making.

Risk governance and crisis preparedness capabilities were further enhanced during the year. An integrated risk intelligence platform supported consolidated risk visibility, key risk indicator monitoring, and timely escalation to senior management and the Board Risk Committee. Ongoing regulatory monitoring, materiality reassessment, and strengthened governance practices reinforced the Company's ability to anticipate and respond effectively to changes in the external risk environment.

The Company believes that the continued strengthening of risk governance, resilience, and forward-looking risk assessment capabilities remains critical to sustaining long-term growth and maintaining stakeholder confidence.

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Some of the key risks in the current business environment are given below:

Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
1	Emerging Technologies (AI) Risk (Emerging Risk)	Operational / Financial / Regulatory / Technology and Cyber	The rapid advancement of artificial intelligence (AI), particularly in automating software development and engineering tasks, poses a potential risk to traditional IT services - Uncertainties in AI and GenAI adoption — pace, scale, regulation, and return on investment — may delay customer programmes or, conversely, disrupt delivery models, pricing, and contracts if adoption accelerates - Impact on workforce requirements, associated reskilling, talent availability, and change management - Evolving AI regulation, IP protection, data privacy, and cybersecurity requirements may impact compliance requirements. - Potential exposure to vulnerabilities in the evolving ecosystem (data, IP, governance, etc.)	As AI reshapes technology services, we view timely adaptation as a key risk mitigation strategy. Our approach focuses on close collaboration with customers to identify emerging needs and continuously transform and modernise our portfolio - Investment into AI tools and technologies, and updating and enhancing pricing, delivery models and contractual frameworks - Role-based training and awareness programmes have been instituted to strengthen AI literacy and promote responsible development, deployment, and use of AI and GenAI tools and platforms - Ongoing monitoring of regulatory, legal, and ethical developments related to AI is undertaken to support timely compliance, adapt governance practices, and enhance risk responsiveness in a rapidly evolving external environment - PSL has established a comprehensive AI Risk Management and Governance framework, supported by ISO/IEC 42001 certification - Responsible AI policies, aligned with recognised global standards, have been implemented with centralised oversight and clearly defined accountability mechanisms to ensure consistent governance across business units and delivery environments - The Company has strengthened data protection, cybersecurity, and intellectual property controls across AI ecosystems, including safeguards covering third party platforms and tools

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
2	IT Security & Cyber Risk	Technology & Cyber / Extended Enterprise	Cyber-attacks (Malware, Phishing, ransomware) and breaches of IT systems due to compromised security controls, lack of awareness amongst employees, and externally sponsored attacks on PSL may lead to operational disruption, fines and penalties, loss of profitability and reputational damage. Increased cyber risk arising from AI usage, including higher threat sophistication as well as unintended or uncontrolled actions by AI-based systems	- Robust Information Security Management System (ISMS) centred around comprehensive Information Security policies based on industry best practices and leading security frameworks, with a continuous reinforcement of security controls to ensure the confidentiality, integrity, and availability of information assets - Multi-layered governance process with executive and Board oversight - Certifications such as ISO 27001, ISO 27017, ISO 27018, ISO 27701, and SOC 2 Type II attestations to demonstrate our commitment to cybersecurity - Continued investment and deployment of state-of-the art technologies such as Zero Trust architecture, Advanced endpoint protection solution, Dark / Deep web monitoring, etc. to secure corporate infra, data & applications - Access controls including Multi Factor Authentication for secure access to enterprise applications/network, special handling of privileged administrator accounts, rigorous access management & monitoring of all cloud deployments - Mandatory training and adequate awareness measures across employee life cycle ensure a strong human firewall - Implementation of enhanced Data Leakage prevention platform to protect critical data - Encryption of data, data back-up and recovery mechanisms for ensuring business continuity aligned to ISO 22301:2019 - Established threat intelligence, security monitoring and incident response processes to detect and respond to cybersecurity threats and incidents coordinated through a 24x7 Security Operations Centre - Internal and external audits and red teaming to validate effectiveness of controls

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
3	Data Privacy Risk	Regulatory / Reputational	- Persistent operates on a global scale and is therefore required to comply with applicable data privacy laws in all jurisdictions in which it conducts business - Any unauthorised use or disclosure of employee, candidate, prospective or existing customer, visitor, or partner data may result in breach of contractual obligations, regulatory fines or penalties, and reputational harm to Persistent	- Robust Privacy Information Management System (PIMS) to safeguard personal data and ensure compliance with applicable legal, regulatory, and contractual obligations pertaining to data privacy and protection - Global privacy policy covering all geographies, all areas of operations, and stakeholders. - Continuous strengthening of global privacy program through monitoring of regulatory mandates, revalidation of existing frameworks, policies and processes and ensuring applicability to customer contracts - Dedicated Data Protection Officer and Data Privacy team. In alignment with ISO/IEC 27001 (Information Security Management System) and ISO/IEC 27701 (Privacy Information Management System) requirements, appropriate technical and organisational measures are implemented to protect personal information, including but not limited to data classification, data encryption, and Data Loss Prevention (DLP) controls, along with robust access management measures such as role-based access control, Multi-Factor Authentication (MFA), and privileged access management. Access is granted strictly on a need-to-know and least-privilege basis, with periodic access reviews conducted to ensure continued authorisation - Data Privacy measures such as documentation of personal data processing in Record of Processing Activities (ROPA) including PII Inventories, Data Protection Impact Assessment (DPIA), Incident Management Procedures and Systems, Breach Notification Management, Data Subject Rights Request Management, etc. are implemented - Development of products & applications, including change in processing of personal data go through appropriate privacy assessments and approval to ensure Privacy by Design (PbD) - Vendors and third parties are subjected to security & privacy risk assessment and contracted with appropriate privacy obligations - Mandatory training on data protection, Privacy by Design, and global privacy regulations. Continuous privacy awareness campaigns to create & maintain privacy awareness across the organisation

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
				• Ongoing compliance assurance is achieved through periodic audits conducted by an independent audit firm, together with comprehensive internal audits across the enterprise • Certified under ISO 27701:2019 — Privacy Information Management System, ISO 27018:2019 — Securing Personal Data in Cloud and SOC 2 Type 2 Attestation
4	Geo-Political and Macro-Economic Risk	Strategic / Sectoral	Global macroeconomic (trade & tariffs) and geopolitical developments, including extended conflict situations in West Asia and Eastern Europe, may result in volatility in energy prices, inflationary pressures across economies, supply chain disruptions, currency fluctuations, and changes in customer spending priorities	• Continuous monitoring of global macroeconomic, geopolitical, and regulatory developments through expert insights and structured risk assessments to enable timely and informed decision-making • Crisis Management Framework is periodically reviewed and strengthened to remain aligned with evolving risk scenarios, organisational scale, and stakeholder expectations • Persistent is certified under ISO 22301, supported by regular testing and review of business continuity and disaster recovery plans • Enhanced crisis and incident management platforms are in place to enable early identification of critical external events, support employee safety and communication, and ensure coordinated response across the organisation • A geographically diversified growth strategy is pursued to reduce concentration risks and enhance resilience across multiple markets • Periodic country-level risk assessments and scenario analyses are undertaken to evaluate potential financial and operational impacts of external changes • Scenario analysis and impact assessments are conducted to evaluate the potential effects of changes in policies and market conditions on the Company's financial performance, operations, and growth plans

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
5	Global Regulatory Risk (Emerging Risk)	Regulatory / Reputational	• Risk of non-compliance with existing statutory regulations, new regulations, or amendments to existing regulations (e.g., immigration, payroll and social security, taxation, employment laws, data privacy laws, etc.) where the company operates globally, may have an impact • Persistent operates globally in major markets and industries. There is an inherent risk of non-compliance with the ever-evolving legal landscape, resulting in frequent legal updates and changes in regulatory requirements / disclosures (including regulations related to ESG, ethical, and hygiene practices) that are applicable to our business	• The Company uses a professional Compliance Manager Tool to report and monitor the regulatory compliances applicable to the Company • The Company also updates the Tool on an ongoing basis with the amendments in the existing regulations and inclusion of newly introduced legislations, if any • A framework is in place to assess the correctness of the compliances which have been reported in the Tool • The Compliance status is placed before the Audit Committee of the Board of Directors and the Board of Directors of the Company, in their quarterly meetings • The Company has also appointed local consultants in various geographies to advise and help the Company to ensure the compliances in respective geographies • The Company has a dedicated ESG function for the oversight of any ESG related regulatory compliance changes. Company has been certified in — ISO14001:2015 Environmental Management System and ISO45001:2018 Occupational Health and Safety Management Systems
6	Credit Risk	Financial	Delay in collection of customer dues as a result of the global economic situation	• The Company has adopted an effective receivables management system to monitor and control the outstanding receivables • Credit Risk is managed through policies, procedures, and controls as a part of customer credit risk assessment • The Company has adopted the expected credit loss model, based on the profile of the customer and aging pattern, to assess the impairment loss or gain on trade receivables.

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
7	Foreign Exchange Risk	Financial	The Company operates in the global environment and has maximum business from US geography. Currency fluctuation is a major risk	The company follows a board-approved policy that focuses on protecting business cash flow and earnings visibility through disciplined hedging practices • Net foreign exchange earnings are covered with a forward cover on 12 months rolling basis to cover 45% to 70% of net open positions • Guidance from the Board members is obtained every quarter regarding hedging quantum • Regular consultation with Forex Risk advisors from banks and financial institutions • Periodic review of revenue projections; Constant analysis and review of current economic scenario, exchange rate movements and Net Open Positions is done • Close monitoring of exchange rate movement is done using global platforms

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Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
8	Talent Demand and Employee Attrition Risk	Talent / Operational	- Sustained demand for AI, GenAI, Cloud, and Data continues to drive differentiated and premium compensation expectations for digital skills - Increased talent movement arising from rapid expansion of Global Capability Centers (GCCs) in India, particularly in talent dense locations such as Bengaluru, Hyderabad and Pune - Growth of IT ecosystems and emerging GCC hub development in Tier 2 cities (e.g., Indore, Ahmedabad), resulting in localised talent mobility and competitive hiring dynamics - Persistent talent (incl. and esp. leaders) increasingly targeted in the market due to Persistent's growth trajectory, and strong employer brand visibility and position	- Focused Retention program for attrition management and predictability, yielding results with TTM attrition down to ~13%. Both Proactive and Reactive Retentions play with provision of special budget for differential reward and ring-fencing critical talent - Leadership continuity: Succession planning in progress for critical roles to reduce continuity risk and build a robust internal pipeline of leaders - Capability building and internal mobility: Continued development via Persistent University offerings — upskilling AI / GenAI plus leadership programs - Employee engagement and wellbeing: Focus on physical, financial, and psychological wellbeing along with best-in-class 'Benefits' framework - Employee experience enhancement: Digital push via platforms to expand self service (PI Assist) and improve engagement/productivity - Employer brand and inclusion: Investment in employer brand and strengthening D&I program, prioritising gender diversity and women's advancement - Attrition risk prediction and early intervention: Implement an attrition risk model using engagement indicators to identify at risk segments early - Market sensing & pay agility: Regularly benchmark hot skills (e.g., AI) to enable timely pay interventions

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
9	Climate Change Risk	Sustainability — ESG / Operational	- Increasing frequency and intensity of extreme weather events (e.g., heatwaves, cyclones, floods, and disease outbreaks) may disrupt operations, workforce availability, and critical infrastructure - Climate-induced physical risks can impact employee safety, business continuity, and service delivery, especially in geographies exposed to climate variability - Evolving customer expectations on sustainability performance influence vendor selection, creating commercial risks for organisations not aligned with client decarbonisation and ESG goals - Strengthening environmental regulations and disclosure requirements (e.g., emissions reporting, energy efficiency norms) create compliance obligations; non-adherence may result in reputational risks	- The Company's facilities across India are ISO 14001:2015 certified by external third parties - The Company has distributed operations, enabled remote working, focused on agile delivery, and periodically tested business continuity plans - Delivery centres follow risk-informed infrastructure and resilience planning to minimise operational disruption from extreme weather events - Employee awareness programmes on resource efficiency and environmental responsibility are conducted to strengthen operational resilience - The Chief Information Security Officer (CISO) function oversees the implementation of business continuity and information security controls across projects, customers, regions, locations, and functions, supported by periodic internal audits - Persistent is certified ISO 27001 for information security and ISO 22301 for business continuity - The Company uses a Compliance Manager Tool to report and monitor the applicable ESG compliances - A dedicated ESG function oversees changes in ESG-related regulatory and disclosure requirements and coordinates implementation across functions - We continuously invest in R&D to enhance existing and develop new solutions that boost our clients' efficiency, generating positive environmental and social impact to enhance digital and technology solutions that help clients improve operational efficiency and sustainability outcomes - Recognising the growing importance of ESG goals, we're actively exploring ways to integrate them even deeper into our technology solutions and service offerings - Our climate action goals include: - Maintain Carbon Neutrality for Scope 1 and Scope 2 emissions every year - Sourcing of 100% Renewable energy across owned locations by FY2026 - Achieve Net-zero greenhouse gas emissions across the value chain by FY2050

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
			- Failure to comply with mandatory ESG disclosure requirements and voluntary reporting standards could result in regulatory non-compliance, reputational impact, and reduced stakeholder confidence - Mandatory Disclosures: Preparing and submitting Business Responsibility and Sustainability Report (BRSR) as part of the Annual Report in accordance with SEBI's guidance framework - Voluntary Disclosures: Developing ESG / Sustainability disclosures aligned with globally recognised standards such as GRI to meet investor and stakeholder expectations	- Progress against climate and ESG goals is reviewed periodically by the SRC and the ESG Committee of the Board - The Company focuses on reducing its operational carbon footprint through energy efficiency, renewable energy adoption, and selected nature-based initiatives - Persistent is committed to driving renewable energy adoption, optimising energy use, and working with communities to address climate change - Publishing the ESG and BRSR annual report fulfils regulatory reporting requirements and transparently communicates our progress on ESG goals to our stakeholders - The Company's crisis management framework includes early-warning mechanisms and defined communication protocols for timely response

Sr. No.	Key risks	Risk category (FORRESSSTT)	Risk triggers	Measures for risk mitigation
10	Risk of Water Scarcity in Water Stress Areas	Sustainability — ESG / Operational	Increasing water stress due to declining groundwater levels, climate change, and pollution may affect availability of potable water for office facilities. This can lead to operational disruptions (e.g., inability to maintain workplace hygiene, health risks), increased costs for water procurement, resulting in potential business disruption	- Water resource analysis has been conducted for all global locations and categorised according to the 'Aqueduct Water Risk Atlas' - Vulnerability identification and location-specific mitigation plans have been implemented to monitor water consumption - Conservation and efficiency measures are enforced through operational control, and all owned facilities are equipped with rainwater harvesting systems to recharge groundwater - Groundwater extraction is minimised and used only as a last resort, where permitted by local regulations - Frequent awareness sessions on sustainable water management are conducted - Through our CSR activities, we implement integrated watershed development programmes that enhance groundwater availability while promoting behaviour change through water literacy sessions and training on improved agricultural practices. Our open well projects provide reliable access to safe drinking water, and borewell recharge initiatives ensure sustained water availability for agriculture

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Sr. No.	Key risks	Risk category (FORRESSTT)	Risk triggers	Measures for risk mitigation
11	Energy Demand and Carbon Intensity Risk (Emerging Risk)	Sustainability — ESG	Increased adoption of energy-intensive digital technologies may lead to higher energy consumption potentially impacting environmental targets, increasing operating costs, and exposing the Company to reputational risks.	- Climate action goals and decarbonisation commitments are defined at an organisational level and monitored through a structured governance process. The goals are listed below: - Maintain Carbon Neutrality for Scope 1 and Scope 2 emissions every year - Sourcing of 100% Renewable energy across owned locations by FY2026 - Achieve Net-zero greenhouse gas emissions across the value chain by FY2050 - The Company enhances energy efficiency across its owned facilities and increases renewable energy procurement, including through green power sourcing and on-site generation, supported by green building certifications, such as Indian Green Building Council (IGBC) and Leadership in Energy and Environmental Design (LEED), where applicable - Decarbonisation roadmap with strategies aligned with SBTi guidelines to achieve emission reductions - All owned campuses are equipped with rooftop solar generation and connected to 2 windmills via open access, additionally the company purchases renewable energy through Green Tariffs from DISCOMs - Environmental considerations are incorporated into the evaluation of new technologies and infrastructure to improve energy efficiency and reduce emissions intensity over time - A green procurement framework enables assessment of key suppliers based on environmental criteria, including emissions associated with purchased goods and services





Consolidated Financials

Independent Auditor's Report

To the Members of Persistent Systems Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Persistent Systems Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its Employee Stock Option Plan Trust ("ESOP trust"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of such subsidiary as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (b) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, and based on the consideration of report of other auditor on separate financial statements of component audited by them were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition on fixed price contracts, wherein revenue is recognised using percentage of completion method

See Note 25 to consolidated financial statements

The key audit matter

The Group inter alia engages in Fixed-price contracts, wherein, revenue is recognised over the period of time using the percentage of completion computed as per the input method. This is based on the Group's estimate of efforts to complete the contracts.

Revenue recognition of fixed price contracts where the percentage of completion is used is identified as a key audit matter since —

- there is an inherent risk and presumed fraud risk around the existence of revenue recognised considering the customised and complex nature of these contracts;
- application of revenue recognition using percentage of completion under accounting standard (Ind AS 115, Revenue from Contracts with customers) is complex and involves:
 - i. estimating the future effort-to complete these contracts, which is used to measure the stage of completion of the relevant performance obligation; and
 - ii. judgement in identification of distinct performance obligations and determination of transaction price for such performance obligations.
- further, these contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Group; and
- at year-end, significant amount of contract assets and; unearned revenue balances related to these contracts are recognised on the balance sheet.

How the matter was addressed in our audit

In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- Obtained an understanding of the systems, processes and controls for determining and recording revenue and the associated contract assets and unearned revenue balances.
- Evaluated the design and tested the operating effectiveness of management's key internal controls (including key IT controls) over revenue recognition.
- On a selection of contracts, we tested if the revenue recognised was in accordance with the revenue recognition accounting standard.
- We:
 - i. evaluated the identification of performance obligations;
 - ii. considered the terms of the contracts to determine the transaction price;
 - iii. determined if the Group's evaluation of the method used for recognition of revenue is appropriate;
 - iv. assessed if the estimates of efforts to complete were reviewed and approved by appropriate designated management personnel;
 - v. tested the Group's calculation of efforts incurred till date and estimation of efforts to complete the contract including estimation of onerous obligations, if any,
 - vi. performed retrospective review of efforts incurred till date against the estimated contract cost;
- Verified the mathematical accuracy of revenue recognised using percentage of completion method including associated contract assets and unearned revenue balances.
- Assessed ageing of contract assets as on the balance sheet date and in case of aged items, obtained reasons for delays if any and expected timelines for invoicing.
- We tested journal entries on revenue recognised during the year, by considering specified risk based criteria, to identify unusual or irregular items.

Impairment of Goodwill

See Note 5.4 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group is required to test goodwill for impairment every year or more frequently when there is an indication of impairment. The impairment charge is determined by comparing the carrying value of goodwill with its recoverable amount. Recoverable amount is defined as the higher of value in use and fair value less cost of disposal. We consider the impairment testing of goodwill by the Group allocated to Cloud, Infrastructure and Security (CIS) and Customer Experience (CXCI) Cash Generating Units (CGUs) to involve significant estimates and judgment with a potential range of reasonable outcomes greater than our materiality for the consolidated financial statements as a whole. There is inherent uncertainty involved in forecasting and discounting future cashflows, which are the basis of the assessment of recoverability. Considering the significant judgement involved, impairment of goodwill allocated to above mentioned CGUs are identified as key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Obtained an understanding of Group's evaluation of identification of cash generating units and allocation of goodwill to the respective CGUs. • Obtained management's assessment of recoverable amount and impairment assessment for goodwill. • Tested the design, implementation and operating effectiveness of controls in respect of the Group's impairment assessment process, including the periodic review of cashflow forecasts and valuation assumptions. • Where management has used an independent valuer, evaluated the independent valuer's competence, capabilities and objectivity, and assessing the valuation methodology used by the independent valuer to estimate the value in use. • Evaluated the reasonableness of the cash flow projections and assessed the underlying key assumptions like revenue growth rate, projected margins, discount rates and terminal growth rate used in management's valuation working to determine recoverable amount by considering recent financial performance and externally derived data. • Engaged independent valuation specialists to assist in the evaluation of assumptions and methodologies used by the Group and its experts. • Assessed the impact of sensitivity over assumptions used by the management in determining the value in use. • Assessed the appropriateness of the related disclosures in the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and Board of Trustees of the ESOP trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company / ESOP trust and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and Board of Trustees of the ESOP trust are responsible for assessing the ability of each company / ESOP trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Board of Trustees of the ESOP trust either intends to liquidate the Company / ESOP trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and Board of Trustees of the ESOP trust are responsible for overseeing the financial reporting process of each company / ESOP trust.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (b) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a. The consolidated financial statements of the Group for the year ended 31 March 2025 were audited by the predecessor auditor who had expressed an unmodified opinion on 23 April 2025.
- b. We did not audit the financial statements of 21 subsidiaries and one ESOP trust, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 17,398 Million as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. 12,463 Million and net cash flows (before consolidation adjustments) amounting to Rs. 540 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the ESOP trust and subsidiaries, as noted in the "Other Matters" paragraph
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 43 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2026.
 - d. (i) The management of the Holding Company represented to us that, to the best of their knowledge and belief, as disclosed in the Note 51 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company represented to us that, to the best of their knowledge and belief, as disclosed in the Note 52 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Holding Company during the year and until the date of the audit report is in compliance in accordance with Section 123 of the Act. As stated in Note 16 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the Members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included in test checks, the Holding Company and its subsidiary companies incorporated in India, whose financial statements have been audited under the Act, have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of such subsidiary companies, did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company and its subsidiaries as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No: 113896

ICAI UDIN: 26113896ZBHEIM9420

Place: Pune

Date: 21 April, 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Persistent Systems Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No: 113896

ICAI UDIN: 26113896ZBHEIM9420

Place: Pune

Date: 21 April, 2026

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Annexure B to the Independent Auditor's Report on the consolidated financial statements of Persistent Systems Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Persistent Systems Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No: 113896

ICAI UDIN: 26113896ZBHEIM9420

Place: Pune

Date: 21 April, 2026

Consolidated Balance Sheet as at March 31, 2026

	Notes	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
ASSETS			
Non-current assets			
Property, plant and equipment	5.1	3,968.88	4,350.88
Capital work-in-progress	5.2	106.85	41.84
Right of use assets	5.3	5,471.81	3,798.67
Goodwill	5.4	13,596.88	12,337.94
Other Intangible assets	5.5	5,522.25	4,923.33
Intangible assets under development	5.6	268.95	731.77
		28,935.62	26,184.43
Financial assets			
- Loans	7	-	-
- Trade receivables	12		
- Billed		899.36	664.40
- Unbilled		-	-
- Investments	6	7,001.38	6,415.04
- Other financial assets	8	1,012.99	773.81
Deferred tax assets	9	3,459.97	2,024.24
Income tax assets		1,032.97	787.55
Other non-current assets	10	450.32	257.02
		13,856.99	10,922.06
	(A)	42,792.61	37,106.49
Current assets			
Financial assets			
- Loans	15	-	-
- Investments	11	9,146.28	3,388.17
- Trade receivables	12		
- Billed		21,331.89	18,477.95
- Unbilled		12,011.98	8,313.74
- Cash and cash equivalents	13	10,749.15	6,744.06
- Bank balances other than cash and cash equivalents	14	1,433.36	3,510.65
- Other financial assets	16	73.45	116.44
Other current assets	17	16,226.72	9,708.52
	(B)	70,972.83	50,259.53
TOTAL ASSETS	(A+B)	113,765.44	87,366.02
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18 (A)	788.75	779.25
Other equity	18 (B)	77,589.80	62,411.40
	(A)	78,378.55	63,190.65
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	19	2,996.70	2,156.67
- Other financial liabilities	22	157.14	425.90
Other non-current liabilities	23	31.44	47.63
Deferred tax liabilities	9	326.28	150.49
Provisions	20	2,632.77	66.95
	(B)	6,144.33	2,847.64
Current liabilities			
Financial liabilities			
- Lease liabilities	19	1,777.78	952.30
- Trade payables	21		
- Total outstanding dues of micro and small enterprises		58.10	40.77
- Total outstanding dues of creditors other than micro and small enterprises		11,283.78	8,845.40
- Other financial liabilities	22	8,272.69	4,726.04
Other current liabilities	23	6,805.36	4,516.47
Provisions	24	570.25	1,740.90
Income tax liabilities		474.60	505.85
	(C)	29,242.56	21,327.73
TOTAL LIABILITIES	(B+C)	35,386.89	24,175.37
TOTAL EQUITY AND LIABILITIES	(A+B+C)	113,765.44	87,366.02
Summary of material accounting policy information	4		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248 W/W-100022

Swapnil Dakshindas
Partner

Membership No: 113896

Place: Pune
Date: 21 April, 2026

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Place: Pune
Date: 21 April, 2026

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: Pune
Date: 21 April, 2026

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: Pune
Date: 21 April, 2026

Amit Atre
Company Secretary
Membership No: A20507

Place: Pune
Date: 21 April, 2026

Praveen Kadle
Independent Director
DIN: 00016814

Place: Pune
Date: 21 April, 2026

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Consolidated Statement of Profit & Loss for the year ended March 31, 2026

	Notes	For the year ended	
		March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Income			
Revenue from operations	25	147,484.49	119,387.17
Other income	26	1,804.26	1,381.54
Total income (A)		149,288.75	120,768.71
Expenses			
Employee benefits expense	27.1	79,495.42	68,737.17
Subcontracting costs	27.2	21,986.14	17,491.65
Finance costs	28	726.82	671.29
Depreciation and amortisation expense	5.7	4,029.50	3,069.10
Other expenses	29	18,048.50	12,576.42
Total expenses (B)		124,286.38	102,545.63
Profit before exceptional items and tax (A - B)		25,002.37	18,223.08
Exceptional item (C)			
Statutory Impact of new Labour Code (refer note 56)		890.25	-
Profit before tax (A-B-C)		24,112.12	18,223.08
Tax expense			
Current tax		5,972.45	4,721.97
Deferred tax credit		(511.53)	(500.50)
Total tax expense		5,460.92	4,221.47
Net Profit for the year (D)		18,651.20	14,001.61
Other comprehensive income			
Items that will not be reclassified to profit or loss (E)			
- Remeasurements of the defined benefit liabilities / (asset)		211.83	193.08
- Income tax effect on above		(53.34)	(49.81)
		158.49	143.27
Items that will be reclassified to profit or loss (F)			
- Effective portion of cash flow hedge		(2,236.60)	(34.97)
- Income tax effect on above		562.91	8.80
- Exchange differences in translating the financial statements of foreign operations		1,666.92	81.19
		(6.77)	55.02
Total other comprehensive income for the year (E) + (F)		151.72	198.29
Total comprehensive income for the year (D) + (E) + (F)		18,802.92	14,199.90
Earnings per equity share [Nominal value of share ₹5 (Previous year: ₹5)]	30		
Basic (In ₹)		119.74	91.22
Diluted (In ₹)		118.87	90.24
Summary of material accounting policy information	4		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248 W/W-100022

Swapnil Dakshindas
Partner

Membership No: 113896

Place: Pune
Date: 21 April, 2026

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Place: Pune
Date: 21 April, 2026

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: Pune
Date: 21 April, 2026

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: Pune
Date: 21 April, 2026

Amit Atre
Company Secretary
Membership No: A20507

Place: Pune
Date: 21 April, 2026

Praveen Kadle
Independent Director

DIN: 00016814

Place: Pune
Date: 21 April, 2026

Consolidated Statement of Cash Flow for the year ended March 31, 2026

		For the year ended	
		March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Cash flow from operating activities			
Profit before tax		24,112.12	18,223.08
Adjustments for:			
Interest income		(501.87)	(556.42)
Finance costs		396.48	417.06
Interest on lease liability		330.34	254.23
Depreciation and amortisation expense		4,029.50	3,069.10
Unrealised exchange (gain) / loss (net)		(463.97)	503.85
Exchange loss / (gain) on derivative contracts		518.23	44.12
Exchange loss / (gain) on translation of foreign currency cash and cash equivalents		85.42	11.76
Bad debts		189.27	-
Allowance for expected credit loss (net)		285.27	422.18
Employee stock compensation expenses		1,577.79	3,095.27
Loss / Impairment of non-current investments		4.31	-
Changes in contingent consideration payable on business combination		(139.59)	(1,461.82)
Excess provision in respect of earlier period / year written back		(21.26)	(29.37)
Profit on sale / fair valuation of financial assets designated as FVTPL		(632.50)	(470.40)
Provision towards employee benefits		-	(506.74)
Profit on sale of investment - Dx Now		-	(21.67)
Profit on sale of investment - PSG		-	(0.69)
Profit on sale of property, plant and equipment (net)		(60.96)	(76.84)
Operating profit before working capital changes		29,708.58	22,916.70
Movements in working capital :			
(Increase) / Decrease in other non-current assets		(198.76)	197.12
Decrease / (Increase) in other financial assets		(135.63)	(2,761.88)
(Increase) in other current assets		(6,038.66)	(3,659.19)
Decrease / (Increase) in trade receivables		154.48	(2,394.69)
(Decrease) / Increase in trade payables, current liabilities and non-current liabilities		(1,176.58)	1,467.51
Increase in provisions		1,607.00	917.69
Operating profit after working capital changes		23,920.43	16,683.26
Direct taxes paid (net of refunds)		(6,249.13)	(5,114.10)
Net cash generated from operating activities	(A)	17,671.30	11,569.16
Cash flows from investing activities			
Payment towards capital expenditure (including property, plant and equipment, intangible assets, capital advances and capital creditors)		(2,085.81)	(2,366.91)
Proceeds from sale of property, plant and equipment		133.97	436.14
Payment for acquisition of financial instruments		(76,938.70)	(54,916.91)
Payment towards contingent consideration		(1,065.13)	(489.64)
Proceeds from sale of financial instruments		72,074.20	52,773.30

Consolidated Statement of Cash Flow for the year ended March 31, 2026 (Contd.)

		For the year ended	
		March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Investment in unquoted securities		(739.27)	(434.93)
Profit on sale of investment - Dx Now		-	21.67
Profit on sale of investment - PSG		-	0.69
Proceeds from maturity of bank deposits having original maturity over three months		2,023.68	62.21
Interest received		498.03	570.04
Net cash used in investing activities	(B)	(6,099.03)	(4,344.34)
Cash flows from financing activities			
Proceeds from issue of share capital including securities premium		-	1,845.90
Purchase of treasury shares for stock options		(2,048.57)	-
Proceeds from issue of equity shares options		2,547.77	-
Repayment of foreign currency long term borrowings		-	(2,061.35)
Payment of principal portion of lease liabilities		(1,467.34)	(1,347.89)
Payment of interest portion of lease liabilities		(330.34)	254.23
Interest paid		(392.87)	(372.82)
Dividends paid		(5,790.41)	(4,600.06)
Net cash used in financing activities	(C)	(7,481.76)	(6,281.99)
Net increase in cash and cash equivalents (A + B + C)		4,090.51	942.83
Cash and cash equivalents at the beginning of the year		6,744.06	6,625.15
Cash and cash equivalents acquired on acquisition		-	56.38
Effect of exchange difference on translation of foreign currency cash and cash equivalents		(85.42)	(11.76)
Impact of ESOP Trust & Persistent India Foundation consolidation		-	(868.54)
Cash and cash equivalents at the end of the year		10,749.15	6,744.06
Components of cash and cash equivalents			
Cash on hand (refer note 13)		0.10	0.20
Balances with banks			
On current accounts # (refer note 13)		6,575.53	4,392.63
On saving accounts (refer note 13)		26.26	27.50
On exchange earner's foreign currency accounts (refer note 13)		3,762.96	1,488.57
On deposit accounts with original maturity less than three months (refer note 13)		384.30	835.16
Cash and cash equivalents		10,749.15	6,744.06

Of the cash and cash equivalent balance as at March 31, 2026, the Group can utilise ₹ 0.02 Million (Previous year: ₹ 0.02 Million) only towards certain predefined activities.

The above Statement of cash flow has been prepared under "Indirect Method" as set out in Ind AS - 7 on "Statement of Cash Flows" notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Summary of material accounting policy information (refer note 4)

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248 W/W-100022

Swapnil Dakshindas
 Partner

Membership No: 113896

Place: Pune
 Date: 21 April, 2026

For and on behalf of the Board of Directors of
Persistent Systems Limited

Dr. Anand Deshpande
 Chairman and
 Managing Director
 DIN: 00005721

Place: Pune
 Date: 21 April, 2026

Vinit Teredesai
 Executive Director and
 Chief Financial Officer
 DIN: 03293917

Place: Pune
 Date: 21 April, 2026

Sandeep Kalra
 Executive Director and
 Chief Executive Officer
 DIN: 02506494

Place: Pune
 Date: 21 April, 2026

Amit Atre
 Company Secretary
 Membership No: A20507

Place: Pune
 Date: 21 April, 2026

Praveen Kadle
 Independent Director
 DIN: 00016814

Place: Pune
 Date: April 21, 2026

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Consolidated Statement of Changes in Equity for the year ended March 31, 2026

A. Share capital

(refer note 18(A))

(In ₹ Million)

Balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
779.25	9.50	788.75

(In ₹ Million)

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
770.25	9.00	779.25

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Consolidated Statement of Changes in Equity for the year ended March 31, 2026

B. Other equity (refer note 18 (B))

(In ₹ Million)

Particulars	Reserves and surplus								Items of other comprehensive income		Total
	Securities premium	General reserve	Share options outstanding reserve	Capital Reserve	Capital redemption reserve	Retained earnings	Treasury shares	PSL ESOP Trust reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of foreign operations	
Balance as at April 1, 2025	3,438.70	27,730.15	3,432.38	65.19	35.75	28,833.47	(2,994.10)	180.77	(2.32)	1,691.41	62,411.40
Addition during the year	171.22	-	-	-	-	-	-	-	-	-	171.22
Net profit for the year	-	-	-	-	-	18,651.20	-	-	-	-	18,651.20
Items recognised in / from other comprehensive income for the year	-	-	-	-	-	211.83	-	-	(2,236.60)	1,666.92	(357.85)
Income tax effect on above	-	-	-	-	-	(53.34)	-	-	562.91	-	509.57
Dividend	-	-	-	-	-	(5,816.50)	-	-	-	-	(5,816.50)
Dividend paid to ESOP trust	-	-	-	-	-	-	-	41.71	-	-	41.71
Exercise of stock options	-	-	-	-	-	-	1,954.76	633.15	-	-	2,587.91
Purchase of treasury shares	-	-	-	-	-	-	(2,229.29)	-	-	-	(2,229.29)
Adjustments towards employees stock options	-	3,963.73	(3,963.73)	-	-	-	1,114.99	(1,114.99)	-	-	-
Employee stock compensation expenses	-	-	1,577.79	-	-	-	-	-	-	-	1,577.79
Other changes during the year	-	-	35.55	7.09	-	-	-	-	-	-	42.64
Balance at March 31, 2026	3,609.92	31,693.88	1,081.99	72.28	35.75	41,826.66	(2,153.64)	(259.36)	(1,676.01)	3,358.33	77,589.80

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

B. Other equity (refer note 18 (B))

(In ₹ Million)

Particulars	Reserves and surplus							Items of other comprehensive income			Total
	Securities premium	General reserve	Share options outstanding reserve	Capital Reserve	Capital redemption reserve	Retained earnings	Treasury shares	PSL ESOP Trust reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of foreign operations	
Balance as at April 1, 2024	1,601.80	25,842.99	2,227.71	63.61	35.75	19,346.09	(2,085.84)	140.64	23.85	1,610.22	48,806.82
Addition during the year	1,836.90	-	-	-	-	-	-	-	-	-	1,836.90
Profit for the year	-	-	-	-	-	14,001.61	-	-	-	-	14,001.61
Items recognised in / from other comprehensive income for the year	-	-	-	-	-	193.08	-	-	(34.97)	81.19	239.30
Income tax effect on above	-	-	-	-	-	(49.81)	-	-	8.80	-	(41.01)
Dividend	-	-	-	-	-	(4,657.50)	-	-	-	-	(4,657.50)
Dividend paid to ESOP trust	-	-	-	-	-	-	-	40.13	-	-	40.13
Shares held by ESOP trust	-	-	-	-	-	-	(908.26)	-	-	-	(908.26)
Adjustments towards employees stock options	-	1,887.16	(1,887.16)	-	-	-	-	-	-	-	-
Employee stock compensation expenses	-	-	3,095.27	-	-	-	-	-	-	-	3,095.27
Other changes during the year	-	-	(3.44)	1.58	-	-	-	-	-	-	(1.86)
Balance at March 31, 2025	3,438.70	27,730.15	3,432.38	65.19	35.75	28,833.47	(2,994.10)	180.77	(2.32)	1,691.41	62,411.40

Summary of material accounting policy information (refer note 4)

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248 W/W-100022

Swapnil Dakshindas
Partner
Membership No: 113896

Place: Pune
Date: 21 April, 2026

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Place: Pune
Date: 21 April, 2026

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: Pune
Date: 21 April, 2026

Praveen Kadle
Independent Director
DIN: 00016814

Place: Pune
Date: 21 April, 2026

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: Pune
Date: 21 April, 2026

Amit Atre
Company Secretary
Membership No: A20507

Place: Pune
Date: 21 April, 2026

Nature and purpose of reserves

a) General reserve

The general reserve is a free reserve created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of other comprehensive income ("OCI"). The same can be utilised in accordance with the provisions of the Companies Act, 2013.

b) Share options outstanding reserve

Share options outstanding reserve represents the cumulative expense recognised for equity-settled transactions at each reporting date until the employee share options are exercised / expired upon which such amount is transferred to General reserve.

c) Capital reserve

The excess of the Group's portion of equity of the acquired company over its cost is treated as gain on bargain purchase and disclosed under Capital Reserve in the financial statements.

d) Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares bought back; and is created and utilised in accordance with section 69 of the Companies Act, 2013.

e) Cash flow hedge reserve

When a derivative is designated as cashflow hedging instrument, the effective portion of changes in the fair value of derivative is recognised in other comprehensive income (OCI) and accumulated in cashflow hedge reserve. Cumulative gains or losses previously recognised in cashflow hedge reserve are recognised in the statement of profit and loss in the period in which such transaction occurs / hedging instruments are settled / cancelled.

f) Foreign currency translation reserve

The foreign exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented under equity in the foreign currency translation reserve. The amount is transferred to retained earnings upon disposal of investment in foreign operation.

g) PSPL ESOP Trust reserve and Treasury shares

The Group has created an Employee Stock Options Trust (ESOP Trust) for providing share-based payment to its employees. The Group uses ESOP Trust as a vehicle for distributing shares to employees. The ESOP Trust buys shares of the Company from the market, for giving shares to employees. The shares held by ESOP Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in equity. Share options whenever exercised, would be satisfied with treasury shares.

h) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

i) Retained earnings

Retained earnings represent the amount of accumulated earnings of the Group which includes remeasurements of the defined benefit liabilities / asset.

Notes forming part of consolidated financial statements

1. Group Overview

Persistent Systems Limited (“the Parent Company” or “PSL”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (“the 1956 Act”). The Company has its registered office at Bhageerath, 402 Senapati Bapat Road, Pune, Maharashtra, India. The shares of PSL are listed on Bombay Stock Exchange and National Stock Exchange. PSL is a global company specialising in software products, services and technology innovation. PSL together with its subsidiaries and controlled trust, is hereinafter referred to as ‘the Group’. The Group offers complete product life cycle services.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2026 and authorised for issue on April 21, 2026.

Persistent Systems, Inc. (PSI) based in the USA, a wholly owned subsidiary of PSL, is engaged in software product, services and technology innovation. Also, the Company is engaged in providing sales and marketing support and other allied services to its group entities.

Persistent Systems Pte. Ltd. (PS Pte.) based in Singapore, a wholly owned subsidiary of PSL, is engaged in software development, professional and marketing services.

Persistent Systems France SAS (PSFS) based in France, is a wholly owned subsidiary of Aepona Group Limited (AGL) w.e.f. March 25, 2026 and is engaged in software products, services and technology innovation.

Persistent Telecom Solutions, Inc. (PTSI) based in the USA, a wholly owned subsidiary of Persistent Systems, Inc. (PSI), is engaged in software products, services and technology innovation in telecom and Product Lifecycle Management domains. PTSI has been merged into PSI w.e.f. February 28, 2026.

Persistent Systems Malaysia Sdn. Bhd. (PSM) based in Malaysia, a wholly owned subsidiary of PSL, is engaged in software products and services.

Aepona Group Limited, an Ireland based wholly owned subsidiary of Persistent Systems Limited (PSL), is engaged in software development and related services and also operates as the Holding Company of Persistent Systems Lanka (Private) Limited, Persistent Systems France SAS (PSFS), Persistent Systems Switzerland AG (PSS), Persistent Systems S.R.L. Romania, Persistent Systems Germany GmbH and Persistent Systems Poland sp z.o.o.

Persistent Systems UK Limited (formerly known as Aepona Limited, a UK based wholly owned subsidiary of Persistent Systems Limited) is engaged in the business of a telecommunication API gateway for defining, exposing, controlling and monetising telecom services to partners and application developers and an Internet of Things service creation platform that allows enterprises to add a service layer (or “business logic”) to the basic APIs exposed to by connected devices, and to expose and monetise these APIs. Also, it has acquired a new Microsoft business unit with expertise in Microsoft technologies, including Azure, business applications, workplace modernisation, and Data and AI.

Persistent Systems Lanka (Private) Limited (a Sri Lanka based wholly owned subsidiary of Aepona Group Limited) has adopted indirect sales model, with services revenue being billed to Persistent Systems UK Ltd. Sale of services are then contracted between Persistent Systems UK Ltd. and customers.

Persistent Systems Mexico, S.A. de C.V (a Mexico based wholly owned subsidiary of Persistent Systems Inc.) has adopted indirect sales model, with services revenue being billed to Persistent Systems Limited (PSL). Sale of services are then contracted between Persistent Systems Limited and customers.

Persistent Systems Israel Ltd. (an Israel based wholly owned subsidiary of Persistent Systems Inc.) has adopted indirect sales model, with services revenue being billed to Persistent Systems Inc. Sale of services are then contracted between Persistent Systems Inc. and customers.

Persistent Systems Germany GmbH is a wholly owned subsidiary of Aepona Group Limited w.e.f March 31, 2026 is engaged in software development.

Persistent Systems Switzerland AG (formerly known as PARX Werk AG, a Switzerland based wholly owned subsidiary of Aepona Group Limited w.e.f December 24, 2025) is engaged in the business of software products, services and technology innovation in the digital practice.

Persistent Systems Costa Rica Limitada (formerly known as Data Glove IT Solutions Limitada, a Costa Rica based wholly owned subsidiary of Persistent Systems Inc .w.e.f December 24, 2025) is a leading Microsoft technology solutions provider in verticals including Azure, business applications, workplace modernisation, and Data and AI.

Persistent Systems S.R.L. Romania is a wholly owned subsidiary of Aepona Group Limited (AGL) w.e.f February 24, 2026 is engaged in software development and services.

Persistent Systems Australia Pty Ltd (formerly known as Capiot Software Pty Ltd, a Australia based wholly owned subsidiary of Persistent Systems Inc) is engaged in enterprise and data integration services across platforms. Further, it has acquired a new Microsoft business unit with expertise in Microsoft technologies, including Azure, business applications, workplace modernisation, and Data and AI.

MediaAgility India Private Limited (an India based wholly owned subsidiary of PSL) is engaged in cloud-native application development and modernisation, analytics and AI, cloud engineering, migrations, and managed services.

MediaAgility Inc (a US based wholly owned subsidiary of Persistent Systems Inc) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

MediaAgility UK Limited (a UK based wholly owned subsidiary of MediaAgility, Inc) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

Digitalagility S. DE R.L.de C.V. (a Mexico based wholly owned subsidiary of MediaAgility, Inc) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

Media Agility Pte Ltd (a Singapore based wholly owned subsidiary of MediaAgility, Inc) (acquired with effect from May 4, 2022) is cloud transformation services provider with deep expertise building scalable, cloud-based solutions as a Google Cloud Premier Partner.

Persistent Systems Poland sp z.o.o. is a subsidiary of Aepona Group Limited w.e.f March 4, 2026 and is engaged in providing software products, services and technology innovation.

Persistent India Foundation was incorporated under Section 8 of the Companies Act, 2013 effective from May 1, 2024, as a wholly owned subsidiary of the company for carrying out CSR activities.

Starfish Associates, LLC, USA (Starfish) has become a wholly owned subsidiary of Persistent Systems Inc, USA (PSI) (wholly owned subsidiary) effective from August 1, 2024. Starfish Associates is known for its intelligent integration hub and workflow engine that seamlessly connects an array of business applications and communication systems, significantly enhancing multi-vendor communication management. Starfish has now merged into PSI w.e.f March 2, 2026.

Arrka Infosec Private Limited, India (a private company incorporated under the Companies Act, 1956) has become a wholly owned subsidiary of Persistent Systems Limited effective from October 28, 2024. The subsidiary specialises in data protection and privacy compliance services, strengthening PSL's market position in these domains.

Persistent Systems Pte. Ltd., Singapore (Wholly Owned Subsidiary of the Company) has established its Wholly Owned Subsidiary, Baixinteng System Service (Shanghai) Co. Ltd. in China on February 27, 2026 and is engaged in providing software products, services and technology innovation. As at the reporting date, no capital has been infused into the said subsidiary. Accordingly, no investment has been recognised under non-current investments in the financial statements.

The Group has assessed PSPL ESOP Management Trust to be a controlled entity and accordingly the same has been consolidated.

2. Basis of preparation

The consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 (“the Act”) and Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for the following items, which are measured on an alternative basis on each reporting date —

Items	Basis of Measurement
Derivative financial instruments	Fair Value
Non-derivative financial instruments at FVTPL	Fair Value
Debt and equity securities at FVOCI	Fair Value
Contingent consideration assumed in a business combination	Fair Value
Net defined benefit (asset) / liability	Fair value of plan assets less the present value of the defined benefit obligation

The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Amounts in the consolidated financial statements are presented in Indian Rupees in Millions as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

3. Basis of consolidation

The consolidated financial statements of the Parent Company, its subsidiaries and the controlled trust (“the Group”) for the year ended March 31, 2025 are prepared in accordance with generally accepted accounting principles applicable in India, and the Indian Accounting Standard 110 (Ind AS 110) on ‘Consolidated Financial Statements’, notified by Companies (Accounting Standards) Rules, 2015, (“Indian Accounting Standards”) by and to the extent possible in the same format as that adopted by the Parent Company for its separate financial statements.

The Parent Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries and its controlled trust as disclosed below. Control exists when the parent company has power over the entity, is exposed or has rights to variable returns from its involvement with the entity; and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The standalone financial statements of the Parent Company, its subsidiary companies and its controlled trust have been combined on line by line basis by adding together the book values of like items of assets and liabilities, income and expenses after eliminating intra group balances and intra group transactions except where cost cannot be recovered. The unrealised profits or losses resulting from the intra group transactions and balances have been eliminated.

The excess of the cost to the Parent Company of its investment in a subsidiary and the Parent Company’s portion of equity of subsidiary on the date at which investment in the subsidiary is made, is described as goodwill and recognised separately as an asset in the consolidated financial statements. The excess of the Company’s portion of equity of the acquired company over its cost is treated as gain on bargain purchase in the consolidated financial statements. Goodwill arising on consolidation is not amortised. It is tested for impairment on a periodic basis and written off if found impaired.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, are made in the consolidated financial statements. The consolidated financial statements are presented in the same manner as the Parent Company’s separate financial statements.

The consolidated financial statements of the subsidiary companies and controlled trust used in the consolidation are drawn up to the same reporting date as of the Parent Company.

The subsidiary companies and controlled trust considered in the consolidated financial statements are as follows:

Name of the subsidiary or controlled trust	Ownership Percentage as at		Country of Incorporation
	March 31, 2026	March 31, 2025	
Persistent Systems, Inc.	100%	100%	USA
Persistent Systems Pte Ltd.	100%	100%	Singapore
Persistent Systems France SAS	100%	100%	France
Persistent Telecom Solutions Inc. (merged w.e.f. February, 28, 2026)	100%	100%	USA
Persistent Systems Malaysia Sdn. Bhd.	100%	100%	Malaysia
Aepona Group Limited	100%	100%	Ireland
Persistent Systems UK Limited (formerly known as Aepona Limited)	100%	100%	UK
Persistent Systems Lanka (Private) Limited	100%	100%	Sri Lanka
Persistent Systems Mexico, S.A. de C.V.	100%	100%	Mexico
Persistent Systems Israel Ltd.	100%	100%	Israel
Persistent Systems Germany GmbH	100%	100%	Germany
Persistent Systems Switzerland AG (formerly known as PARX Werk AG)	100%	100%	Switzerland
CAPIOT Software Private Limited (merged w.e.f. April 1, 2025)	100%	100%	India
Persistent Systems Australia Pty Ltd (formerly known as CAPIOT Software Pty Ltd)	100%	100%	Australia
Persistent Systems Costa Rica Limitada (formerly known as Data Glove IT Solutions Limitada)	100%	100%	Costa Rica
MediaAgility India Private Limited	100%	100%	India
MediaAgility Inc.	100%	100%	USA
Digitalagility S. DE R.L.de C.V.	100%	100%	Mexico
MediaAgility UK Limited	100%	100%	UK
Media Agility Pte Ltd	100%	100%	Singapore
Persistent Systems S.R.L. Romania	100%	100%	Romania
Persistent Systems Poland sp z.o.o.	100%	100%	Poland
PSPL ESOP Management Trust	100%	100%	India
Persistent India Foundation	100%	100%	India
Starfish Associates LLC, USA (merged w.e.f. March, 2, 2026)	100%	100%	USA
Arrka Infosec Private Limited	100%	100%	India
Baixinteng System Service (Shanghai) Co. Ltd. (incorporated w.e.f February 27, 2026)	100%	100%	China

The share of subsidiaries in the consolidated net assets, consolidated profit or loss and consolidated other comprehensive income is as follows for Financial Year 2025-26:

Name of the Company	Share in Net assets		Share in Profit or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount (in ₹ Million)	As a % of consolidated profit	Amount (in ₹ Million)	As a % of consolidated OCI	Amount (in ₹ Million)	As a % of consolidated Total Comprehensive Income	Amount (in ₹ Million)
Parent Company:								
Persistent Systems Limited	74.27%	67,103.28	72.43%	16,348.65	100.00%	(1,515.20)	70.45%	14,833.45
Subsidiaries:								
Persistent Systems, Inc.	18.32%	16,557.11	24.15%	5,451.22	0.00%	-	25.89%	5,451.22
Persistent Systems Pte. Ltd.	0.06%	51.47	0.01%	2.98	0.00%	-	0.01%	2.98
Persistent Systems France SAS	-0.20%	(184.64)	-0.26%	(57.96)	0.00%	-	-0.28%	(57.96)
Persistent Systems Malaysia Sdn. Bhd.	0.35%	312.47	-0.06%	(12.70)	0.00%	-	-0.06%	(12.70)
Aepona Group Limited	4.29%	3,877.67	0.04%	9.07	0.00%	-	0.04%	9.07
Persistent Systems UK Limited	0.35%	316.91	1.98%	447.91	0.00%	-	2.13%	447.91
Persistent Systems Lanka (Private) Limited	0.34%	304.16	0.02%	3.71	0.00%	-	0.02%	3.71
Persistent Systems Israel Ltd.	0.24%	214.92	-0.05%	(11.39)	0.00%	-	-0.05%	(11.39)
Persistent Systems Mexico, S.A. de C.V.	0.20%	183.72	0.10%	22.18	0.00%	-	0.11%	22.18
Persistent Systems Germany GmbH	0.41%	373.16	0.95%	214.30	0.00%	-	1.02%	214.30
Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.25%	225.27	-0.02%	(4.87)	0.00%	-	-0.02%	(4.87)
Persistent Systems Australia Pty Ltd	-0.15%	(132.19)	-0.22%	(49.74)	0.00%	-	-0.24%	(49.74)
Persistent Systems Costa Rica Limitada	0.31%	279.63	0.12%	26.39	0.00%	-	0.13%	26.39
MediaAgility India Private Limited	0.74%	672.86	0.73%	165.77	0.00%	-	0.79%	165.77
MediaAgility Inc.	0.23%	207.15	0.12%	27.26	0.00%	-	0.13%	27.26
MediaAgility UK LTD	-0.02%	(22.47)	0.00%	(0.81)	0.00%	-	0.00%	(0.81)
DIGITALAGILITY S DE RL DE CV	-0.09%	(79.18)	0.03%	6.67	0.00%	-	0.03%	6.67
MediaAgility Pte Ltd	0.02%	15.96	0.02%	3.87	0.00%	-	0.02%	3.87
Persistent Systems S.R.L.- Romania	0.08%	75.94	0.06%	13.75	0.00%	-	0.07%	13.75
Persistent Systems Poland sp z.o.o.	0.00%	3.90	-0.14%	(31.41)	0.00%	-	-0.15%	(31.41)
PSPL ESOP Management Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Persistent India Foundation	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Arrka Infosec Private Limited	0.00%	(4.51)	-0.01%	(2.90)	0.00%	-	-0.01%	(2.90)
Baixinteng System Service (Shanghai) Co. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Subtotal	100.00%	90,352.59	100.00%	22,571.95	100.00%	(1,515.20)	100.00%	21,056.75
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	1,666.92	-	1,666.92
Consolidation adjustments	-	(11,974.04)	-	-	-	-	-	-
Amortisation of Intangibles recognised on Business Combination	-	-	-	-	-	-	-	-
DTA on items recognised on consolidation	-	-	-	23.55	-	-	-	23.55
Dividend from subsidiaries	-	-	-	(803.61)	-	-	-	(803.61)
Others	-	-	-	(3,140.69)	-	-	-	(3,140.69)
Total		78,378.55		18,651.20		151.72		18,802.92

The share of subsidiaries in the consolidated net assets, consolidated profit or loss and consolidated other comprehensive income is as follows for Financial Year 2024-25:

Name of the Company	Share in Net assets		Share in Profit or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount (₹ Million)	As a % of consolidated profit	Amount (₹ Million)	As a % of consolidated OCI	Amount (₹ Million)	As a % of consolidated Total Comprehensive Income	Amount (₹ Million)
Parent Company:								
Persistent Systems Limited	81.38%	59,740.08	90.57%	11,551.41	104.12%	121.93	90.69%	11,673.34
Subsidiaries:								
Persistent Systems, Inc.	13.01%	9,548.85	4.68%	597.32	0.00%	-	4.64%	597.32
Persistent Systems Pte. Ltd.	0.06%	41.89	0.02%	3.12	0.00%	-	0.02%	3.12
Persistent Systems France SAS	-0.14%	(103.62)	-0.72%	(91.23)	0.00%	-	-0.71%	-91.23
Persistent Telecom Solutions Inc.	0.39%	289.60	0.00%	(0.55)	0.00%	-	0.00%	-0.55
Persistent Systems Malaysia Sdn. Bhd.	0.36%	266.71	-0.04%	(5.01)	0.00%	-	-0.04%	-5.01
Aepona Group Limited	1.70%	1,246.70	3.14%	401.05	0.00%	-	3.12%	401.05
Persistent Systems UK Limited	-0.16%	(115.76)	1.38%	176.54	0.00%	-	1.37%	176.54
Persistent Systems Lanka (Private) Limited	0.41%	301.12	0.04%	5.61	-4.12%	(4.83)	0.01%	0.78
Persistent Systems Israel Ltd.	0.24%	174.23	0.08%	10.63	0.00%	-	0.08%	10.63
Persistent Systems Mexico, S.A. de C.V.	0.17%	127.73	0.23%	29.44	0.00%	-	0.23%	29.44
Persistent Systems Germany GmbH	0.18%	133.06	-1.09%	(138.80)	0.00%	-	-1.08%	-138.80
Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.26%	189.17	-0.09%	(11.50)	0.00%	-	-0.09%	-11.50
CAPIOT Software Private Limited	0.07%	51.21	-0.04%	(4.64)	0.00%	-	-0.04%	-4.64
Persistent Systems Australia Pty Ltd	-0.09%	(68.48)	0.21%	27.31	0.00%	-	0.21%	27.31
Persistent Systems Costa Rica Limitada	0.28%	203.67	0.57%	72.27	0.00%	-	0.56%	72.27
MediaAgility India Private Limited	0.69%	507.10	0.89%	113.82	0.00%	-	0.88%	113.82
MediaAgility Inc.	1.21%	886.76	-0.17%	(22.02)	0.00%	-	-0.17%	-22.02
MediaAgility UK LTD	-0.03%	(19.05)	-0.03%	(3.91)	0.00%	-	-0.03%	-3.91
DIGITALAGILITY S DE RL DE CV	-0.09%	(69.55)	-0.08%	(9.86)	0.00%	-	-0.08%	-9.86
MediaAgility Pte Ltd	0.01%	10.14	-0.05%	(6.89)	0.00%	-	-0.05%	-6.89
Persistent Systems S.R.L.- Romania	0.07%	53.56	0.10%	12.91	0.00%	-	0.10%	12.91
Persistent Systems Poland sp z.o.o.	0.04%	30.98	0.13%	16.54	0.00%	-	0.13%	16.54
PSPL ESOP Management Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Persistent India Foundation	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Starfish Associates LLC, USA	-0.02%	(15.11)	0.30%	38.17	0.00%	-	0.30%	38.17
Arrka Infosec Private Limited	0.00%	(1.62)	-0.06%	(7.53)	0.00%	-	-0.06%	-7.53
Subtotal	100.00%	73,409.37	100.00%	12,754.19	100.00%	117.10	100.00%	12,871.29
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	81.19	-	81.19
Consolidation adjustments	-	(10,218.72)	-	-	-	-	-	-
Amortisation of Intangibles recognised on Business Combination	-	-	-	(525.83)	-	-	-	(525.83)
DTA on items recognised on consolidation	-	-	-	(4.77)	-	-	-	(4.77)
Dividend from subsidiaries	-	-	-	(111.37)	-	-	-	(111.37)
Others	-	-	-	1,889.39	-	-	-	1,889.39
Total		63,190.65		14,001.61		198.29		14,199.90

4. Material accounting policy information

4.1 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period / year. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed appropriately. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

4.2 Critical accounting estimates and judgements

a. Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

Revenue from fixed price maintenance type contracts is recognised rateably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed-price project is recognised rateably using a percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of a method to recognise such revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Group uses the percentage-of-completion method in accounting for its other fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Further, the Group uses significant judgement while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

In respect of the contracts where the transaction price is payable as revenue share at pre-defined percentage of customer revenue and bearing in mind, the time gap between the close of the accounting period and availability of the revenue report from the customer, the Group is required to use its judgement to ascertain the income from revenue share on the basis of historical trends of customer revenue.

The Group receives advance payments from customers for the sale of software products, services and technology innovation including complete product life cycle services after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and rendering of services as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised services and the payment is one year or less.

b. Income taxes

The Group's two major tax jurisdictions are India and the United States, though the Group also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits are available against which deductible temporary differences & tax losses can be utilised. The Management evaluates if the deferred tax assets will be realised in future considering the historical taxable income, scheduled reversals of deferred tax liabilities, projected future taxable income and tax-planning strategies. While the Management believes that the Group Company will realise the deferred tax assets, the amount of deferred tax asset realisable, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

c. Business combination

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the acquirer to recognise the identifiable intangible assets and contingent consideration at fair value. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These valuations are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management.

d. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

e. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease periods relating to the existing lease contracts.

As noted above, the Group enters into leases with third-party landlords and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Group uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available.

f. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to assess contingent liabilities.

g. Defined benefits and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

h. Share based payments

The share based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

i. Impairment of assets

Investments in subsidiaries, goodwill and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.

4.3 Summary of material accounting policies

a. Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III of the Act. Operating cycle is the time between the acquisition of resources / assets for processing their realisation in cash and cash equivalents and based on the nature of products / services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months.

b. Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress includes cost of property, plant and equipment that are not ready to be put to use and is stated at cost. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use, cost of replacing part of the Property, plant and equipment, cost of asset retirement obligations and borrowing costs for long term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its original cost only if it is probable that future economic benefits associated with the item will flow to the Group. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the consolidated financial statement of profit and loss for the period / year during which such expenses are incurred.

Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated financial statement of profit and loss when the asset is disposed.

c. Intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation which is recognised from the date they are available for use and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable costs of preparing the asset for its intended use.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated financial statement of profit and loss when the asset is disposed.

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Group can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Such development expenditure, until capitalisation, is reflected as intangible assets under development.

Following the initial recognition, internally generated intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation of internally generated intangible asset begins when the development is complete and the asset is available for use.

d. Depreciation and amortisation

Depreciation on property, plant and equipment is provided from the date the asset is made available for use using the Straight Line Method ('SLM') over the useful lives of the assets.

The estimated useful lives for the property, plant and equipment, except for leasehold improvements, are as follows:

Assets	Useful lives
Buildings*	25 years
Computers	3 to 5 years
Computers - Servers and networks*	3 to 5 years
Office equipments	5 years
Plant and equipment*	5 years
Plant and equipment (Windmill)*	20 years
Plant and equipment (Solar Energy System) *	10 years
Furniture and fixtures*	5 years
Vehicles*	5 years

*For these classes of assets, based on a technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Thus useful lives of these assets are different from useful lives as prescribed under Part C of Schedule II of the Act.

Individual assets whose cost does not exceed ₹ 5,000 are fully depreciated in the year of acquisition. Leasehold improvements are amortised over the period of lease or useful life, whichever is lower.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of Intangible assets are as below -

1. Software — 3 years from the day the asset is made available for use
2. Acquired Contractual Rights — ranging from 3 to 7 years from the day the asset is made available for use.

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically.

e. Borrowing costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

f. Leases

The Group assesses at the inception of contract whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Group has the right to direct the use of the asset

Where the Group is a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated financial statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or consolidated statement of profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease expenses associated with these leases are recognised in the consolidated statement of profit and loss on a straight line basis.

g. Impairment of Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded groups or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. To estimate cash flow projections covered by the most recent budgets / forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the consolidated statement of profit and loss, except for assets previously revalued with the revaluation surplus taken to OCI. For such assets, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for the internal management purposes. If recoverable amount cannot be determined for an individual asset, an entity identifies the lowest aggregation of assets that generate largely independent cash inflows. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which the Management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent the Management's best estimate about future developments.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The synergy benefits derived from Goodwill are enjoyed interchangeably among segments and the Group is of the view that it is not practical to reasonably allocate the same and an ad-hoc allocation will not be meaningful.

Impairment losses relating to goodwill cannot be reversed in future periods. Intangible assets with indefinite useful lives are tested for impairment annually as at reporting date at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

h. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group's business model refers to how it manages its financial assets to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Subsequent measurement

Non-derivative financial instruments

Financial assets

Financial assets at amortised cost

Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortised cost using the effective interest rate method. The change in measurements are recognised as finance income in the consolidated statement of profit and loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely

payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognised in OCI.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset which does not meet the criteria for categorisation as financial asset at amortised cost or at FVTOCI, is classified as financial asset at FVTPL. Financial assets except derivative contracts included within the FVTPL category are subsequently measured at fair value with all changes recognised in the consolidated statement of profit and loss.

Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprises of cash at bank, cash in hand and short term deposits with an original maturity period of three months or less.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments

The Group uses derivatives for economic hedging purposes. At the inception of hedging relationship, the Group documents the hedging relationship between the hedging instrument and hedged item including whether the changes in cash flows of the hedging instruments are expected to offset the changes in cash flows of the hedged items. The Group documents its objective and strategy for undertaking its hedging transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently re-measured at fair value at each reporting date.

For cash flow hedges that qualify for hedge accounting, the effective portion of fair value of derivatives are recognised in cash flow hedging reserve within equity through OCI.

Gains or losses relating to the ineffective portion is immediately recognised in consolidated statement of profit and loss.

Amounts accumulated in equity are reclassified to consolidated statement of profit and loss in the period when the hedged item affects profit and loss or hedged future cash flows are no longer expected to occur.

Derivatives which do not qualify for hedge accounting are accounted as FVTPL.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109 ("Financial Instrument"). A financial liability (or a part of a financial liability) is derecognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in the consolidated statement of profit and loss, except in case of equity instruments classified as FVTOCI, where such cumulative gain or loss is not recycled to the consolidated statement of profit and loss.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as

a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 ("Financial Instrument") and the amount recognised less cumulative amortisation.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, dealer quotes.

For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Group recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

All methods of assessing fair value result in general approximation of value, and such value may never actually be realised. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at FVTOCI. ECL is the difference between contractual cash flows that are due and the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For trade receivables, the Group recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

i. Revenue recognition

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Group allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Group estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Group's contracts may include variable consideration including rebates, volume discounts and penalties. The Group includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Income from software services and licences

The Group derives revenues primarily from IT services comprising of software development and related services and from the licensing of software products.

Arrangements with customers for software related services are either on a time-and-material or a fixed-price basis.

Revenue on time-and-material contracts are recognised as and when the related services are performed. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

When support services are provided in conjunction with the licensing arrangement and the license and the support services have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. Maintenance revenue is recognised proportionately over the period in which the services are rendered.

Revenue from revenue share is recognised in accordance with the terms of the relevant agreements.

Unbilled revenue represents revenue recognised in relation to work done until the balance sheet date for which billing has not taken place.

Unearned revenue represents the billing in respect of contracts for which the revenue is not recognised.

The Group collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the carrying amount and the effective interest rate.

Dividend

Dividend income is recognised when the Group’s right to receive dividend is established. Dividend income is included under the head ‘Other income’ in the consolidated statement of profit and loss.

Contract balances**Contract assets**

Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities

Unearned and deferred revenue (“contract liability”) is recognised when there are billings in excess of revenues.

j. Foreign currency translation**Foreign currency**

The functional currency of the Group and its Indian subsidiaries is Indian Rupees (₹) whereas the functional currency of foreign subsidiaries is the currency of their primary economic environment.

Initial recognition

Foreign currency transactions are recorded in the functional currency of the entities, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined. For foreign currency transactions recognised in the consolidated statement of profit and loss of the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Exchange differences

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to property, plant and equipment acquisition are recognised as income or expenses in the period in which they arise.

Translation of foreign operations

The Group presents the consolidated financial statements in ₹. For the purpose of these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on translation are recognised in other comprehensive income and accumulated in equity.

k. Employee benefits

Defined contribution plan

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Group and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the eligible salary of the entitled employees as per the scheme. The contributions to the provident fund by the group are charged to the consolidated statement of profit and loss for the period / year when the contributions are due. The Group has no obligation, other than the contribution payable to the provident fund.

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the consolidated statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Defined benefit plan

Gratuity

Gratuity is a defined benefit obligation plan operated by the Group for its employees of Indian operations covered under respective Company's Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date and are charged to the consolidated statement of profit and loss, except for the remeasurements, comprising of actuarial gains and losses which are recognised in full in the statement of other comprehensive income in the reporting period / year in which they occur. Remeasurements are not reclassified to profit and loss subsequently.

Compensated absences and long service awards**Leave encashment**

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the consolidated financial statement of profit and loss. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating leave encashment is recognised in the period in which the absences occur.

Long service awards

Long service awards are other long term benefits to all eligible employees, as per the Group's policy. The cost of providing benefit under long service awards scheme is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the consolidated statement of profit and loss.

During the year, the group has discontinued the said policy.

Other employee benefits

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for services rendered by employees, are recognised in the consolidated statement of profit and loss during the period when the employee renders the service.

I. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit and loss.

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit / loss at the time of transaction. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit / loss at the time of transaction. Deferred tax assets are recognised only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the period in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside the consolidated statement of profit and loss is recognised in co-relation to the underlying transaction either in OCI or directly in equity.

m. Segment reporting

i. Identification of segment

The Group's operations predominantly relate to providing software products, services and technology innovation covering full life cycle of product to its customers.

The components of the Group that engage in business activities from which they earn revenue and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker, are identified as operating segments.

ii. Allocation of income and direct expenses

Income and direct expenses allocable to segments are classified based on items that are individually identifiable to that segment such as salaries, project related travel expenses etc. The remainder is considered as un-allocable expense and is charged against the total income.

iii. Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segregation of assets, liabilities, depreciation and amortisation and other non-cash expenses into various reportable segments have not been presented except for trade receivables and unbilled revenue as these items are used interchangeably among segments and the Group is of the view that it is not practical to reasonably allocate these items to individual segments and an ad-hoc allocation will not be meaningful.

iv. Inter-segment transfers

There are no inter-segments transactions.

v. Segment accounting policies

The Group prepares its segment information in conformity with accounting policies for preparing and presenting the consolidated financial statements of the Group as a whole.

n. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders of the parent company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to the equity shareholders of parent company and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

o. Provision

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which

a reliable estimate can be made. Provisions are determined based on the best estimate of the amount required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p. Contingent liabilities and commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

q. Share based payments

Employees of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments granted (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value of the options at the date of the grant and recognised as employee compensation cost over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revisions to the original estimates, if any, in the consolidated statement of profit and loss with a corresponding adjustment to equity.

The expense or credit recognised in the consolidated statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense with a corresponding increase in stock options outstanding reserve in equity. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

r. Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognised as a deduction from equity, net of any tax effects

s. Treasury shares

The group has created a PSPL ESOP Management Trust (hereinafter referred as 'ESOP Trust') for providing share-based payment to its employees. The group uses ESOP Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP Trust buys shares of the parent company from the market, for giving shares to employees. The group treats ESOP Trust as its extension and shares held by trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Securities premium. Share options exercised during the reporting period are satisfied with treasury shares.

t. Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

u. Business combination

The acquisition method of accounting is used to recognise all business combinations, when the acquired set of activities and assets meet the definition of business and control is transferred regardless of whether equity instruments or other assets are acquired. The acquisition cost is measured as the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree at fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IND AS 109 Financial Instruments or IND AS 37 Provisions, Contingent Liabilities and Contingent Assets, with the corresponding gain or loss being recognised in Consolidated Financial Statements of profit and loss.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- Consideration transferred and including fair value of contingent consideration payable;
- Amount of any non-controlling interest in the acquired business, and
- Acquisition-date fair value of any previous equity interest in the acquired business

over the fair value of the net identifiable assets acquired is recognised as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in OCI and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase is recognised directly in equity as capital reserve.

Business combinations between entities under common control is accounted for using pooling of interest method. The identity of the reserves is preserved as they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to business transfer reserve.

v. Goodwill / Gain on bargain purchase

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognised in the other comprehensive income as gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the

carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

w Cashflow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

4.4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 — The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

In August 2025, MCA notified the following amendments to:

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 — The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments — Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

Ind AS 12, International Tax Reform — Pillar Two Model Rules applicable immediately — The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively (Refer note 33).

Notes forming part of the Consolidated Financial Statements
5.1. Property, plant and equipment

(In ₹ Million)

	Land - Freehold	Buildings (refer note 1)	Computers (refer note 2)	Office Equipment	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (At cost)									
As at April 1, 2025	1,007.69	2,893.57	5,225.16	87.65	2,382.46	73.82	1,180.81	15.39	12,866.55
Additions	-	45.20	312.94	12.24	163.87	29.64	59.16	-	623.05
Disposals		57.12	804.31	3.12	168.79	2.76	63.10	-	1,099.20
Effect of foreign currency translation from functional currency to reporting currency	2.88	12.87	130.79	1.52	20.94	10.19	31.03	0.02	210.24
As at March 31, 2026	1,010.57	2,894.52	4,864.58	98.29	2,398.48	110.89	1,207.90	15.41	12,600.64
Accumulated Depreciation									
As at April 1, 2025	-	1,630.32	4,261.32	65.92	1,617.19	48.10	883.03	9.79	8,515.67
Charge for the year	-	129.21	485.25	8.20	245.78	8.72	110.89	1.95	990.00
Disposals	-	40.09	753.62	3.12	163.57	2.76	63.03	-	1,026.19
Effect of foreign currency translation from functional currency to reporting currency	-	7.23	106.03	1.18	8.43	7.24	22.17	-	152.28
As at March 31, 2026	-	1,726.67	4,098.98	72.18	1,707.83	61.30	953.06	11.74	8,631.76
Net block as at March 31, 2026	1,010.57	1,167.85	765.60	26.11	690.65	49.59	254.84	3.67	3,968.88

5.1. Property, plant and equipment (continued)

(In ₹ Million)

	Land - Freehold	Buildings (refer note 1)	Computers (refer note 2)	Office Equipments	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (At cost)									
As at April 1, 2024	1,007.27	2,896.21	4,861.81	242.25	2,074.95	85.57	1,171.16	14.84	12,354.06
Additions	-	10.34	680.77	14.22	229.80	5.23	67.42	0.87	1,008.65
Additions on account of acquisition (refer note 45)	-	-	20.37	0.01	4.22	-	4.15	-	28.75
Disposals	-	14.90	366.57	6.71	92.05	13.23	68.50	0.33	562.29
Other adjustments	-	-	(1.07)	(159.76)	159.67	-	-	-	(1.16)
Effect of foreign currency translation from functional currency to reporting currency	0.42	1.92	29.85	(2.36)	5.87	(3.75)	6.58	0.01	38.54
As at March 31, 2025	1,007.69	2,893.57	5,225.16	87.65	2,382.46	73.82	1,180.81	15.39	12,866.55
Accumulated Depreciation									
As at April 1, 2024	-	1,517.33	4,003.61	112.65	1,414.13	59.26	818.90	8.15	7,934.03
Charge for the year	-	123.61	434.41	6.48	239.50	6.43	108.30	1.92	920.65
Additions on account of acquisition (refer note 45)	-	-	20.24	0.01	4.22	-	4.15	-	28.62
Disposals	-	11.65	245.06	6.71	88.56	13.23	60.40	0.33	425.94
Other adjustments	-	-	-	(44.30)	44.45	-	-	-	0.15
Effect of foreign currency translation from functional currency to reporting currency	-	1.03	48.12	(2.21)	3.45	(4.36)	12.08	0.05	58.16
As at March 31, 2025	-	1,630.32	4,261.32	65.92	1,617.19	48.10	883.03	9.79	8,515.67
Net block as at March 31, 2025	1,007.69	1,263.25	963.84	21.73	765.27	25.72	297.78	5.60	4,350.88

Note 1: Buildings include those constructed on leasehold land:

- Gross block as on March 31, 2026 ₹ 1,446.20 Million (Previous year: ₹ 1,460.20 Million)
- Depreciation charge for the year ₹ 57.46 Million (Previous year ₹ 58.04 Million)
- Accumulated depreciation as on March 31, 2026 ₹ 844.80 Million (Previous year ₹ 793.47 Million)
- Net block value as on March 31, 2026 ₹ 601.40 Million (Previous year ₹ 666.73 Million)

Note 2: The management has revised estimated useful life of computers and networking equipments prospectively in the year ended 31st March, 2025. (refer note 50 for details).

5.2. Capital work-in-progress

(In ₹ Million)

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Balance at beginning of year	41.84	218.73
Additions	688.06	831.76
Capitalised during the year	623.05	1,008.65
Balance at end of year	106.85	41.84

5.2. Capital work in progress (CWIP) ageing schedule

(In ₹ Million)

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	68.73	38.12	-	-	106.85
As at March 31, 2026	68.73	38.12	-	-	106.85

(In ₹ Million)

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	41.84	-	-	-	41.84
As at March 31, 2025	41.84	-	-	-	41.84

There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year

5.3. Right-of-use assets

(In ₹ Million)

	Leasehold Land	Office premises	Other assets	Total
Gross block (At cost)				
As at April 1, 2025	973.36	4,440.34	276.80	5,690.50
Additions during the year	-	1,200.00	2,001.65	3,201.65
Disposals	-	464.35	-	464.35
Lease Modifications	-	11.30	-	11.30
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	161.72	0.01	161.73
As at March 31, 2026	973.36	5,326.41	2,278.46	8,578.23
Accumulated Depreciation				
As at April 1, 2025	17.52	1,860.22	14.09	1,891.83
Charge for the year	12.21	1,043.38	477.21	1,532.80
Disposals	-	421.04	-	421.04

	Leasehold Land	Office premises	Other assets	Total
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	55.86	46.97	102.83
As at March 31, 2026	29.73	2,538.42	538.27	3,106.42
Net block as at March 31, 2026	943.63	2,787.99	1,740.19	5,471.81

(In ₹ Million)

	Leasehold Land	Office premises	Other assets	Total
Gross block (At cost)				
As at April 1, 2024	131.97	3,640.10	-	3,772.07
Additions during the year	835.59	1,503.26	276.80	2,615.65
Disposals	-	546.22	-	546.22
Lease Modifications	-	142.32	-	142.32
Other Adjustments	5.80	(49.54)	-	(43.74)
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	35.06	-	35.06
As at March 31, 2025	973.36	4,440.34	276.80	5,690.50
Accumulated Depreciation				
As at April 1, 2024	4.76	1,460.13	-	1,464.89
Charge for the year	12.76	894.30	14.09	921.15
Disposals	-	352.92	-	352.92
Lease Modifications	-	119.31	-	119.31
Other Adjustments	-	(39.71)	-	(39.71)
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	-	17.73	-	17.73
As at March 31, 2025	17.52	1,860.22	14.09	1,891.83
Net block as at March 31, 2025	955.84	2,580.12	262.71	3,798.67

5.4. Goodwill

(In ₹ Million)

	As at March 31, 2026	As at March 31, 2025
Cost		
Balance at beginning of the year	12,337.94	10,912.56
Addition on purchase price allocation of business combination (refer note 45)	-	1,160.02
Effect of foreign currency translation of foreign operations from functional currency to reporting currency	1,258.94	265.36
Balance at end of year	13,596.88	12,337.94

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs or group of CGU's that are expected to benefit from the synergies of the acquisition. The carrying value of goodwill has been allocated to the underlying CGUs identified as follows:

(In ₹ Million)

	As at March 31, 2026	As at March 31, 2025
Cash generating unit (CGU)		
a. Banking, Financial Services and Insurance (BFSI)	2,770.35	2,498.48
b. Cloud Infra & Security	9,027.99	8,161.49
c. Customer Experience & Customer Intelligence	1,166.85	1,052.35
d. Data & Privacy	107.68	107.68
e. Integration practice	524.01	517.95
Total	13,596.88	12,337.95

The recoverable amount of a CGU is determined based on its value-in-use. Estimates of future cash flows used in the value in use calculation are specific to the entity based on latest business plan approved and need not be the same as those of market participants. The future cash flows consider potential risks given the current economic environment and key assumptions, such as volume forecasts and margins. The discount rate used in the calculation reflects market's assessment of the risks specific to the asset as well as time value of money.

The key assumptions used for the calculations are as follows:

	As at March 31, 2026	As at March 31, 2025
Long-term growth rate	4.79%	4.86%
Operating margins	8% to 22%	13% to 23%
Discount rate	18% to 21%	15% to 19%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Group. Pre-tax discount rate is applied to cash flow projections for impairment testing during the current year. As at March 31, 2026, the estimated recoverable amount of the CGU exceeded its carrying amount. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount. Cash flow projections are considered for next 5 years and consider past experience and represent management's best estimate about future developments. Operating margin are in line with company's current operations. The growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate.

Based on testing, no impairment loss was identified during current year and previous year.

5.5 Other Intangible assets

(In ₹ Million)

	Software	Internally Generated Software	Acquired contractual rights	Total
Gross block				
As at April 1, 2025	3,156.08	176.70	14,218.61	17,551.39
Additions	324.82	1,584.69	-	1,909.51
Disposals	10.58	-	-	10.58
Effect of foreign currency translation from functional currency to reporting currency	226.36	-	1,090.20	1,316.56
As at March 31, 2026	3,696.68	1,761.39	15,308.81	20,766.88
Accumulated Amortisation				
As at April 1, 2025	2,976.58	66.63	9,584.85	12,628.06
Charge for the year	194.55	70.86	1,241.29	1,506.70
Disposals	10.58	-	-	10.58
Effect of foreign currency translation from functional currency to reporting currency	227.76	-	892.69	1,120.45
As at March 31, 2026	3,388.31	137.49	11,718.83	15,244.63
Net block as at March 31, 2026	308.37	1,623.90	3,589.98	5,522.25
	Software	Internally Generated Software	Acquired contractual rights	Total
Gross block				
As at April 1, 2024	3,388.29	87.98	12,212.59	15,688.86
Additions	234.66	88.72	1,560.86	1,884.24
Disposals	528.05	-	-	528.05
Effect of foreign currency translation from functional currency to reporting currency	61.18	-	445.16	506.34
As at March 31, 2025	3,156.08	176.70	14,218.61	17,551.39
Accumulated Amortisation				
As at April 1, 2024	3,006.06	15.17	8,092.68	11,113.91
Charge for the year	219.51	51.46	956.33	1,227.30
Disposals	305.10	-	-	305.10
Effect of foreign currency translation from functional currency to reporting currency	56.11	-	535.84	591.95
As at March 31, 2025	2,976.58	66.63	9,584.85	12,628.06
Net block as at March 31, 2025	179.50	110.07	4,633.76	4,923.33

Acquired contractual rights having carrying amount of ₹ 3,756.14 Million have remaining amortisation period between 4-7 years.

5.6. Intangible Assets under Development

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025
Balance at beginning of year	731.77	116.53
Additions	1,121.87	703.96
Capitalised during the year	1,584.69	88.72
Balance at end of year	268.95	731.77

Intangible Assets under Development Ageing Schedule

(In ₹ Million)

	Amount in Intangible Asset under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	268.95	-	-	-	268.95
As at March 31, 2026	268.95	-	-	-	268.95

(In ₹ Million)

	Amount in Intangible Asset under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	703.96	27.81	-	-	731.77
As at March 31, 2025	703.96	27.81	-	-	731.77

There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year

5.7. Depreciation and amortisation

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025
On Property, plant and equipment	990.00	920.65
On Right of Use assets	1,532.80	921.15
On Other Intangible assets	1,506.70	1,227.30
Total	4,029.50	3,069.10

6. Non-current financial assets: Investments

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Investments carried at amortised cost		
Quoted Investments		
In bonds	2,368.97	2,916.91
Add: Interest accrued on bonds	165.26	78.66
Total investments carried at amortised cost (A)	2,534.23	2,995.57
Investments carried at fair value through profit and loss		
Unquoted Investments		
- Investments in mutual funds		
Fair value of long term mutual funds (refer Note 6a)	3,754.41	2,823.98
	3,754.41	2,823.98
Others*		
Investments in Common Stocks / Preferred Stocks		
Ciquil Limited [Holding 2.38% (Previous year 2.38%)]		
0.04 Million (Previous year: 0.04 Million) shares of GBP 0.01 each, fully paid up	19.90	17.25
Less: Change in fair value of investment	(19.90)	(17.25)
	-	-
Altizon Systems Private Limited	6.00	6.00
0.004 Million equity shares (Previous year: 0.004 Million equity shares) of ₹ 10 each, fully paid up		
	6.00	6.00
Hygenx Inc.	18.95	17.09
0.25 Million (Previous year: 0.25 Million) Preferred stock of \$ 0.001 each, fully paid up		
Less: Change in fair value of investment	(18.95)	(17.09)
Trunomi Inc.	-	21.37
0.28 Million (Previous year: 0.28 Million) Preferred stock of \$ 0.0002 each, fully paid up		
Less: Change in fair value of investment	-	(21.37)
Total	-	-

6. Non-current financial assets: Investments (continued)

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Monument Bank	154.56	139.39
0.024 Million (Previous year: 0.024 Million) Stock of GBP 50 each), fully paid up		
Monument Technology Ltd	251.05	221.26
1.33 Million (Previous year: 1.33 Million) Ordinary Shares of GBP 0.000001 each), fully paid up		
Akumina Inc.	16.82	15.17
0.40 Million Preference shares of \$ 0.443 each (Previous year: 0.40 Million Preference shares of \$ 0.443 each)		
SwanAI	236.92	213.67
0.08 Million (Previous year: 0.08 Million) preferred shares of \$ 0.00001 each, fully paid up		
Less: Change in fair value of investment	(236.92)	-
	-	213.67
Mila Health	284.31	-
0.23 Million (Previous year: Nil) preferred shares of \$ 0.0001 each, fully paid up		
Total Investments carried at Fair Value (B)	4,467.15	3,419.47
Total investments (A) + (B)	7,001.38	6,415.04
Aggregate amount of change in fair value of investments	38.85	55.71
Aggregate amount of quoted bonds	2,534.23	2,995.57
Aggregate amount of quoted mutual funds	3,754.41	2,823.98
Aggregate book value of quoted investments	6,288.64	5,819.55
Aggregate market value of quoted investments	5,893.87	5,527.70

* Investments, where the Group did not have joint-control or significant influence including situations where such joint-control or significant influence was intended to be temporary, were classified as “investments in others”.

6a. Details of fair value of investment in long term mutual funds

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	564.63	479.34
Axis Mutual Fund	713.62	672.09
Kotak Mutual Fund	617.99	208.87
Aditya Birla Sun Life Mutual Fund	174.74	165.55
HDFC Mutual Fund	212.97	201.26
DSP Mutual Fund	178.59	168.52
HSBC Mutual Fund	178.71	168.43
ICICI Prudential Mutual Fund	1,002.23	324.15
SBI Mutual Fund	-	166.05
Nippon India Mutual Fund (formerly known as Reliance Mutual Fund)	110.93	269.72
	3,754.41	2,823.98

7. Non-current financial assets: Loans

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Carried at amortised cost		
Other loans		
Unsecured, credit impaired	0.58	0.58
	0.58	0.58
Less: Impairment allowance	(0.58)	(0.58)
	-	-

The Group has not granted any loans repayable on demand or without specifying any terms or period of repayment to promoters, directors, KMPs and the related parties as at 31 March 2026 and 31 March 2025.

8. Other non-current financial assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Considered good		
Carried at amortised cost		
Deposits with banks (refer note 14)*	4.39	48.29
Add: Interest accrued but not due on bank deposits (refer note 14)	0.23	0.70
Deposits with banks	4.62	48.99
Security deposits	616.91	392.07
Simple Agreement for Future Equity (SAFE)	391.46	332.75
Credit impaired		
Deposit with financial institutions-credit impaired	408.88	408.88
Add: Interest accrued but not due on deposit with financial institutions-credit impaired	0.30	0.30
Less: Credit impaired (refer note 32b)	(409.18)	(409.18)
Deposits with financial institutions	-	-
	1,012.99	773.81

* Out of the balance, fixed deposits of ₹ 3.76 Million (Previous year: ₹ 3.00 Million) have been earmarked against credit facilities and bank guarantees availed by the Group.

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9. Deferred tax asset / liabilities

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Deferred tax assets		
Provision for leave encashment	533.29	388.74
Provision for bonus and commission	17.98	94.66
Allowance for expected credit loss	221.93	198.48
Differences in book values and tax base values of block of property, plant and equipment and intangible assets	194.58	163.42
Brought forward and current year losses	1,084.00	245.01
Tax credits	104.68	163.91
ROU asset and lease liability	58.89	52.94
Provision for shared based payments to employees	548.96	590.07
Provisions for doubtful investment	113.28	113.33
Cashflow on Hedges	563.69	0.78
Others	18.69	12.90
	3,459.97	2,024.24
Deferred tax liabilities		
Differences in book values and tax base values of block of property, plant and equipment and intangible assets	30.25	11.32
Capital gains	126.07	122.74
Unrealised exchange gain / loss	157.96	16.16
Others	12.00	0.27
	326.28	150.49
	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Deferred income tax assets after set-off	3,459.97	2,024.24
Deferred income tax liabilities after set-off	(326.28)	(150.49)
	3,133.69	1,873.75

* Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. In all other cases the same have been separately disclosed.

Certain subsidiaries of the group have undistributed earnings which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from these subsidiaries. These subsidiaries are not expected to distribute these profits in the foreseeable future.

10. Other non-current assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Capital advances (Unsecured, considered good)	28.07	33.53
Prepayments	422.25	223.49
	450.32	257.02

Movement in deferred tax assets (net) during the year ended March 31, 2026

	As at April 1, 2025	Charge / (Credit) in statement of Profit or loss	Credit / (Charge) in other comprehensive income	As at March 31, 2026
Deferred tax liabilities				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	11.32	18.93	-	30.25
Gain on fair valuation of financial assets	122.74	3.33	-	126.07
Unrealised exchange gain / loss	16.17	141.79	-	157.96
Right of use liability	667.41	361.07	-	1,028.48
Others	0.26	11.74	-	12.00
	817.90	536.86	-	1,354.76
Deferred tax assets				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	163.42	31.16	-	194.58
Provision for leave encashment	388.74	144.55	-	533.29
Provision for Bonus and Commision	94.66	(76.68)	-	17.98
Allowance for expected credit loss	198.48	23.45	-	221.93
Tax credit	163.91	(59.23)	-	104.68
Right of use asset	720.35	367.02	-	1,087.37
Brought forward and current year losses	245.01	838.99	-	1,084.00
Provision for shared based payments to employees	590.07	(41.11)	-	548.96
Cashflow on hedges	0.78	-	562.91	563.69
Provisions for doubtful investment	113.33	(0.04)	-	113.29
Unbilled / Deferred Revenue	6.16	9.94	-	16.10
Others	6.74	(4.16)	-	2.58
	2,691.65	1,233.89	562.91	4,488.45
Effect of foreign currency translation of foreign operations from functional currency to reporting currency		185.50		
	1,873.75	697.03	562.91	3,133.69

Movement in deferred tax assets (net) during the year ended March 31, 2025

	As at April 1, 2024	Charge / (Credit) in statement of Profit or loss	Credit / (Charge) in other comprehensive income	As at March 31, 2025
Deferred tax liabilities				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	27.33	(16.01)	-	11.32
Gain on fair valuation of financial assets	44.14	78.60	-	122.74
Cash flow hedges	8.02	-	(8.02)	-
Brought forward and current year losses	26.26	(26.26)	-	-
Unrealised exchange gain / loss	8.17	8.00	-	16.17
Unbilled Revenue	5.92	(5.92)	-	-
Others	1.40	(1.14)	-	0.26
	121.24	37.27	(8.02)	150.49
Deferred tax assets				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	147.61	15.81	-	163.42
Provision for leave encashment	386.00	2.74	-	388.74
Provision for Bonus and Commision	-	94.66	-	94.66
Provision for long service awards	189.18	(189.18)	-	-
Provision for Gratuity	14.72	(14.72)	-	-
Allowance for expected credit loss	93.21	105.27	-	198.48
Tax credit	80.94	82.97	-	163.91
Right of use asset and lease liability	60.90	(7.96)	-	52.94
Brought forward and current year losses	226.71	18.30	-	245.01
Provision for shared based payments to employees	144.01	446.06	-	590.07
Cashflow on Hedges	-	-	0.78	0.78
Provisions for doubtful investment	117.28	(3.95)	-	113.33
Unbilled / Deferred Revenue	-	6.16	-	6.16
Others	1.56	5.18	-	6.74
	1,462.12	561.34	0.78	2,024.24
Effect of foreign currency translation of foreign operations from functional currency to reporting currency		23.56		
	1,340.88	500.51	8.80	1,873.75

11. Current financial assets: Investments

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Investments carried at fair value through profit and loss		
- Unquoted investments		
Investments in mutual funds (A)		
Fair value of current mutual funds (refer Note 11a)	5,954.41	3,388.17
	5,954.41	3,388.17
Investments carried at amortised cost (B)	-	-
- Quoted investments		
In bonds	2,452.60	-
Add: Interest accrued on bonds		
Total investments carried at amortised cost	2,452.60	-
- Unquoted investments		
Investment in Commercial Papers	739.27	-
Total investments carried at amortised cost	739.27	-
Total carrying amount of investments	9,146.28	3,388.17
Aggregate amount of quoted investments	8,403.30	3,388.17
Aggregate amount of unquoted investments	739.27	-

11a.Details of fair value of current investment in mutual funds

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Aditya Birla Sun Life Mutual Fund	375.78	438.79
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	1,056.97	525.65
UTI Mutual Fund	812.44	383.48
Axis Mutual Fund	739.80	275.99
Tata Mutual Fund	823.35	195.10
Nippon India Mutual Fund (formerly known as Reliance Mutual Fund)	230.93	195.40
HDFC Mutual Fund	253.93	118.00
HSBC Mutual Fund	60.03	-
ICICI Prudential Mutual Fund	30.02	70.03
Mirae Asset Mutual Fund	148.22	195.64
SBI Mutual Fund	80.03	70.03
DSP Mutual Fund	272.82	-
Sundaram Mutual Fund	60.48	115.28
Kotak Mutual Fund	476.54	609.18
Invesco Mutual Fund	344.87	195.60
Bajaj Finserv Mutual Fund	158.18	-
Baroda BNP Mutual Fund	30.02	-
	5,954.41	3,388.17

12. Trade receivables

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
- Trade Receivables - Billed - Non current		
Unsecured, considered good	899.36	664.40
	899.36	664.40
- Trade Receivables - Billed - Current		
Unsecured, considered good	22,048.18	19,075.85
Unsecured, credit impaired	566.81	318.13
	22,614.99	19,393.98
Less: Allowance for expected credit loss	(1,283.10)	(916.03)
	21,331.89	18,477.95
Trade Receivable - Unbilled - Current	12,011.98	8,313.74
	34,243.23	27,456.09

Trade receivables ageing schedule

(In ₹ Million)

	Unbilled Revenue	Outstanding for following periods from due date of payment						
	Not due	Not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - considered good	12,011.98	14,883.34	6,134.01	651.54	833.93	235.73	208.99	34,959.52
Undisputed Trade receivable - credit impaired	-	-	-	192.48	233.26	141.07	-	566.81
	12,011.98	14,883.34	6,134.01	844.02	1,067.19	376.80	208.99	35,526.33
Less: Allowance for expected credit loss	(0.60)	(9.43)	(8.00)	(677.30)	(360.35)	(150.97)	(76.45)	(1,283.10)
As at March 31, 2026	12,011.38	14,873.91	6,126.01	166.72	706.84	225.83	132.54	34,243.23
Expected loss rate (Refer note 32 b)		0.06%	0.13%	80.25%	33.77%	40.07%	36.58%	

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(In ₹ Million)

	Unbilled Revenue	Outstanding for following periods from due date of payment						Total
	Not due	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	8,313.74	14,493.86	3,662.89	333.83	770.77	243.43	235.47	28,053.99
Undisputed Trade receivable – credit impaired	-	-	-	63.28	135.25	115.19	4.41	318.13
	8,313.74	14,493.86	3,662.89	397.11	906.02	358.62	239.88	28,372.12
Less: Allowance for expected credit loss	(0.43)	(7.16)	(5.71)	(483.22)	(257.14)	(107.73)	(54.64)	(916.03)
As at March 31, 2025	8,313.31	14,486.70	3,657.18	(86.11)	648.88	250.89	185.24	27,456.09
Expected loss rate (Refer note 32 b)		0.05%	0.16%	121.68%	28.38%	30.04%	22.78%	

13. Cash and cash equivalents

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Cash in hand	0.10	0.20
Balances with banks		
On current accounts #	6,575.53	4,392.63
On saving accounts	26.26	27.50
On exchange earner's foreign currency accounts	3,762.96	1,488.57
On deposit accounts with original maturity less than three months	384.30	835.16
	10,749.15	6,744.06

Of the cash and cash equivalent balance as at March 31, 2026, the Group can utilise ₹ 0.02 Million (Previous year: ₹ 0.02 Million) only towards certain predefined activities.

14. Bank balances other than cash and cash equivalents

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Deposits with banks*	1,412.09	3,435.77
Add: Interest accrued but not due on deposits with banks	21.35	103.64
Deposits with banks (carried at amortised cost)	1,433.44	3,539.41
Less: Deposits with maturity more than twelve months from the balance sheet date disclosed under other non-current financial assets (refer note 8)	(4.39)	(48.29)

14. Bank balances other than cash and cash equivalents (Contd.)

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Less: Interest accrued but not due on non-current deposits with banks (refer note 8)	(0.23)	(0.70)
	1,428.82	3,490.42
Balances with banks on unpaid dividend accounts**	4.54	20.23
	1,433.36	3,510.65

* Out of the balance:

- i) Fixed deposits of ₹ 866.71 Million (Previous year: ₹ 2,367.54 Million) have been earmarked against credit facilities and bank guarantees availed by the Group.
- ii) Fixed deposits of ₹ 182.00 Million (Previous year: ₹ 91.10 Million) have been kept as earmarked funds in Persistent India Foundation.

**The Group can utilise these balances only towards settlement of the respective unpaid dividend.

15. Current financial assets: Loans

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Loan to others (Unsecured, credit impaired)		
LHS Solution Inc.	-	25.61
Interest accrued but not due at amortised cost	-	2.02
Less: Impairment	-	(27.63)
	-	-

16. Other current financial assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Carried at amortised cost		
(considered good)		
Security deposits	49.06	116.44
Other receivables	24.39	-
	73.45	116.44

17. Other current assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Unsecured, considered good		
Advances to suppliers		
Advances recoverable in cash or kind or for value to be received	1,698.63	1,152.83
Prepayments	1,586.88	2,609.16
Deferred finance costs	2.11	5.72
Contract Assets	1,992.51	944.98
Other advances		
VAT receivable (net)	2,429.90	69.58
Service tax and GST receivable (net) (refer note 43)	8,516.69	4,926.25

	10,946.59	4,995.83
	16,226.72	9,708.52

18 (A) Share capital

(In ₹ Million)

	As at March 31, 2026	As at March 31, 2025
Authorised shares (No. in Million) 400 (Previous year: 400) equity shares of ₹ 5 each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid-up shares (No. in Million) 157.75 (Previous year: 155.85) equity shares of ₹ 5 each	788.75	779.25
Issued, subscribed and fully paid-up share capital	788.75	779.25

The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through operating cash flows generated and equity. The Group is not subject to any externally imposed capital requirements.

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

(In Million)

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	In ₹ Million	No. of shares	In ₹ Million
Number of shares at the beginning of the year	155.85	779.25	154.05	770.25
Add / Less: Changes during the year	1.90	9.50	1.80	9.00
Number of shares at the beginning of the year end	157.75	788.75	155.85	779.25

b. Terms / rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. However, no such preferential amounts exist currently.

Dividend distribution made and proposed:

(In ₹ Million)

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Final dividend for the year ended on 31 March 2025: ₹ 15 per share (31 March 2024: ₹ 10 per share)	2,337.75	1,540.50
Interim dividend for the year ended on 31 March 2026: ₹ 22 per share (31 March 2025: ₹ 20 per share)	3,478.75	3,117.00
	5,816.50	4,657.50
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31 March 2026: ₹ 18 per share (31 March 2025: ₹ 15 per share)	2,839.50	2,337.75
	2,839.50	2,337.75

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2026.

c. Aggregate number of shares bought back during the period of five years immediately preceding the reporting date

In the period of five years immediately preceding March 31, 2026, the Parent Company has not done any buy-back of shares.

d. Details of shareholders holding more than 5% shares in the Group

Name of the shareholder*	As at March 31, 2026		As at March 31, 2025	
	No. in Million	% Holding	No. in Million	% Holding
Dr. Anand Deshpande	45.78	29.02	45.75	29.35

*The shareholding information is based on legal ownership of shares and has been extracted from the records of the Parent Company including register of shareholders / members.

e. Details of shares held by promoters

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande *	45,747,680	36,000	45,783,680	29.02%	0.08%
Mrs. Chitra Hemadri Buzruk	938,800	-	938,800	0.60%	-
Dr. Mukund Suresh Deshpande *	800,050	(56,000)	744,050	0.47%	-
Mrs. Sonali Anand Deshpande	224,000	-	224,000	0.14%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Ms Ria Anand Deshpande *	-	20,000	20,000	0.01%	-

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	1,760	-	1,760	0.00%	-
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-

*Note:

1. Dr. Anand Deshpande, Promoter and CMD of the Group Company transferred 20,000 shares of INR 5 each to his daughter, Ms. Ria Anand Deshpande, on June 9, 2025. Accordingly, she has become a Member of Promoter Group with effect from June 9, 2025.
2. Mr. Mukund Deshpande, Member of Promoter Group transferred aggregate 56,000 shares in the month of December 2025 (December 10 and 17, 2025) to Dr. Anand Deshpande, Promoter and CMD of the Group Company.

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande	45,745,680	2,000	45,747,680	29.35%	0.00%
Mrs. Chitra Hemadri Buzruk	938,800	-	938,800	0.60%	-
Dr. Mukund Suresh Deshpande	800,050	-	800,050	0.51%	-
Mrs. Sonali Anand Deshpande	224,000	-	224,000	0.14%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	1,760	-	1,760	0.00%	-
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-

18 (b) Other equity

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Reserves and Surplus		
Securities premium	3,609.92	3,438.70
General reserve	31,693.88	27,730.15
Share options outstanding reserve	1,081.99	3,432.38
Capital reserve	72.28	65.19
Capital redemption reserve	35.75	35.75
Retained earnings	41,826.66	28,833.47
Treasury shares	(2,153.64)	(2,994.10)

18 (b) Other equity (Contd.)

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
PSL ESOP Trust reserve	(259.36)	180.77
Items of other comprehensive income		
Effective portion of cash flow hedges (net of tax)	(1,676.01)	(2.32)
Exchange differences on translating the financial statements of foreign operations	3,358.33	1,691.41
	77,589.80	62,411.40

(i) Securities premium

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	3,438.70	1,601.80
Premium on fresh issue of equity shares	171.22	1,836.90
	3,609.92	3,438.70

(ii) General reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	27,730.15	25,842.99
Adjustments towards employees stock options	3,963.73	1,887.16
	31,693.88	27,730.15

(iii) Share options outstanding reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	3,432.38	2,227.71
Adjustments towards employees stock options	(3,963.73)	(1,887.16)
Employee stock compensation expenses	1,577.79	3,095.27
Other changes during the year	35.55	(3.44)
	1,081.99	3,432.38

(iv) Capital Reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	65.19	63.61
Other changes during the year	7.09	1.58
	72.28	65.19

(v) Capital redemption reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	35.75	35.75
Other changes during the year	-	-
	35.75	35.75

(vi) Retained earnings

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	28,833.47	19,346.09
Profit for the year	18,651.20	14,001.61
Items recognised in / from other comprehensive income for the year	211.83	193.08
Income tax effect on above	(53.34)	(49.81)
Dividend	(5,816.50)	(4,657.50)
	41,826.66	28,833.47

(vii) Treasury shares

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	(2,994.10)	(2,085.84)
Exercise of stock options	1,954.76	-
Purchase of treasury shares	(2,229.29)	(908.26)
Adjustments towards employees stock options	1,114.99	-
	(2,153.64)	(2,994.10)

(viii) PSL ESOP Trust reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	180.77	140.64
Dividend Paid to ESOP trust	41.71	40.13
Exercise of stock options	633.15	-
Adjustments towards employees stock options	(1,114.99)	-
	(259.36)	180.77

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(ix) Effective portion of cash flow hedges

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	(2.32)	23.85
Items recognised in / from other comprehensive income for the year (net of tax)	(1,673.69)	(26.17)
	(1,676.01)	(2.32)

(x) Exchange differences on translating the financial statements of foreign operations

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Opening Balance	1,691.41	1,610.22
Items recognised in / from other comprehensive income for the year	1,666.92	81.19
	3,358.33	1,691.41

19. Financial liabilities : Lease Liabilities

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
- Non Current		
Lease Liabilities (refer note 36)	4,774.48	3,108.97
Less: Current portion of lease liabilities	(1,777.78)	(952.30)
	2,996.70	2,156.67
- Current		
Lease Liabilities (refer note 36)	1,777.78	952.30
	1,777.78	952.30

The table below shows change in the Group's lease liability including both cash and non-cash changes:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Opening balance	3,108.97	2,438.10
Additions	3,065.76	1,775.80
Deletions	(34.18)	(255.63)
Lease Modification	(9.34)	(45.32)
Add: Interest recognised during the year	330.34	254.23
Less: Payments made during the year	(1,797.68)	(1,093.66)
Translation differences	110.61	35.45
Closing balance	4,774.48	3,108.97

20. Non-current liabilities : Provisions

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Provision for employee benefits		
- Gratuity (refer note 56)	889.07	66.95
- Leave Encashment (refer note 56)	1,743.70	-
	2,632.77	66.95

21. Trade payables

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Trade payables		
- Total outstanding dues of small enterprises and micro enterprises *	58.10	40.77
- Total outstanding dues of creditors other than small enterprises and micro enterprises	11,283.78	8,845.40
	11,341.88	8,886.17

*Disclosure of trade payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Parent Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Parent Company.

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information information available with the Parent Company.

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Amount remaining unpaid:		
Principal	58.10	40.77
Interest	1.15	-
Total principal and interest remaining unpaid	59.25	40.77
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		
Principal	47.47	-
Interest	-	-
	47.47	-
Interest paid, other than under Section 16 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	2.16	-
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	3.31	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure and section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 - As at March 31, 2026	3.31	-

There are overdue amounts of ₹ 9.07 Million payable to suppliers, who have intimated about their status as Micro and Small Enterprises as per the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

22. Other financial liabilities

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
- Non-current		
Carried at amortised cost		
Security Deposits	4.75	15.70
At fair value through profit & loss		
Liability towards contingent consideration	152.39	410.20
	157.14	425.90
- Current		
Carried at amortised cost		
Capital creditors	100.77	59.66
Accrued employee liabilities	4,838.19	3,287.01
Unpaid dividend*	4.61	20.23
Other liabilities	5.12	38.99
Payable to selling shareholders	54.23	283.71
At fair value through profit & loss		
Liability towards contingent consideration	630.51	1,409.82
Less: Non-current portion of liability towards contingent consideration	(152.39)	(410.20)
	478.12	999.62
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts (refer note 32)	2,791.65	36.82
	8,272.69	4,726.04

*Unpaid dividend is transferred to Investor Education and Protection Fund as and when due.

23. Other liabilities

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
- Non-Current		
Other Liabilities	31.44	47.63
	31.44	47.63
- Current		
Unearned revenue	3,985.09	2,777.08
Advance from customers	209.57	492.04
Other payables		
- Statutory liabilities	1,327.49	977.49
- Other Liabilities*	1,283.21	269.86
	6,805.36	4,516.47
	6,836.80	4,564.10

*Includes balance of ₹ 0.02 Million (Previous year: ₹ 0.02 Million) to be utilised against certain predefined activities.

24. Current liabilities: Provisions

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million
Provision for employee benefits (refer note 56)		
- Gratuity	-	24.78
- Leave encashment	570.25	1,716.12
	570.25	1,740.90

Trade payables ageing schedule

(In ₹ Million)

	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	39.93	18.17	-	-	-	58.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,387.11	2,144.01	1,538.13	157.83	56.70	-	11,283.78
As at March 31, 2026	7,387.11	2,183.94	1,556.30	157.83	56.70	-	11,341.88

Trade payables ageing schedule (Contd.)

(In ₹ Million)

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	34.32	6.45	-	-	-	40.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,473.80	2,995.33	2,078.95	121.73	82.36	93.24	8,845.41
As at March 31, 2025	3,473.80	3,029.65	2,085.40	121.73	82.36	93.24	8,886.18

25. Revenue from operations

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Software services	139,881.37	115,433.57
Software licenses	7,603.12	3,953.60
	147,484.49	119,387.17

Software service revenue is recognised as and when the related services are performed i.e. over the time basis.

Software licenses revenue is recognised on point in time basis.

The table below presents disaggregated revenues from contracts with customers by segments, geography and type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Revenue by industry segments		
BFSI	50,932.99	37,709.68
Healthcare & Life Sciences	37,721.65	32,551.45
Technology Companies and Emerging Verticals	58,829.85	49,126.04
Total	147,484.49	119,387.17
Geographical disclosure		
India	12,915.48	11,201.08
North America	118,935.49	96,317.16
Rest of the World	15,633.52	11,868.93
Total	147,484.49	119,387.17

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognised corresponds directly with the value transferred to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material and unit of work-based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency. The normal credit term is 30 to 90 days.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Revenue as per contract price	147,484.49	119,387.17
Revenue from contract with customers	147,484.49	119,387.17

Changes in contract assets (unbilled revenue) are as follows:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Balance at the beginning of the year	9,258.72	6,521.34
Invoices raised that were included in the contract assets balance at the beginning of the year	(8,638.61)	(6,538.00)
Increase due to revenue recognised during the year, excluding amounts billed during the year	12,123.33	9,258.72
Translation exchange difference	1,261.05	16.66
Balance at the end of the year	14,004.49	9,258.72

Changes in unearned revenue are as follows:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Balance at the beginning of the year	2,777.08	1,935.26
Revenue recognised that was included in the unearned revenue balance at the beginning of the year	(5,239.66)	(1,978.01)
Increase due to revenue recognised during the year, excluding amounts billed during the year	6,086.72	2,777.08
Translation exchange difference	360.95	42.75
Balance at the end of the year	3,985.09	2,777.08

26. Other income

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Interest income		
- On deposits carried at amortised cost	182.84	274.81
- On Others	319.03	281.61
Other non operating income		
Foreign exchange gain / (loss) (net)	394.35	89.18
Profit on sale of property, plant and equipment (net)	60.96	76.84
Profit on account of lease modification	-	28.15
Net profit on sale / fair valuation of financial assets designated as FVTPL	632.50	492.76
Excess provision in respect of earlier years written back	21.26	29.37
Miscellaneous income (refer note 54)	193.32	108.82
	1,804.26	1,381.54

27. Personnel expenses

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
27.1 Employee benefits expense		
Salaries, wages and bonus (refer note 56)	72,093.83	59,665.42
Contribution to provident and other funds* (refer note 31)	4,290.36	4,308.74
Staff welfare expenses	1,533.44	1,667.74
Share based payments to employees (refer note 35)	1,577.79	3,095.27
	79,495.42	68,737.17
27.2 Cost of professionals	21,986.14	17,491.65
	101,481.56	86,228.82

*Includes contribution towards gratuity.

28. Finance costs

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Interest on Lease	330.35	253.05
Interest Others - Expenses	396.47	418.24
	726.82	671.29

29. Other expenses

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Travelling and conveyance	2,299.43	1,710.77
Electricity expenses (net)	137.23	131.47
Internet link expenses	151.81	152.98
Communication expenses	54.94	46.82
Recruitment expenses	306.17	210.86
Training and seminars	196.82	158.20
Royalty expenses	80.98	71.32
Purchase of software licenses	10,080.39	7,479.33
Bad debts	189.27	-
Allowance for expected credit loss (net)	285.27	422.18
Rent (refer note 36)	136.67	143.41
Insurance	149.28	146.44
Rates and taxes	225.22	205.91
Legal and professional fees	2,032.78	1,647.81
Repairs and maintenance		
- Plant and Machinery	195.43	185.94
- Buildings	57.40	46.18
- Others	51.01	43.90
Selling and marketing expenses	28.74	13.67
Changes in contingent consideration payable on business combination (refer note 54)	-	(1,461.82)
Advertisement, conference, and sponsorship fees	203.45	194.61
Computer consumables	34.46	18.69
Auditors' remuneration (refer note 39)	17.45	15.89
Corporate social responsibility expenditure (refer note 44)	254.00	223.78
Books, memberships, subscriptions	44.30	32.25
Directors' sitting fees	8.03	9.10
Directors' commission	52.50	35.55
Loss / Impairment of non current investments	4.31	-
Miscellaneous expenses	771.16	691.18
	18,048.50	12,576.42

30. Earnings per share

		For the year ended	
		March 31, 2026	March 31, 2025
Numerator for Basic and Diluted EPS			
Net Profit after tax (In ₹ Million)	(A)	18,651.20	14,001.61
Denominator for Basic EPS			
Weighted average number of equity shares	(B)	155,758,626	153,487,571
Denominator for Diluted EPS			
Number of equity shares	(C)	156,901,233	155,166,164
Basic Earnings per share of face value of ₹ 5 each (In ₹)	(A / B)	119.74	91.22
Diluted Earnings per share of face value of ₹ 5 each (In ₹)	(A / C)	118.87	90.24

		For the year ended	
		March 31, 2026	March 31, 2025
Outstanding weighted average number of equity shares considered for diluted EPS		156,901,233	155,166,164
Less: Weighted average number of treasury shares		1,142,607	1,678,593
Outstanding weighted average number of equity shares considered for basic EPS		155,758,626	153,487,571

31. Defined benefits and contribution obligation**a) Defined benefits plan — Gratuity**

Persistent Systems Limited and Persistent Systems Lanka (Private) Limited have defined benefit (gratuity) plans. Each employee in these companies is eligible for gratuity on completion of minimum five years of service at 15 days basic salary (last drawn basic salary) for each completed year of service. In Persistent Systems Limited the scheme is funded with an Insurance Company in the form of a qualifying insurance policy.

The following tables summarise the amount recognised in the statement of profit and loss and other comprehensive income, the funded status and amounts recognised in the Balance Sheet for the plan.

Statement of profit & loss and other comprehensive income

The amount recognised in the statement of profit and loss are as follows:

(In ₹ Million)

		For the year ended	
		March 31, 2026	March 31, 2025
Current service cost		449.76	487.06
Interest cost on benefit obligation		141.06	115.28
Expected return on plan assets		(120.44)	(111.43)
Total Expense		470.38	490.91

The amount recognised in the statement of other comprehensive income are as follows:

(In ₹ Million)

		For the year ended	
		March 31, 2026	March 31, 2025
Net actuarial loss:			
- Due to changes in financial assumptions		(234.77)	(70.03)

	For the year ended	
	March 31, 2026	March 31, 2025
-Due to Experience assumptions	70.59	(102.91)
Return on Plan Assets	(36.13)	(20.14)
Total (Income)/ Expense	(200.31)	(193.08)

Balance Sheet

Changes in the fair value of plan assets (recognised in the Balance Sheet) are as follows:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Opening fair value of plan assets	1,765.99	1,543.32
Expected return	120.44	111.43
Return on Plan Assets	36.13	20.17
Contribution by employer	265.72	281.04
Benefits paid	(144.06)	(221.06)
P	-	31.09
Others	1.68	-
Closing fair value of plan assets	2,045.90	1,765.99
Actual return on plan assets - Persistent Systems Limited	158.25	162.69

*An amount of Nil (previous year: ₹ 31.09 Million) has been shown as a transfer-in in liability and asset towards acquisition of an entity during the year.

Changes in the present value of the defined benefit obligation (recognised in Balance Sheet) are as follows:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Opening defined benefit obligation	1,857.72	1,617.69
Current service cost	1,325.83	486.86
Interest cost	141.06	115.06
Benefits paid	(144.06)	(221.06)
Benefit payments directly by employer	(48.80)	-
Acquisitions (refer note above)	-	31.09
Actuarial losses on obligation	(175.80)	(172.54)
Exchange difference	(22.66)	0.62
Others	1.68	-
Closing defined benefit obligation	2,934.97	1,857.72

Net Defined Benefit Asset / (Liability)

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Fair value of plan assets	2,045.90	1,765.99
Less: Defined benefit obligations	(2,934.97)	(1,857.72)
Total	(889.07)	(91.73)

Net Defined Benefit Asset / (Liability) (Contd.)

	As at	
	March 31, 2026	March 31, 2025
Below is the entity wise breakup -		
Net Defined Benefit Asset / (Liability)* - Persistent Systems Limited (Funded)	(889.07)	(69.06)
Net Defined Benefit Asset / (Liability) - Persistent Systems Lanka (Private) Limited (Unfunded)	-	(22.69)

*This has been classified as non-current in the balance sheet

The major categories of plan assets as a percentage of the fair value of total plan assets:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Investments with insurer including accrued interest	100%	100%

The principal assumptions used in determining gratuity for the Group's plans are shown below:

Persistent Systems Limited

	As at	
	March 31, 2026	March 31, 2025
Discount rate	7.46%	6.82%
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Attrition rate	PS: 0 to 1 : 20% PS: 1 to 3 : 16% PS: 3 to 4 : 9% PS: 4 to 5 : 5% PS: 5 to 7 : 6% PS: 7 to 10 : 3% PS:10 to 50 : 2%	PS: 0 to 1 : 17% PS: 1 to 3 : 15% PS: 3 to 4 : 10% PS: 4 to 5 : 5% PS: 5 to 7 : 6% PS: 7 to 10 : 4% PS:10 to 50 : 2%
Increment rate	5.00%	5.00%
Weighted average duration of the defined benefit obligation (Years)	13.64	13.74

Persistent Systems Lanka (Private) Limited

	As at	
	March 31, 2026	March 31, 2025
Discount rate	-	11.83%
Mortality	-	IALM (2012-14) Ultimate
Attrition rate	-	Service Based: Below 1 year: 17% 1 to 3 years: 15% 3 to 4 years: 10% 4 to 5 years: 5% 5 to 7 years: 6% 7 to 10 years: 4% Above 10 years: 2%"
Increment rate	-	7.00%
Weighted average duration of the defined benefit obligation (Years)	-	20.75

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and increase in compensation levels. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

As at March 31, 2026, every percentage point increase / decrease in discount rate will change the defined benefit obligation (gratuity) to approximately ₹ 2,617.13 Million / ₹ 3,314.19 Million (previous year: ₹ 1,640.87 Million / ₹ 2,073.06 Million) respectively.

As at March 31, 2026, every percentage point increase / decrease in compensation levels will change the the defined benefit obligation (gratuity) obligation to approximately ₹ 3,233.77 Million / ₹ 2,659.82 Million (previous year: ₹ 2,001.13 Million / ₹ 1,698.76 Million) respectively.

Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes.

The Mortality and Attrition does not have a significant impact on the Liability, hence are not considered a significant actuarial assumption for the purpose of Sensitivity analysis.

The assumptions used in preparing the sensitivity analysis is:

Discount rate at +1% and – 1%

Salary assumption at +1 % and -1%

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed.

There is no change in the method from the previous period and the points / percentage by which the assumptions are stressed are same to that in the previous year.

Amounts for the current and previous year are as follows:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Plan assets	2,045.90	1,765.99
Defined benefit obligation	(2,934.97)	(1,857.72)
Deficit	(889.07)	(91.73)
Experience adjustments on plan liabilities - loss / (gain)	70.59	(102.91)

Maturity Profile of defined benefit obligations:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Within 1 year	106.94	72.04
1-2 years	175.63	80.59
2-3 years	166.90	130.92
3-4 years	175.71	108.49
4-5 years	170.74	113.71
5-10 years	973.90	612.68
Above 10 years	7,008.63	3,771.17

Expected contributions to the gratuity plan for the next annual reporting period are ₹ 106.94 Million.

Risk Characteristics of the Defined Benefit Plan

Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Market Risk (Interest Rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to a decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

b) Defined contribution plan — Superannuation Fund

The Group contributed ₹ 92.78 Million and ₹ 89.39 Million to superannuation fund during the years ended March 31, 2026 and March 31, 2025 respectively and the same is recognised in the Statement of profit and loss under the head employee benefit expenses.

c) Defined contribution plan — Provident Fund

The Parent Company has certain defined contribution plans. Contributions are made to provident fund for its employees @ 12% of Basic salary as per regulation. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Parent Company is limited to the amount contributed, and it has no further contractual or any constructive obligation. The expense recognised during the period towards defined contribution plan (provident fund) is ₹ 1,528.17 Million (Previous year ₹ 1,418.48 Million).

32. Financial assets and liabilities

The carrying values of financial instruments by categories are as follows:

(In ₹ Million)

Financial assets / financial liabilities	March 31, 2026			March 31, 2025			Fair value hierarchy*
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	
Financial Assets:							
Investments in equity instruments, preferred stock and convertible notes	949.66	-	-	595.49	-	-	Level 3
Investments in bonds [#]	-	-	2,534.23	-	-	2,995.57	
Investments in mutual funds	9,708.82	-	-	6,212.15	-	-	Level 2
Deposit with banks and financial institutions (net)	-	-	1,433.44	-	-	3,539.41	
Cash and cash equivalents (including unpaid dividend)	-	-	10,753.69	-	-	6,764.29	
Trade receivables (net)	-	-	22,231.25	-	-	19,142.35	
Unbilled revenue	-	-	12,011.98	-	-	8,313.74	
Other financial assets	-	-	1,057.43	-	-	841.26	

Financial assets / financial liabilities	March 31, 2026			March 31, 2025			Fair value hierarchy*
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	
Total Financial Assets	10,658.48	-	50,022.02	6,807.64	-	41,596.62	
Financial Liabilities:							
Trade payables	-	-	11,341.88	-	-	8,886.17	
Lease liabilities	-	-	4,774.48	-	-	3,108.97	
Forward contracts payable	-	2,791.65	-	-	36.82	-	Level 2
Payable to selling shareholders	-	-	54.23	-	-	283.71	
Liability towards contingent consideration	684.74	-	-	1,693.53	-	-	Level 3
Other financial liabilities (excluding borrowings)	-	-	4,899.21	-	-	3,137.88	
Total Financial Liabilities	684.74	2,791.65	21,069.80	1,693.53	36.82	15,416.73	

*** Fair value hierarchy:**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. In respect of equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Group recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

Significant Unobservable Inputs Used in Level 2 Fair Values

Financial Instrument	Valuation Methods and Assumptions
Derivative instruments (assets and liabilities)	The Group enters into derivative financial instruments with various counterparties, primarily banks with investment-grade credit ratings. Derivatives are valued using valuation techniques with market-observable inputs, mainly foreign exchange forward contracts. The valuation models incorporate inputs such as the credit quality of counterparties, foreign exchange spot and forward rates, and forward rate curves of the underlying instruments.
Treasury Bonds	Fair value of bonds is determined using the discounted cash flow (DCF) approach with yield-to-maturity (YTM) rates.

Significant Unobservable Inputs Used in Level 3 Fair Values

Type	Valuation Techniques	Significant Unobservable Inputs	Inter-relationship Between Significant Unobservable Inputs and Fair Value Measurement
Contractual obligation	Discounted cash flow method. The valuation model considers the present value of expected payments discounted using a risk-adjusted discount rate. Expected payments are determined by considering possible scenarios of forecast EBITDA, the amount payable under each scenario, and the probability assigned to each scenario.	• Forecasted EBITDA • Risk-adjusted discount rate	The estimated increase / (decrease) in the fair value of the contractual obligation would not be significant for a 10% sensitivity in the significant unobservable inputs.

Fair Value of Financial Instruments**Financial Instruments at FVTPL & FVTOCI**

The financial instruments being carried at FVTPL and FVTOCI is at their respective fair value.

Financial Instruments at Amortised Cost

The Management assessed that fair value of Trade receivables, Unbilled revenue, Other financial assets, Borrowings, Lease liabilities, Trade payables and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of Investment in Bonds is as per the table below:

(In ₹ Million)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carried Value	Fair Value	Carried Value	Fair Value
Bonds carried at amortised cost	4,821.57	4,588.35	2,916.91	2,703.72
Interest accrued on Bonds	165.26	-	78.66	-
Total investments carried at amortised cost	4,986.83	4,588.35	2,995.57	2,703.72

The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date.
- Mark to market on forward covers and embedded derivative instruments is based on forward exchange rates at the end of reporting period and discounted using G-sec rate plus applicable spread.
- For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Group recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

Level 3 fair value measurements

The reconciliation of the carrying amounts of financial instruments classified within Level 3 is as follows:

(In ₹ Million)

	Investments in other equity instruments	Liability towards contingent consideration
Balance at April 1, 2024	156.82	2,464.55
Acquired during the year	434.93	1,165.77
Disposed during the year	-	(489.64)
Gain / (loss) recognised in profit and loss in other income*	-	(1,461.82)
Effect of foreign currency translation from functional currency to reporting currency	3.74	14.67
Balance at March 31, 2025	595.49	1,693.53
Balance at April 1, 2025	595.49	1,693.53
Acquired during the year	284.31	99.02
Disposed during the year	(213.67)	(1,065.13)
Gain / (loss) recognised in profit and loss in other income*	-	(139.59)
Effect of foreign currency translation from functional currency to reporting currency	46.61	96.90
Balance at 31 March 2026	712.74	684.73

*Total amount included in profit and loss account for unrealised gains/ losses on Level 3 instruments.

32b. Financial risk management**Financial risk factors and risk management objectives**

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors which provide written principles on foreign exchange hedging. The Group's exposure to credit risk is mainly for receivables that are overdue for more than 90 days. The Credit Task Force is responsible for credit risk management. Investment of excess liquidity is governed by the Investment policy of the Group. The Group's Risk Management Committee monitors risks and policies implemented to mitigate risk exposures.

Market risk

The Group operates globally with its operations spread across various geographies and consequently the Group is exposed to foreign exchange risk. Around 80% to 90% of the Group's foreign currency exposure is in USD. The Group holds plain vanilla forward contracts against expected future receivables in USD to mitigate the risk of changes in exchange rates.

The following table analyses unhedged foreign currency risk from financial instruments as at March 31, 2026:

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	17,277.50	1,073.34	1,233.86	522.71	20,107.41
Cash and cash equivalents and bank balances	5,377.93	119.84	99.16	258.06	5,854.99
Trade and other payables	118.03	1.12	2.51	8.35	130.01

The following table analyses unhedged foreign currency risk from financial instruments as at March 31, 2025:

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	17,184.60	577.88	783.28	418.05	18,963.81
Cash and cash equivalents and bank balances	2,297.61	108.39	128.97	163.63	2,698.60
Trade and other payables	5,217.08	245.26	255.73	606.61	6,324.68

Foreign currency sensitivity analysis

For the year ended March 31, 2026 and March 31, 2025, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies, would affect the Group's profit before tax margin (PBT) by approximately -0.35%/ +0.18% and 0.13% respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting year and the current reporting year.

Derivative financial instruments

The Group holds derivative foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Group has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast sales transactions.

The following table gives details in respect of outstanding foreign currency forward contracts:

	As at March 31, 2026			As at March 31, 2025		
	Foreign currency (Million)	Average rate	₹ (Million)	Foreign currency (Million)	Average rate	₹ (Million)
Derivatives designated as cash flow hedges						
Forward contracts						
USD	500.00	90.73	45,366.58	300.00	86.33	25,899.47

The foreign exchange forward contracts mature within a maximum period of twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

	As at March 31, 2026			As at March 31, 2025		
	Foreign currency (Million)	Average rate	₹ (Million)	Foreign currency (Million)	Average rate	₹ (Million)
Not later than 3 months	131.00	87.93	11,519.27	75.00	80.82	6,371.15
Later than 3 months and not later than 6 months	126.00	89.38	11,262.49	76.00	82.60	6,497.96
Later than 6 months and not later than 9 months	124.00	91.43	11,337.64	75.00	83.95	6,478.19
Later than 9 months and not later than 12 months	119.00	94.51	11,247.18	74.00	83.96	6,552.17
Total	500.00		45,366.58	300.00		25,899.47

Price Risk

The Group exposure to price risk arises for investment in mutual funds held by the Group. To manage its price risk arising from investments in mutual funds, the Group diversified its portfolio.

Sensitivity: The sensitivity of profit or loss to change in Net assets value (NAV) as at year end for investment in mutual funds:

Particulars	As at March 31, 2026	As at March 31, 2025
NAV increase by 5%	485.44	310.61
NAV decrease by 5%	(485.44)	(310.61)

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by organisations with high credit ratings.

The gross carrying amount of a financial asset is written off where the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group's procedures for recovery of amounts due.

Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 51,647.86 Million and ₹ 40,090.52 Million as of March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of trade receivables, investments, cash and cash equivalents, other balance with banks, loans and other financial assets.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks provided by the Group. The Group's maximum exposure in this respect is the maximum amount the Group would have to pay if the guarantee is called on.

The maximum exposure to the credit risk at the reporting date from trade receivables amounting to ₹ 22,231.25 Million and ₹ 19,142.35 Million as at March 31, 2026 and March 31, 2025, respectively.

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in the United States. Credit risk is managed by the Group by Credit Task Force through credit approvals, establishing credit limits and continuously monitoring the recovery status of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Group uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Group's historical experience for customers.

Credit risk is perceived mainly in case of receivables overdue for more than 180 days. The following table gives details of risk concentration in respect of percentage of receivables overdue for more than 180 days:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Receivables overdue for more than 180 days*	2,497.00	1,901.65
Total receivables (gross)	23,514.35	20,058.38
Overdue for more than 180 days as a % of total receivables	10.6%	9.5%

*Out of this amount, ₹ 1,283.10 Million (March 31, 2025: ₹ 916.03 Million) has been provided for.

Segment-wise segregation of trade receivables is disclosed in Note 34 – Segment Information. Ageing bucket-wise expected credit loss (ECL) on trade receivables is disclosed in Note 12 – Trade Receivables.

Ageing of trade receivables

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Within the credit period	14,883.34	14,493.86
1 to 30 days past due	3,002.21	1,944.82
31 to 60 days past due	1,840.28	770.67
61 to 90 days past due	446.17	363.82
91 to 120 days past due	288.91	226.18
121 to 180 days past due	556.44	357.38
180 and above past due	2,497.00	1,901.65
Less: Expected credit loss	(1,283.10)	(916.03)
Net trade receivables	22,231.25	19,142.35

Movement in expected credit loss allowance

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Opening balance	916.03	398.64
Movement in expected credit loss allowance	474.54	422.18
Pre-acquisition ECL adjusted against contingent consideration	-	84.20
Translation differences	(107.47)	11.01
Closing balance	1,283.10	916.03

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings. Investments primarily include investment in debts mutual funds, quoted bonds.

Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The investment of surplus funds is governed by the Group's investment policy approved by the Board of Directors. The Group believes that the working capital is sufficient to meet its current fund requirements including repayment of borrowings. Accordingly, no liquidity risk is perceived.

As at March 31, 2026, the Group had a working capital of ₹ 42,102.17 Million including cash and cash equivalents and current fixed deposits of ₹ 12,161.24 Million and current investments of ₹ 9,146.28 Million.

As at March 31, 2025, the Group had a working capital of ₹ 28,931.80 Million including cash and cash equivalents and current fixed deposits of ₹ 10,179.73 Million and current investments of ₹ 3,388.17 Million.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

(In ₹ Million)

	As at			
	March 31, 2026		March 31, 2025	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Trade payables	11,341.88	-	8,886.17	-
Lease Liabilities	1,777.78	2,996.70	952.30	2,156.67
Other financial liabilities (excluding borrowings)	8,272.69	152.39	4,726.04	410.20

Capital management risk

The Group's objectives when managing capital are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's capital management aims to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and current and non-current borrowings.

Gearing Ratio

(In ₹ Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Other financial liabilities	8,429.83	5,151.94
Total Debt:	8,429.83	5,151.94
Less: Cash and cash equivalents and bank balances	12,182.51	10,254.71
Net Debt #	(3,752.68)	(5,102.77)
Total equity	78,378.55	63,190.65
Total Capital	78,378.55	63,190.65
Gearing Ratio (in %)	-4.79%	-8.08%

#Net debt for the above purpose includes borrowings, interest accrued on borrowings and amount payable for letter of credit net of cash and cash equivalents and bank balances other than cash and cash equivalents.

32 c. Derivative instruments and un-hedged foreign currency exposures**i. Forward contracts outstanding at the end of the year:**

(In ₹ Million)

	As at March 31, 2026	As at March 31, 2025
Forward contracts to sell USD: Hedging of expected receivables of USD 500 Million (Previous year USD 300 Million)	45,366.58	25,899.47

ii. Details of un-hedged foreign currency exposures at the end of the year:

	As at March 31, 2026			As at March 31, 2025		
	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)
Bank balances	11.48	JPY 19.32	0.59	22.80	JPY 39.81	0.57
	5,377.93	USD 56.39	94.77	2,297.61	USD 26.88	85.47
	99.16	GBP 0.79	125.52	128.97	GBP 1.17	110.63
	224.73	CAD 3.3	68.10	94.01	CAD 1.58	59.56
	119.84	EUR 1.1	108.93	108.39	EUR 1.17	92.46
	11.71	AUD 0.18	65.03	37.44	AUD 0.7	53.43
	9.88	ZAR 1.79	5.52	9.38	ZAR 2.02	4.64
	0.26	AED 0.01	25.80	-	-	-
Trade and other payables	118.03	USD 1.25	94.77	5,217.08	USD 61.04	85.47
	2.51	GBP 0.02	125.52	255.73	GBP 2.31	110.63
	1.12	EUR 0.010	108.93	245.26	EUR 2.65	92.46
	0.05	SGD 0.00	73.49	12.74	SGD 0.2	63.69
	1.36	CAD 0.02	68.10	88.43	CAD 1.48	59.56
	0.65	AUD 0.01	65.03	141.58	AUD 2.65	53.43
	-	-	-	80.08	MXN 19.15	4.18
	-	-	-	135.11	MYR 7.01	19.27

	As at March 31, 2026			As at March 31, 2025		
	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)
	-	-	-	57.18	LKR 197.65	0.29
	-	-	-	31.33	CRC 182.88	0.17
	-	-	-	32.80	PLN 1.48	22.16
	-	-	-	13.78	RON 0.74	18.62
	6.29	ILS 0.21	29.96	4.85	ILS 0.21	23.10
	-	-	-	8.73	CHF 0.09	97.00
Trade receivables	1,073.34	EUR 9.85	108.93	577.88	EUR 6.25	92.46
	17,277.50	USD 182.31	94.77	17,184.60	USD 201.06	85.47
	1,233.86	GBP 9.83	125.52	783.28	GBP 7.08	110.63
	61.97	CAD 0.91	68.10	84.57	CAD 1.42	59.56
	392.13	AUD 6.03	65.03	242.03	AUD 4.53	53.43
	12.75	ZAR 2.31	5.52	12.90	ZAR 2.78	4.64
	13.23	SGD 0.18	73.49	10.19	SGD 0.16	63.69
	35.57	CHF 0.3	118.57	61.11	CHF 0.63	97.00
	-	-	-	0.12	JPY 0.21	0.57
	7.06	MYR 0.3	23.53	7.13	MYR 0.37	19.27

33. Income taxes

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million
Profit before tax	24,112.12	18,223.08
Enacted tax rate in India	25.17%	25.17%
Computed tax expense at enacted tax rate	6,068.54	4,586.38
Income exempt from tax	(73.74)	(355.69)
Non-deductible expenses	93.85	624.24
Deferred tax assets recognised on tax losses	(667.38)	-
Different tax rates of subsidiaries/branches operating in other jurisdictions (Net)	210.76	(228.31)
Different tax rates for different heads of income	(35.95)	55.07
Short Tax Provision of earlier years(Net)	(95.44)	(20.62)
Reversal of Deferred tax asset created in earlier years	4.40	(10.75)
Unused tax losses not recognised as deferred tax assets	216.75	-
Excess tax benefits on stock-based compensation	(877.73)	(441.51)
Others (Net)	616.86	12.67
Income tax expense	5,460.92	4,221.48

The Organisation for Economic Co-operation and Development (OECD) has issued the Model Rules under the Global Anti Base Erosion (GloBE) framework ("Pillar Two"). The Group's Ultimate Parent Entity (UPE) has consolidated revenues exceeding the threshold prescribed under the OECD framework and, accordingly, the Group is within the scope of the Pillar Two legislation. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. Based on the current assessment, the Group does not expect a material financial impact from the application of the Pillar Two rules on its consolidated financial statements. The evaluation of the potential exposure is based on the most recent financial statements for the constituent entities in the Group. In accordance with Amendments to Ind AS-12, the Group has applied temporary mandatory relief from accounting for deferred tax that arises from implementing Pillar Two legislation.

Unrecognised Deferred Tax on Accumulated Losses:

Following subsidiary Companies have cumulative unutilised corporate income tax losses as of March 2026. These tax losses are available for future utilisation to offset future taxable profits of these Companies, subject to the applicable tax laws and regulations. As at the balance sheet date, these Companies have not recognised deferred tax asset with respect to the aforesaid unutilised corporate income tax losses. The details are provided in below table:

Entity Name	Category	Country	Currency	Carry forward losses		Unrecognised Deferred Tax	
				March 31, 2026 In Million	March 31, 2026 In ₹ Million	March 31, 2026 In Million	March 31, 2026 In ₹ Million
Persistent Systems Inc	-	USA	USD	16.40	1,452.16	3.44	304.95
Persistent Systems UK Ltd.	Pre April 1, 2017	UK	GBP	22.71	2,695.07	1.43	169.46
Persistent Systems Germany GmbH	-	Germany	EURO	11.10	1,139.24	2.36	242.56

34. Segment information

Operating segments are components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision makers in deciding how to allocate resources and assessing performance. The Group's chief operating decision makers are the Chief Executive Officer and the Chairman & Managing Director.

The operating segments of the Group are:

- Banking, Financial Services and Insurance (BFSI).
- Healthcare & Life Sciences
- Software, Hi-Tech and Emerging Industries

(In ₹ Million)

Particulars			BFSI	Healthcare & Life Sciences	Software, Hi-Tech and Emerging Industries	Total
Revenue	Year ended	March 31, 2026	50,932.99	37,721.65	58,829.85	147,484.49
	Year ended	March 31, 2025	37,709.68	32,551.45	49,126.04	119,387.17
Identifiable expense *	Year ended	March 31, 2026	33,247.07	23,692.07	38,237.18	95,176.32
	Year ended	March 31, 2025	24,223.22	19,783.06	34,805.51	78,811.79
Segmental result	Year ended	March 31, 2026	17,685.92	14,029.58	20,592.67	52,308.17
	Year ended	March 31, 2025	13,486.46	12,768.39	14,320.53	40,575.38
Unallocable expenses	Year ended	March 31, 2026	-	-	-	30,000.31
	Year ended	March 31, 2025	-	-	-	23,733.84

Particulars			BFSI	Healthcare & Life Sciences	Software, Hi-Tech and Emerging Industries	Total
Operating income	Year ended	March 31, 2026	-	-	-	22,307.86
	Year ended	March 31, 2025	-	-	-	16,841.54
Other income (net of expenses)	Year ended	March 31, 2026	-	-	-	1,804.26
	Year ended	March 31, 2025	-	-	-	1,381.54
Profit before taxes	Year ended	March 31, 2026	-	-	-	24,112.12
	Year ended	March 31, 2025	-	-	-	18,223.08
Tax expense	Year ended	March 31, 2026	-	-	-	5,460.92
	Year ended	March 31, 2025	-	-	-	4,221.47
Profit after tax	Year ended	March 31, 2026	-	-	-	18,651.20
	Year ended	March 31, 2025	-	-	-	14,001.61

*This balance includes material items in the nature of subcontracting costs and employee benefit expenses. Segregation of such expenses into various reportable segments have not been presented as it is not practically possible to allocate such expenses to individual segments.

(In ₹ Million)

Particulars			BFSI	Healthcare & Life Sciences	Software, Hi-Tech and Emerging Industries	Total
Segmental trade receivables (net)	As at	March 31, 2026	3,864.97	5,480.75	12,885.53	22,231.25
	As at	March 31, 2025	5,354.72	4,859.65	8,927.98	19,142.35
Segmental Unbilled revenue	As at	March 31, 2026	2,877.71	2,296.30	8,830.48	14,004.49
	As at	March 31, 2025	1,652.47	2,303.61	5,302.64	9,258.72
Unallocated assets	As at	March 31, 2026	-	-	-	77,529.70
	As at	March 31, 2025	-	-	-	58,964.95
Unallocated liabilities	As at	March 31, 2026	-	-	-	35,386.89
	As at	March 31, 2025	-	-	-	24,175.37

Segregation of assets (other than trade receivables and unbilled revenue), liabilities, depreciation and amortisation and other non-cash expenses into various reportable segments have not been presented as the assets are used interchangeably among 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.

Geographical Information

The following table shows the distribution of the Group's consolidated sales by geographical market regardless of from where the services were rendered.

(In ₹ Million)

Particulars			India	North America	Rest of the World	Total
Revenue	Year ended	March 31, 2026	12,915.48	118,935.49	15,633.52	147,484.49
	Year ended	March 31, 2025	11,201.08	96,317.16	11,868.93	119,387.17

The revenue from an individual customer in excess of ten percent of total revenue of the Group is ₹ Nil for the year ended March 31, 2026 (Previous year: ₹ 12,593.77 Million) (Previous year: Software, Hi-Tech and Emerging Industries)

The following table shows the information regarding geographical non-current assets.

(In ₹ Million)

Particulars			India	North America	Rest of the World	Total
Non-current assets	As at	March 31, 2026	31,673.41	8,821.22	2,297.98	42,792.61
	As at	March 31, 2025	27,789.81	5,486.62	1,018.27	34,294.70

35. Employees stock option plans (ESOP)

Certain information in this note relating to number of shares, options and per share/option price has been disclosed in full and is not rounded off.

a. Details of Employee stock option plans

The Group has framed various share-based payment schemes for its employees. The details of various equity-settled employee stock option plan ('ESOP') schemes adopted by the Board of Directors are as follows:

ESOP scheme	No. of options granted	Date of adoption by the Board / Members	Initial Grant date	Exercise period
Scheme I	9,121,000	11-Dec-99	11-Dec-99	*
Scheme II	1,506,400	23-Apr-04	23-Apr-04	10 Years
Scheme III	5,066,600	23-Apr-04	23-Apr-04	*
Scheme IV	13,916,500	23-Apr-06	23-Apr-06	10 Years
Scheme V	3,781,050	23-Apr-06	23-Apr-06	*
Scheme VI	2,432,500	31-Oct-06	31-Oct-06	10 Years
Scheme VII	3,569,950	30-Apr-07	30-Apr-07	10 Years
Scheme VIII	84,000	24-Jul-07	24-Jul-07	3 Years
Scheme IX	2,748,924	29-Jun-09	29-Jun-09	10 Years
Scheme X	6,124,544	10-Jun-10	29-Oct-10	2-3 Years
Scheme XI **	6,465,360	26-Jul-14	03-Nov-14	4-5 Years
Scheme XII ***	1,34,600	04-Feb-16	08-Apr-16	2.5 Months
Scheme XIII	17,362,690	27-Jul-17	01-Aug-19	4-5 Years
Scheme XIV	1,60,000	27-Jul-17	01-May-19	3 Years

*No contractual life is defined in the scheme.

**The options under Scheme XI, which is a performance based ESOP scheme will vest after 1-4 years in proportion of credit points earned by the employees every quarter based on performance. The maximum options which can be granted under this scheme are 2,800,000.

***The options under Scheme XII, ESOP scheme would vest after 1 year. The maximum options which are granted under this scheme are 100 per employee.

The vesting period and conditions of the above ESOP schemes is as follows:

All the above ESOP schemes have service condition (other than Grant Category 1 of scheme XI which is based on performance criteria), which require the employee to complete a specified period of service, as a vesting condition. The vesting pattern of various schemes has been provided below:

i. Scheme I to V, VII, VIII, X and XIV

Service period from the date of grant	% of Options vesting			
	Scheme I to V & X	Scheme VII	Scheme VIII	Scheme XIV
12 Months	10%	20%	25%	0%
24 Months	30%	40%	50%	33.33%
36 Months	60%	60%	75%	66.66%
48 Months	100%	80%	100%	100%
60 Months	NA	100%	NA	NA

ii. Scheme VI

Service period from the date of grant	% of Options vesting
18 Months	30%
Every quarter thereafter	5%

iii. Scheme IX

Service period from the date of grant	% of Options vesting
30 – 60 Months varying from employee to employee	100%

iv. Scheme XI

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 Months	Based on credit points earned which varies from employee to employee	25%	40%
24 Months		50%	30%
36 Months		75%	30%
48 Months	NA	100%	NA
60 Months	NA	NA	NA

v. Scheme XII

Service period from the date of grant	% of Options vesting
1 Year	100%

vi. Scheme XIII

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 – 20 Months	25%	40%	33.33%
24 – 32 Months	50%	30%	66.66%
36 – 44 Months	75%	30%	100%
48 Months	100%	NA	NA
60 Months	NA	NA	NA

b. Details of activity of the ESOP schemes

Movement for the year ended March 31, 2026 and March 31, 2025:

ESOP Scheme	Particulars	Year Ended	Outstanding at the beginning of the Year	Granted during the Year	Forfeited during the Year	Exercised during the Year	Outstanding at the end of the Year	Exercisable at the end of the Year
Scheme III	Number of Options	31-Mar-25	70,470	-	70,470	-	-	-
	Weighted Average Price	31-Mar-25	17.67	-	17.67	-	-	-
	Number of Options	31-Mar-26						
	Weighted Average Price	31-Mar-26						
Scheme IV	Number of Options	31-Mar-25	34,200	-	16,200	18,000	-	-
	Weighted Average Price	31-Mar-25	25.33	-	18.31	11.12	-	-
	Number of Options	31-Mar-26						
	Weighted Average Price	31-Mar-26						
Scheme V	Number of Options	31-Mar-25	70,068	-	68,002	2,066	-	-
	Weighted Average Price	31-Mar-25	12.41	-	12.64	5.00	-	-
	Number of Options	31-Mar-26						
	Weighted Average Price	31-Mar-26						

ESOP Scheme	Particulars	Year Ended	Outstanding at the beginning of the Year	Granted during the Year	Forfeited during the Year	Exercised during the Year	Outstanding at the end of the Year	Exercisable at the end of the Year
Scheme XI	Number of Options	31-Mar-25	888,770	1,972,610	35,094	602,106	2,224,180	7,176
	Weighted Average Price	31-Mar-25	5.00	5.00	5.00	5.00	5.00	5.00
	Number of Options	31-Mar-26	2,224,180	74,150	49,386	882,552	1,366,392	67,535
	Weighted Average Price	31-Mar-26	5.00	5.00	5.00	5.00	5.00	5.00
Scheme XIII	Number of Options	31-Mar-25	7,690,048	115,800	1,394,790	1,929,162	4,481,896	194,871
	Weighted Average Price	31-Mar-25	2,286.26	4,332.79	2,484.74	1,234.24	2,730.19	1,443.30
	Number of Options	31-Mar-26	4,481,896	292,700	433,862	1,232,043	3,108,691	704,753
	Weighted Average Price	31-Mar-26	2,730.19	4,838.10	2,830.93	1,204.85	3,519.13	2,064.34
Total	Number of Options	31-Mar-25	8,753,556	2,088,410	1,584,556	2,551,334	6,706,076	202,047
	Number of Options	31-Mar-26	6,706,076	366,850	483,248	2,114,595	4,475,083	772,288

The weighted average share price for the period over which stock options were exercised was ₹ 5,446.69 (previous year ₹ 4,984.34).

c. Details of exercise price for stock option outstanding at the end of the year

Scheme	Range of exercise price	As at March 31, 2026		As at March 31, 2025	
		No. of Options outstanding	Weighted average remaining contractual life (in years)*	No. of Options outstanding	Weighted average remaining contractual life (in years)
Scheme I	1.02 - 4.785	-	-	-	Note (i)
Scheme III	0.00 - 24.105	-	-	-	-
Scheme IV	11.115 - 30.56	-	-	-	-
Scheme V	11.115 - 22.07	-	-	-	-
Scheme XI	5	1,366,392.00	3.20	2,224,180	4.02
Scheme XIII	221.24 - 5580	3,108,691.00	2.72	4,481,896	3.28

Note (i) - No contractual life is defined in the scheme.

*The weighted average contractual life disclosed above has been computed only for the unexpired options.

d. Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position

Compensation expense arising from equity-settled employee share-based payment plans for the year ended March 31, 2026 amounted to ₹ 416.10 Million for PSL India and ₹ 1,161.02 Million for subsidiaries. (Previous year ₹ 609.37 Million for PSL India & ₹ 2,482.46 Million for subsidiaries). The liability for employee stock options outstanding as at March 31, 2026 is ₹ 1,081.99 Million (Previous year ₹3,432.38 Million).

e. Weighted average exercise prices and weighted average fair values of options

The Black-Scholes valuation models have been used for computing the weighted average fair value of the stock options granted during the financial year 2025-26:

Particulars	March 31, 2026		March 31, 2025	
	RSU Scheme XI	ESOP Scheme XIII	RSU Scheme XI	ESOP Scheme XIII
Weighted average share price (Rs.)	5,309.79	5,691.52	3,614.30	5,096.48
Weighted Exercise Price (Rs.)	5	4,838.10	5	4,332.79
Weighted Average Fair Value (Rs.)	5,235.00	1,801.33	3,550.15	1,722.81
Expected Volatility	26.17%-27.98%	25.75%-27.98%	22.87% - 27.14%	26.55%-27.38%
Life of the options granted **	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs
(Vesting and exercise period)				
Dividend Yield	37.00	37.00	30.00	30.00
Average risk-free interest rate	5.96%	6.09%	7.15%	7.18%

**1. The expected life of the RSU / ESOP is estimated based on the vesting term and contractual term of the RSU / ESOP, as well as expected exercise behavior of the employee who receives the RSU / ESOP.

2. The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Group's publicly traded equity shares and has been modelled based on historical movements in the market prices of the publicly traded equity shares during a larger period after excluding outliers to smoothen the fluctuations.

36. Leases

The Group has lease contracts for various items of computers, buildings and other assets being used in its operations. Lease terms generally range between 4 and 5 years. The Group has certain lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management has not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at March 31, 2026 (In ₹ Million)	As at March 31, 2025 (In ₹ Million)
Less than one year	1,777.78	952.30
One to five years	3,694.76	1,833.51
More than five years	-	-

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 136.76 Million for the year ended March 31, 2026 (Previous year ₹ 143.41 Million).

The Group has recognised interest on lease liabilities of ₹ 330.34 Million under finance costs (Previous year ₹ 254.23 Million).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer note 5.7).

37. Related Party Disclosures

(i). Names of related parties and related party relationship

Related parties with whom transactions have taken place	
Key management personnel	Dr. Anand Deshpande, Chairman and Managing Director
	Mr. Sandeep Kalra, Executive Director and Chief Executive Officer
	Mr. Vinit Teredesai, Executive Director and Chief Financial Officer (appointed on May 15, 2024)
	Mr. Amit Atre, Company Secretary
	Ms. Anjali Joshi, Independent Director (w.e.f June 12, 2024)
	Ms. Avani Davda, Independent Director
	Mr. Praveen Kadle, Independent Director
	Mr. Arvind Goel, Independent Director
	Mr. Ambuj Goel, Independent Director
	Mr. Dan'l Lewin, Independent Director
	Dr. Ajit Ranade, Independent Director
	Mr. Sunil Sapre, Executive Director (Retired w.e.f. December 31, 2024) and Chief Financial Officer (Retired w.e.f. May 15, 2024)
	Ms. Roshini Bakshi, Independent Director (retired w.e.f. July 16, 2024)
Relatives of Key management personnel	Mr. Suresh Deshpande, (Member of promoter group)
	Mrs. Sulabha Suresh Deshpande, (Member of promoter group)
	Mrs. Sonali Anand Deshpande, (Member of promoter group)
	Dr. Mukund Deshpande, (Member of promoter group)
	Mrs. Chitra Buzruk, (Member of promoter group)
	Mr. Arul Deshpande, (Son of the Chairman and Managing Director)
	Ms. Ria Anand Deshpande (Daughter of the Chairman and Managing Director, Member of Promoter Group)
	Ms. Alpana Ajit Ranade (Wife of Independent Director)
	Dr. Asha Sapre (upto December 31, 2024) (Wife of Former Executive Director)
	Mr. Hemant Bakshi (Husband of Formar Independent Director)
Members of Promoter Group	Rama Purushottam Foundation
Entities over which a key management personnel have significant influence	Persistent India Foundation Persistent Systems Foundation Inc. ICGA Foundation
Controlled Trust	PSPL ESOP Management Trust

37 (ii). Related party transactions

(in ₹ Million)

	Name of the related party and nature of relationship	For the year ended	
		March 31, 2026	March 31, 2025
Remuneration (Salaries, bonus and contribution to other funds)	Key Management Personnel		
	Dr. Anand Deshpande	42.43	39.78
	Mr. Sunil Sapre (including fair value of perquisites for stock options exercised ₹ Nil Million (Corresponding period ₹ Nil Million / Previous year: ₹ Nil Million)	-	20.18
	Mr Vinit Teredesai (including fair value of perquisites for stock options exercised ₹ 66.22 Million (Previous year: ₹ Nil Million)	95.22	23.74
	Mr. Amit Atre (including fair value of perquisites for stock options exercised ₹ Nil Million (Previous year: ₹ 19.44 Million)	7.60	25.94
	Mr Sandeep Kalra (including fair value of perquisites for stock options exercised ₹ 3,848.22 Million (Previous year: ₹ 1,356.46 Million)	4,029.90	1,502.02
	Independent directors:		
	Ms. Roshini Bakshi	-	2.15
	Mr. Praveen Kadle	9.10	6.70
	Ms. Avani Davda	8.95	6.55
	Mr. Arvind Goel	8.53	6.15
	Dr. Ambuj Goyal	8.55	6.30
	Mr. Dan'l Lewin	8.15	5.90
	Dr. Ajit Ranade	8.85	6.45
	Ms. Anjali Joshi	8.40	4.64
	Total	4,235.68	1,656.53

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Dividend paid	Key Management Personnel		
	Dr. Anand Deshpande	1,693.16	1,372.41
	Mr. Arvind Goel	-	0.02
	Mr. Sunil Sapre	-	1.44
	Mr Sandeep Kalra	11.07	3.60
	Mr. Amit Atre	0.09	0.19
	Mr Vinit Teredesai	0.28	-
	Relatives of Key Management Personnel		
	Mr. Suresh Deshpande	0.04	0.03
	Mrs. Chitra Buzruk	34.73	28.16
	Mrs. Sonali Anand Deshpande	8.29	6.72
	Mrs. Sulabha Suresh Deshpande	0.04	0.03
	Mr. Arul Deshpande	0.74	0.60
	Mr. Mukund Deshpande	28.37	-
	Ms. Alpana Ajit Ranade	0.01	0.01
	Total	1,776.82	1,413.21
Other payments	Key Management Personnel		
	Mr. Sunil Sapre	-	0.26
	Relatives of Key Management Personnel		
	Mrs. Asha Sapre	-	0.26
	Total	-	0.52
Sale of Software Services	ICGA Foundation	0.13	-
CSR Expenditure	Subsidiaries		-
	Persistent India Foundation	254.00	-
	Persistent Systems Foundation Inc.	10.97	217.78
	Total	264.97	217.78

Letters of comfort

Letters of comfort issued by the Parent Company of USD 20 Million: ₹ 1,895.40 Million (March 31, 2025: USD Nil: ₹ Nil) to bank for loans availed by Persistent Systems Inc.

38. Capital and other commitments

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	502.01	326.88
For commitments relating to lease agreements, please refer note 36.		

39. Auditors' remuneration

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025
Audit fee	15.25	14.25
Certifications	1.00	0.45
Reimbursement of expenses	1.20	1.19
	17.45	15.89

40. Research and development expenditure

The particulars of expenditure incurred on in-house research and development are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025
Revenue	249.55	214.70
Total	249.55	214.70

41. Net dividend remitted in foreign exchange

(In ₹ Million)

Particulars	No. of non-resident shareholders		No. of equity shares held on which dividend was due		For the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026 (in Million)	March 31, 2026 (in Million)	March 31, 2026	March 31, 2025
Interim dividend	24	25	0.05	0.07	0.58	1.42
Final dividend	25	11	0.06	0.03	1.09	0.3

42. Other statutory information

- The Parent Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- The Parent Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.
- The Parent Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- The Parent Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Parent Company does not have any transaction which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Parent Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- There are no proceedings initiated or pending against the Parent Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

43. Contingent liabilities

(In ₹ Million)

Sr. No.		As at March 31, 2026	As at March 31, 2025
a.	Claims against the Group not acknowledged as debt*		
1	Indirect tax matters	173.78	173.78
	(i) In respect to the order passed by the Learned Principal Commissioner of Service Tax, Pune, for Service tax under import of services on reverse charge basis for the Financial Year 2014-15, the Parent Company has filed an appeal against the order passed by Learned Principal Commissioner of Service Tax, Pune with the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT) on September 23, 2017. The Parent Company has paid ₹ 165.58 Million under protest towards the demand and the same forms part of the GST receivable balance. If the appeal filed as mentioned above results in a demand, there will be no impact on the profitability as the Parent Company will be eligible to claim credit / refund for the amount paid.		
	(ii) Other Pending litigations in respect of Indirect taxes.	1,099.19	723.33
2	Income tax demands disputed in appellate proceedings	1,566.51	1,041.74
b.	Letter of Comfort on behalf of Subsidiaries	16.11	1,125.64
	Guarantee given on behalf of subsidiaries		
c.	Performance Guarantee given by a Subsidiary of USD 3 Million (Previous year: USD 3 Million) to USCC Services and its affiliates towards trade payable of Aepona Limited (step down subsidiary)	284.31	256.41

*The Parent Company, based on independent legal opinions and judgments in favour of the Parent Company in the earlier periods / years, believes that the liabilities with respect to the above matters are not likely to arise and therefore, no provision is considered necessary in the financial statements.

44. Details of Corporate Social Responsibility expenditure

(In ₹ Million)

		For the year ended	
		March 31, 2026	March 31, 2025
a.	Gross amount required to be spent by the Company during the year	243.03	218.67
b.	Amount of Expenditure incurred		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than (i) above	243.03	221.70
c.	Shortfall / Excess at the end of year *	-	-
d.	Total of previous year shortfall	-	-
e.	Reason for shortfall	-	-

44. Details of Corporate Social Responsibility expenditure (Contd.)

		For the year ended	
		March 31, 2026	March 31, 2025
f.	Nature of CSR Activity	1. Community Development 2. Health Care 3. Education	1. Community Development 2. Health Care 3. Education
g.	Details of related party transactions	-	-
h.	Details of provision made for liability incurred by entering into a contractual obligation	-	-
i.	CSR Expenditure outside India	10.97	2.08

Pursuant to Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Group was required to spend ₹ 243.03 Million as its CSR expenditure during FY 2025-26. The Group has spent ₹ 243.03 Million during the year, thereby fully meeting its CSR obligation for FY 2025-26, with no excess CSR expenditure incurred during the year.

Set off available: The Group had incurred excess CSR expenditure of ₹ 3.03 Million in FY 2024-25, which remains available for set-off against future CSR obligations up to FY 2027-28.

45. (A) Business Combinations

The acquisition of the following businesses is accounted for using the acquisition method of accounting under Ind AS 103 Business Combinations.

In case of acquisitions, the Goodwill is comprised of expected synergy benefit from combining operations and value of assembled work force which do not qualify for separate recognition. Deferred purchase consideration in form of Earnouts is payable upon achievement of revenue and gross margin thresholds as specified in the agreements. The estimated range of outcome of payment of the same is assumed at 90%.

Business acquisitions

There are no business acquisitions in the year ended March 31, 2026. Business Acquisitions held in the year ended March 31, 2025 are as below:

Arrka Infosec Private Limited

Arrka Infosec Private Limited was acquired by Persistent Systems Limited (PSL) through a Share Purchase Agreement (SPA). The acquisition aligns strategically with PSL's goal of expanding its cybersecurity and data privacy capabilities. Arrka specialises in data protection and privacy compliance services, strengthening PSL's market position in these domains.

Acquisition-date fair values of total purchase consideration:

Particulars	In ₹ Million
Upfront consideration	103.04
Contingent consideration	30.90
Total purchase consideration	133.94

Acquisition-date fair values of assets acquired and liabilities assumed:

Particulars	In ₹ Million
Assets	
Current Assets	
Cash & cash equivalents	0.08
Other current assets	4.07
Non-current assets	

Particulars	In ₹ Million
Property, plant and equipment	0.14
Deferred tax assets (net)	1.63
Subtotal	5.92
Liabilities	
Current liabilities	
Trade payables	-
Other current financial liabilities	-
Subtotal	-
Net assets taken over	5.92

The goodwill of ₹ 107.68 Million (refer note 5.4) comprises the value of expected synergies arising from the acquisition and a customer list, which is not separately recognised. The customer list is separable and it meets the criteria for recognition as an intangible asset under Ind AS 38. The identified intangible assets of ₹ 19.72 Million have been recognised and amortised. Goodwill recognised is not expected to be deductible for income tax purposes.

Transaction costs of ₹ 1.14 Million have been expensed and are included in other expenses for the year ended March 31, 2025.

Revenue of ₹ 11.98 Million for the year ended March 31, 2025 is included in the financial statements. The loss after tax included for the year ended March 31, 2025 is ₹ 7.53 Million.

Analysis of cash flows on acquisition:

Particulars	In ₹ Million#
Transaction costs of the acquisition (included in cash flows from operating activities)*	(1.14)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	0.08
Payment made towards upfront consideration (included in cash flows from investing activities, net of tax)	(98.04)

* Represents the expenditure incurred over the period of time on acquisition.

Negative amount represents cash outflows

Contingent consideration

As part of the purchase agreement with the selling shareholders of Arrka Infosec Private Limited, a contingent consideration has been agreed. There will be additional cash payments to the selling shareholders of:

- ₹ 20.52 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 4 Million of target net revenue in a 12-month period within 90 days from the end of first earnout period,
- ₹ 20.52 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 6 Million of target net revenue in a 12-month period within 90 days from the end of second earnout period,

As at the acquisition date, the fair value of the contingent consideration was estimated to be ₹ 30.90 Million.

Significant unobservable valuation inputs are provided below:

Assumed probability	90.00%
Discount rate	9.37%

Significant increase / (decrease) in the probability would result in higher / (lower) fair value of the contingent consideration liability, while significant increase / (decrease) in the discount rate would result in lower / (higher) fair value of the liability.

As at March 31, 2025, the key performance indicators show that it is highly probable that the target will be achieved due to a significant expansion of the business and the synergies realised.

45.(B) Business Combinations

The acquisition of the following businesses is accounted for using the acquisition method of accounting under Ind AS 103 Business Combinations.

In case of acquisitions, the Goodwill is comprised of expected synergy benefit from combining operations and value of assembled work force which do not qualify for separate recognition. Deferred purchase consideration in form of Earnouts is payable upon achievement of revenue and gross margin thresholds as specified in the agreements. The estimated range of outcome of payment of the same is assumed at 90%.

Business acquisitions**Starfish Associates, LLC, USA**

Starfish Associates, LLC, USA has become a wholly owned subsidiary of Persistent Systems Inc. effective from August 1, 2024, upon completion of the necessary customary closing conditions. Post acquisition, Persistent Systems USA is 100% owner of equity interest amounting to USD 26,658.68. Starfish Associates, LLC provides communication management automation solutions for multi-vendor unified communications (UC) and contact centers (CC) systems. Starfish Associates is known for its intelligent integration hub and workflow engine that seamlessly connects an array of business applications and communication systems, significantly enhancing multi-vendor communication management.

Acquisition-date fair values of total purchase consideration:

Particulars	In ₹ Million
Upfront consideration	1,287.80
Contingent consideration	372.91
Total purchase consideration	1,660.71

Acquisition-date fair values of assets acquired and liabilities assumed:

Particulars	In ₹ Million
Assets	
Current Assets	
Cash & cash equivalents	56.30
Trade receivables	1.24
Other current assets	90.27
Other current financial assets	8.84
Current tax assets (net)	15.05
Subtotal	171.70
Liabilities	
Current liabilities	
Trade payables	8.66
Other current financial liabilities	216.60
Subtotal	225.26
Net assets taken over	(53.56)

The goodwill of ₹ 1,052.35 Million (refer note 5.4) comprises the value of expected synergies arising from the acquisition and a customer list, which is not separately recognised. The customer list is separable and it meets the criteria for recognition as an intangible asset under Ind AS 38. The identified intangible assets of ₹ 638.17 Million have been recognised and amortised. Goodwill recognised is not expected to be deductible for income tax purposes.

Transaction costs of ₹ 7.22 Million have been expensed and are included in other expenses for the year ended March 31, 2025.

Revenue of ₹ 470.50 Million for the year ended March 31, 2025 is included in the financial statements. The profit included for the year ended March 31, 2025 is ₹ 38.17 Million.

Analysis of cash flows on acquisition:

Particulars	In ₹ Million [#]
Transaction costs of the acquisition (included in cash flows from operating activities)*	(7.22)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	56.30
Payment made towards upfront consideration (included in cash flows from investing activities, net of tax) ^{##}	(1,095.38)

* Represents the expenditure incurred over the period of time on acquisition.

[#] Negative amount represents cash outflows

^{##} Net of retention bonus payable and working capital adjustment

Contingent consideration

As part of the purchase agreement with the selling shareholders of Starfish Associates LLC, a contingent consideration has been agreed. There will be additional cash payments to the selling shareholders of:

- ₹ 219.02 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 11 Million of target net revenue in a 12-month period after the acquisition date,
- ₹ 219.02 Million (undiscounted), if the Company as a result of the acquisition generates up to USD 16 Million of target net revenue in a 12-month period after the end of Year 1 from the acquisition date,

As at the acquisition date, the fair value of the contingent consideration was estimated to be ₹ 372.91 Million.

Significant unobservable valuation inputs are provided below:

Assumed probability	90.00%
Discount rate	5.60%

Significant increase / (decrease) in the probability would result in higher / (lower) fair value of the contingent consideration liability, while significant increase / (decrease) in the discount rate would result in lower / (higher) fair value of the liability.

As at March 31, 2025, the key performance indicators show that it is highly probable that the target will be achieved due to a significant expansion of the business and the synergies realised.

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46. Ratio Analysis and its Elements

Ratio	Denomination	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for variance (If more than 25%)
(a) Current ratio	Number	Current Assets	Current Liabilities	2.43	2.36	2.97%	
(b) Debt-Equity ratio	%	Debt	Shareholder's Equity	NA	NA	0.00%	Refer Note 1
(c) Debt Service Coverage ratio	Number	Earnings available for debt service**	Debt service within a year	NA	NA	0.00%	Refer Note 1
(d) Return on Equity ratio	%	Net Profit after tax	Average Shareholder's Equity	26.64%	25.18%	5.82%	
(e) Trade Receivables turnover ratio	Number	Revenue from operations	Average Trade receivables	4.31	4.35	-0.95%	
(f) Trade payables turnover ratio	Number	Cost of professionals and other expenses $\pm$ non-cash adjustments	Average Trade payables	3.46	3.47	-0.31%	
(g) Net capital turnover ratio	Number	Revenue from operations	Working capital	3.53	4.13	-14.35%	
(h) Net profit ratio	%	Net Profit after tax	Revenue from operations	12.65%	11.73%	7.83%	
(i) Return on Capital employed	%	Profit before interest and tax	Capital employed	29.27%	27.65%	5.85%	
(j) Return on investment	%	Income generated from treasury investments	Average invested funds in treasury investments	5.18%	5.74%	-9.73%	

** Earnings available for debt service = Profit before exceptional items and tax + Finance cost + Depreciation & Amortisation - Other income - Lease payments

Note 1: The Group has repaid the outstanding borrowings during the last year.

47. The Parent Company has deposits of ₹ 408.88 Million (previous year: ₹ 408.88 Million) with the financial institutions viz. Infrastructure Leasing & Financial Services Ltd. (IL&FS) and IL&FS Financial Services Ltd. (referred to as "IL&FS Group") as on the balance sheet date. These were due for maturity from January 2019 to June 2019. In view of the uncertainty prevailing with respect to recovery of outstanding balances from IL&FS Group, Management of the Parent Company has fully provided for these deposits along with interest accrued thereon till the date the deposits had become doubtful of recovery.

During the year, the Parent Company has received ₹ 21.12 Million from the IL&FS Group and the Management is hopeful of recovery of balance amount with a time lag. The Parent Company continues to monitor developments in the matter and is committed to take steps including legal action that may be necessary to ensure full recovery of the said deposits.

48. The Hon'ble National Company Law Tribunal, Mumbai ("NCLT") has sanctioned the merger of M/s. CAPIOT Software Private Limited (the Wholly Owned Subsidiary – Transferor Company) into Persistent Systems Limited (the Holding Company – Transferee Company) through absorption, as per its order dated April 9, 2025. This merger has no impact on the consolidated financial results.
49. Persistent Systems (Lanka) Private Limited, wholly owned subsidiary of Aepona Group Limited is currently involved in certain legal proceedings and disputes initiated by former employees regarding termination benefits. These matters are currently pending before Assistant Labour Commissioner-Colombo, South District Labour Office, Address: 6th Floor, Department of Labour, Colombo 05. Based on the current stage of the proceedings, the management believes that the claims are not sustainable and that it is not probable that an outflow of resources embodying economic benefits will be required to settle these obligations. Accordingly, no provision has been recognised in the financial statements in respect of these matters. The estimated financial effect of these claims, excluding interest and penalties which may be levied, is approximately ₹ 27.16 Million (Previous Year: ₹ NIL).
50. During the year ended, based on review of method and estimated useful lives of property, plant and equipment, the management has revised the estimated useful lives of computers and networking equipment prospectively from 3 years to 4 years w.e.f. 1st April, 2024. The effect of this change on actual and expected depreciation expense is as follows:

(In ₹ Million)

Particulars	For the quarter ended	
	FY 2024 - 25	FY 2025 - 26
Decrease in depreciation expense	215.30	44.84

51. The Group has not advanced / loaned / invested funds to any entities, including foreign entities (Intermediaries), with the understanding that the Intermediary shall directly or indirectly lend or invest in other entities by or on behalf of the Group (Ultimate Beneficiaries). Further, the Group has not provided any guarantee, security to or on behalf of the Ultimate Beneficiaries.
52. The Group has not received funds from any entities, including foreign entities (Funding Parties), with the understanding that the Group shall directly or indirectly, lend or invest in other persons or entities by or on behalf of the Funding Party (Ultimate Beneficiaries). Further, the Group has not provided any guarantee, security on behalf of the Ultimate Beneficiaries.
53. The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from 1st April 2023, states that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses a SaaS based ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at application as well as database level.

54. During the year ended March 31, 2026, the Group has recognised a gain on remeasurement of earnout payable towards acquisition of business to the erstwhile shareholders of Starfish Associates Inc, LLP, MediaAgility Inc., Data Glove Incorporated and Software Corporation International & SCI Fusion 360, LLC amounting to ₹ 139.59 Million (Previous year: ₹ 1,461.82 Million) based on settlement agreement and expected payout assessed by management.
55. During the period ended December 31, 2025, the Company changed its accounting policy whereby it decided to consolidate PSPL ESOP Management Trust (the 'Trust') in the standalone financial statements to reflect a more appropriate presentation of the activity of the Trust as the Trust carried out activities on behalf of the Company.
- This change in accounting policy in the standalone financial statements has been given effect by restating the comparative information for the preceding periods in accordance with the requirements of applicable standards for change in accounting policy.
56. On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 — consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to facilitate assessment of the financial impact due to changes in regulations. The Group has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion.
- Considering that the impact is non-recurring in nature and is driven by regulatory changes, the Group has presented such incremental impact of ₹ 890.25 Million as "Statutory impact of new Labour Codes" under "Exceptional Items" in the consolidated statement of profit and loss for the year ended March 31, 2026. The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.
57. During the quarter ended March 31, 2026, Persistent Group has reorganised the holding structure of certain entities. The resulting impact of these transactions is as follows:
1. Persistent Systems Pte. Ltd., Singapore (Wholly Owned Subsidiary of the Company) has established its Wholly Owned Subsidiary, Baixinteng System Service (Shanghai) Co. Ltd. in China on February 27, 2026.
 2. The Share Purchase Agreement ('SPA') was executed on March 4, 2026, for the transfer of the 100% shareholding of Persistent Systems Poland Spółka z.o.o. from Persistent Systems Inc., USA to Aepona Group Limited, Ireland.
 3. The Share Purchase Agreement ('SPA') was executed on March 25, 2026, for the transfer of the 100% shareholding of Persistent Systems France S.A.S., from Persistent Systems Limited, India to Aepona Group Limited, Ireland.
 4. The Share Purchase Agreement ('SPA') was executed on March 31, 2026, for the transfer of the 100% shareholding of Persistent Systems Germany GmbH., from Persistent Systems Limited, India to Aepona Group Limited, Ireland.
 5. Persistent Telecom Solutions Inc., USA has been merged into Persistent Systems Inc., USA effective from February 28, 2026.
 6. Starfish Associates LLC, USA has been merged into Persistent Systems Inc., USA effective from March 2, 2026.

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58. During the year ended March 31, 2026, the Group has re-classified the following comparatives which are primarily to conform to the current year's classification. This reclassification does not have a material impact on the consolidated financial statements and has been done for better presentation and to enhance the understanding of the users of the consolidated financial statements.

(In ₹ Million)

Financial Statements Caption	As at March 31, 2025		
	Previously reported amounts	Change in Amounts	Revised Amounts
Current financial assets - Trade receivables	18,477.95	8,313.74	26,791.69
Current Assets - Other financial assets	9,375.16	(9,258.72)	116.44
Current Assets - Other current assets	8,763.54	944.98	9,708.52
Current Liabilities - Other financial liabilities	2,438.40	2,287.64	4,726.04
Current Liabilities - Provisions	4,028.54	(2,287.64)	1,740.90

For B S R & Co. LLP
Chartered Accountants

Firm Registration No.: 101248 W/W-100022

Swapnil Dakshindas

Partner

Membership No: 113896

Place: Pune

Date: 21 April, 2026

For and on behalf of the Board of Directors of
Persistent Systems Limited

Dr. Anand Deshpande

Chairman and
Managing Director

DIN: 00005721

Place: Pune

Date: 21 April, 2026

Sandeep Kalra

Executive Director and
Chief Executive Officer

DIN: 02506494

Place: Pune

Date: 21 April, 2026

Praveen Kadle

Independent Director

DIN: 00016814

Place: Pune

Date: 21 April, 2026

Vinit Teredesai

Executive Director and
Chief Financial Officer

DIN: 03293917

Place: Pune

Date: 21 April, 2026

Amit Atre

Company Secretary

Membership No: A20507

Place: Pune

21 April, 2026

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Form AOC-1

Statement pursuant to Section 129 (3) of the Companies Act, 2013
relating to subsidiaries

(In ₹ Million unless stated otherwise)

Sr. No.	Name of the Subsidiary Company	Persistent Systems, Inc.	Persistent Systems Pte. Ltd.	Persistent Systems France S.A.S	Persistent Systems Malaysia Sdn. Bhd.	Persistent Systems Germany GmbH	MediaAgility India Private Limited	Persistent Systems Mexico, S.A. de C.V.	Persistent Systems Israel Ltd.	Persistent Systems Switzerland AG	Aepona Group Limited		Persistent Systems UK Limited	Persistent Systems Lanka (Private) Limited	Persistent Systems Australia Pty Limited	Persistent Systems Costa Rica Limitada	Persistent Systems S.r.l., Romania	MediaAgility Inc.	MediaAgility Pte. Ltd.	MediaAgility UK Ltd	Digitalagility S de RL de CV	Persistent Systems Poland sp. Zoo	Arrka Infosec Private Limited
1.	Reporting currency	USD	SGD	EUR	MYR	EUR	INR	MXN	ILS	CHF	EUR		GBP	LKR	AUD	CRC	RON	USD	SGD	GBP	MXN	PLN	INR
2.	Exchange rate on the last date of the Financial year (Rs)	94.7700	73.4936	108.9286	23.5307	108.9286	1	5.2431	29.9649	118.5662	108.9286		125.5229	0.3011	65.0312	0.2054	21.37	94.7700	73.4936	125.5229	5.2431	25.4089	1.0000
3.	Financial Year Ending On	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026		March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
4.	Share capital	4,729.74	15.50	97.47	102.25	1,413.30	32.07	3.65	6.78	16.58	170.28		1,230.62	0.01	0.00	0.00	9.08	23.27	0.01	0.10	0.04	0.10	1.03
5.	Share application money pending allotment	-	-	-	-	-	0	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-
6.	Reserves & Surplus	11,827.37	35.97	(282.11)	210.22	(1,040.14)	640.80	180.07	208.15	208.69	3,707.39		(913.71)	304.15	(132.19)	279.63	66.87	183.88	15.95	(22.57)	(79.22)	3.81	(5.55)
7.	Total assets	30,422.38	102.21	472.52	493.99	785.10	1,467.64	389.18	230.23	369.91	3,951.47		3,956.44	306.86	980.14	351.42	119.11	593.84	36.16	36.60	6.19	317.94	4.66
8.	Total Liabilities	13,865.27	50.74	657.16	181.52	411.93	794.77	205.46	15.31	144.64	73.80		3,639.53	2.70	1,112.33	71.79	43.17	386.69	20.20	59.07	10.29	314.03	9.18
9.	Investments %	6,770.32	0.00	0.00	0.00	0.00	0	0.00	0.00	-	3,746.55		-	-	-	-	0.00	0.76	-	-	-	-	-
10.	Turnover	24,888.54	57.57	752.28	589.30	414.26	365.55	801.70	0.00	643.20	158.79		5,130.89	150.09	1,870.46	398.20	173.07	48.69	17.81	4.63	3.21	585.30	-
11.	Profit / (Loss) before taxation	5,721.27	4.45	(112.67)	(10.97)	214.30	218.30	46.91	(8.27)	(7.00)	51.32		(281.95)	3.71	(76.26)	45.36	17.39	34.81	6.18	(0.81)	6.67	(21.17)	(1.27)
12.	Provision for taxation	270.05	1.47	(54.70)	(1.73)	0.00	52.53	24.73	3.12	(2.13)	42.25		(729.86)	-	(26.52)	18.97	3.64	7.55	2.31	-	0.00	10.24	1.63
13.	Profit / (Loss) after taxation	5,451.22	2.98	(57.96)	(12.70)	214.30	165.77	22.18	(11.39)	(4.87)	9.07		447.91	3.71	(49.74)	26.39	13.75	27.26	3.87	(0.81)	6.67	(31.41)	(2.90)
14.	Proposed dividend	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-
15.	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

%% Investments are reported net of provision for impairment.

For and on behalf of the Board of Directors of Persistent Systems Limited

Dr. Anand Deshpande

Chairman and Managing Director
DIN: 00005721

Place: Pune
Date: April 21, 2026

Vinit Teredesai

Executive Director and Chief Financial Officer
DIN: 03293917

Place: Pune
Date: April 21, 2026

Sandeep Kalra

Executive Director and Chief Executive Officer
DIN: 02506494

Place: Pune
Date: April 21, 2026

Amit Atre

Company Secretary

Membership No. A20507

Place: Pune
Date: April 21, 2026

Praveen Kadle

Independent Director

DIN: 00016814

Place: Pune
Date: April 21, 2026





Standalone Financials

Independent Auditor's Report

To the Members of Persistent Systems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Persistent Systems Limited (the "Company") (which includes its Employee Stock Option Plan (ESOP) trust (the "ESOP trust"), which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (b) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter — Revenue recognition on fixed price contracts, wherein revenue is recognised using percentage of completion method

See Note 23 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue recognition on fixed price contracts, wherein revenue is recognised using percentage of completion method (See Note 23 to standalone financial statements) The Company inter alia engages in Fixed-price contracts, wherein, revenue is recognised over the period of time using the percentage of completion computed as per the input method. This is based on the Company's estimate of efforts to complete the contracts. Revenue recognition of fixed price contracts where the percentage of completion is used is identified as a key audit matter since — • there is an inherent risk and presumed fraud risk around the existence of revenue recognised considering the customised and complex nature of these contracts; • application of revenue recognition using percentage of completion under accounting standard (Ind AS 115, Revenue from Contracts with customers) is complex and involves: i. estimating the future effort-to-complete these contracts, which is used to measure the stage of completion of the relevant performance obligation; and ii. judgement in identification of distinct performance obligations and determination of transaction price for such performance obligations. • Further, these contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Company; and at year-end, significant amount of contract assets and; unearned revenue balances related to these contracts are recognised on the balance sheet.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Obtained an understanding of the systems, processes and controls for determining and recording revenue and the associated contract assets and unearned revenue balances. • Evaluated the design and tested the operating effectiveness of management's key internal controls (including key IT controls) over revenue recognition. • On a selection of contracts, we tested if the revenue recognised was in accordance with the revenue recognition accounting standard. • We: i. evaluated the identification of performance obligations; ii. considered the terms of the contracts to determine the transaction price; iii. determined if the Company's evaluation of the method used for recognition of revenue is appropriate; iv. assessed if the estimates of efforts to complete were reviewed and approved by appropriate designated management personnel; v. tested the Company's calculation of efforts incurred till date and estimation of efforts to complete the contract including estimation of onerous obligations, if any. vi. performed retrospective review of efforts incurred till date against the estimated contract effort; • Verified the mathematical accuracy of revenue recognised using percentage of completion method including associated contract assets and unearned revenue balances. • Assessed ageing of contract assets as on the balance sheet date and in case of aged items, obtained reasons for delays if any and expected timelines for invoicing. • We tested journal entries on revenue recognised during the year, by considering specified risk based criteria, to identify unusual or irregular items.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' / Board of Trustees' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Company / Board of Trustees of the ESOP trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company / ESOP trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors / Board of Trustees are responsible for assessing the ability of the company / ESOP trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors / Board of Trustees either intends to liquidate the company / ESOP trust or to cease operations, or has no realistic alternative but to do so.

The Board of Directors / Board of Trustees are responsible for overseeing the financial reporting process of the company / ESOP trust.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of ESOP trust of the Company to express an opinion on the standalone financial statements. For the ESOP trust included in the standalone financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (b) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a. The standalone financial statements of the Company for the year ended 31 March 2025 were audited by the predecessor auditor who had expressed an unmodified opinion on 23 April 2025.
- b. We did not audit the financial statements of one ESOP trust included in the standalone financial statements of the Company whose financial statements reflect total assets (before consolidation adjustments) of Rs. 2,234 Million as at 31 March 2026, total revenue (before consolidation adjustments) of Rs. 47 Million and net cash inflows (before consolidation adjustments) amounting to Rs. 7.61 Million for the year ended on that date, as considered in the standalone financial statements. The financial statements of this ESOP trust has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of ESOP trust, is based solely on the report of such other auditor.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 01 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. (i) The management of the Company represented to us that, to the best of its knowledge and belief, as disclosed in the Note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management of the Company represented to us that, to the best of its knowledge and belief, as disclosed in the Note 48 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of the audit report is in compliance in accordance with Section 123 of the Act.

As stated in Note 16 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

UDIN: 26113896SSYOVN1035

Place: Pune

Date: 21 April, 2026

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Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Persistent Systems Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and other parties, in respect of which the requisite information is as below. The Company has not made any investments in firms or limited liability partnership. Accordingly, provisions of clauses 3(iii)(a) and 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company.
- (iii) (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are not prejudicial to the interest of the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or provided any guarantee or security as specified under Sections 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii)(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of professional tax and Labour Welfare fund.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

(in ₹ Million)

Name of the statute	Nature of dues	Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income tax	142.36	1.50	AY 2009-10 to AY 2010-11 and AY 2014-15 to AY 2016-17	Honorable High Court	-
Income Tax Act, 1961	Income tax	780.07	147.25	AY 2018-19 to AY 2021-22	Commissioner (Appeals)	-
Income Tax Act, 1961	Income tax	632.26	18.97	AY 2018-19, AY 2020-21 and AY 2022-23	Income Tax Appellant Tribunal	-
Good and Service Tax Act, 2017	Goods and Service Tax	834.03	-	FY 2020-21 and FY 2021-22	Deputy Commissioner	-
Good and Service Tax Act, 2017	Goods and Service Tax	422.82	-	FY 2019-20 and FY 2022-23	Joint Commissioner Appeals	-
Maharashtra Value Added Tax Act, 2005	Service Tax	2.01	-	FY 2014-15, FY 2016-17 and FY 2017-18	Joint Commissioner Appeals	-
Maharashtra Value Added Tax Act, 2005	Sales Tax	5.76	-	FY 2005-06 to FY 2008-09	Sales Tax Tribunal	-
Uttar Pradesh Value Added Tax, 2005	Sales Tax	1.77	-	FY 2016-17	Additional Commissioner Appeal	-
Tax Finance Act, 1994	Service Tax	173.78	-	FY 2014-15	Honorable High Court	-

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on a short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not have any associate or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

UDIN: 26113896SSYOVN1035

Place: Pune

Date: 21 April, 2026

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Annexure B to the Independent Auditor's Report on the standalone financial statements of Persistent Systems Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Persistent Systems Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions

of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

UDIN: 26113896SSYOVN1035

Place: Pune

Date: 21 April, 2026

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Standalone Balance Sheet as at March 31, 2026

	Notes	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
ASSETS			
Non-current assets			
Property, Plant and Equipment	4.1	3,464.98	3,868.36
Capital work-in-progress	4.2	106.54	38.12
Right of use assets	4.3	4,730.13	3,075.34
Goodwill	4.4	604.90	604.90
Other intangible assets	4.5	2,654.28	1,169.67
Intangible assets under development	4.6	268.95	731.77
		11,829.78	9,488.16
Financial assets			
- Investments	5	16,895.31	14,430.34
- Loans	6	-	-
- Trade receivables			
- Billed	11	735.65	503.15
- Other financial assets	7	866.31	709.87
Deferred tax assets (net)	8	1,093.77	390.17
Other non-current assets	9	376.27	542.40
Income tax assets (net)		902.02	-
		20,869.33	16,575.93
		32,699.11	26,064.09
Current assets			
Financial assets			
- Investments	10	9,146.28	3,335.01
- Trade receivables			
- Billed	11	19,995.00	16,414.06
- Unbilled		12,015.92	8,836.14
- Cash and cash equivalents	12	7,237.11	3,636.55
- Bank balances other than cash and cash equivalents	13	1,069.49	3,126.76
- Other financial assets	14	9,370.55	6,468.78
Income tax assets (net)		-	701.90
Other current assets	15	15,264.60	7,936.54
		74,098.95	50,455.74
TOTAL		106,798.06	76,519.83
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16(a)	788.75	779.25
Other equity	16(b)	66,314.33	55,249.54
		67,103.08	56,028.79
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	17	2,448.64	1,487.97
- Other financial liabilities	20	127.19	188.83
Other non-current liabilities	21	23.29	39.96
Provisions	18	2,093.07	69.06
		4,692.19	1,785.82
Current liabilities			
Financial liabilities			
- Lease liabilities	17	1,491.31	834.49
- Trade payables	19		
-total outstanding dues of micro enterprises and small enterprises		58.10	40.77
-total outstanding dues of creditors other than micro enterprises and small enterprises		19,374.10	10,152.90
- Other financial liabilities	20	6,658.94	2,739.42
Other current liabilities	21	6,418.76	3,655.56
Provisions	22	471.22	1,123.13
Income tax liabilities (net)		530.36	158.95
		35,002.79	18,705.22
Total Liabilities		39,694.98	20,491.04
TOTAL		106,798.06	76,519.83
Summary of material accounting policy information	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W - 100022

Swapnil Dakshindas
Partner

Membership No.: 113896

Place: Pune

Date: April 21, 2026

For and on behalf of the Board of Directors of
Persistent Systems Limited

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Place: Pune

Date: April 21, 2026

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: Pune

Date: April 21, 2026

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: Pune

Date: April 21, 2026

Amit Atre
Company Secretary
Membership No. A20507

Place: Pune

Date: April 21, 2026

Praveen Kadle
Independent Director

DIN: 00016814

Place: Pune

Date: April 21, 2026

Standalone Statement of Profit and Loss for Year Ended March 31, 2026

	Notes	For the year ended	
		March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Income			
Revenue from operations	23	144,279.59	117,280.21
Other income	24	1,671.22	1,579.05
Total income (A)		145,950.81	118,859.26
Expenses			
Employee benefits expense	25.1	58,745.72	48,762.27
Subcontracting costs	25.2	39,244.44	36,527.73
Finance costs	26	628.03	474.66
Depreciation and amortisation expense	4.7	2,658.67	1,761.98
Other expenses	27	21,624.67	15,838.42
Total expenses (B)		122,901.53	103,365.06
Profit before exceptional item and tax (A - B)		23,049.28	15,494.20
Exceptional item			
Statutory Impact of new Labour Code (refer note 49)		890.25	-
Profit before tax (A - B)		22,159.03	15,494.20
Tax expense			
Current tax		5,951.07	4,051.26
Deferred tax charge / (credit)		(140.69)	139.12
Total tax expense		5,810.38	4,190.38
Profit for the year (C)		16,348.65	11,303.82
Other comprehensive income (Loss)			
Items that will not be reclassified to profit or loss (D)			
- Remeasurements of the defined benefit liabilities / asset		211.93	197.91
- Income tax effect on above		(53.34)	(49.81)
		158.59	148.10
Items that will be reclassified to profit or loss (E)			
- Effective portion of cash flow hedge		(2,237.38)	(34.97)
- Income tax effect on above		562.91	8.80
		(1,674.47)	(26.17)
Total other comprehensive income / (loss) for the year (D) + (E)		(1,515.88)	121.93
Total comprehensive income / (loss) for the year (C) + (D) + (E)		14,832.77	11,425.75
Earnings per equity share			
[Nominal value of share ₹5 (Previous year: ₹5)]	28		
Basic (In ₹)		104.96	73.65
Diluted (In ₹)		104.20	72.85
Summary of material accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/W - 100022

Swapnil Dakshindas

Partner

Membership No.: 113896

Place: Pune

Date: April 21, 2026

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Dr. Anand Deshpande

Chairman and
Managing Director
DIN: 00005721

Place: Pune

Date: April 21, 2026

Vinit Teredesai

Executive Director and
Chief Financial Officer
DIN: 03293917

Place: Pune

Date: April 21, 2026

Sandeep Kalra

Executive Director and
Chief Executive Officer
DIN: 02506494

Place: Pune

Date: April 21, 2026

Amit Atre

Company Secretary

Membership No. A20507

Place: Pune

Date: April 21, 2026

Praveen Kadle

Independent Director

DIN: 00016814

Place: Pune

Date: April 21, 2026

Standalone Statement of Cash Flows for Year Ended March 31, 2026

	Notes	For the year ended	
		March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Cash flow from operating activities			
Profit before tax		22,159.03	15,494.20
Adjustments for:			
Interest income		(430.24)	(471.15)
Finance cost		337.25	255.97
Interest on lease liability		290.78	218.69
Depreciation and amortisation expense		2,658.67	1,761.98
Unrealised exchange (gain)		(668.53)	(717.40)
Exchange (gain) / loss on derivative contracts		614.59	44.39
Exchange loss / (gain) on translation of foreign currency cash and cash equivalents		65.76	5.36
Bad debts		85.58	-
Change in provision for expected credit loss		106.27	141.60
Employee stock compensation expenses		141.50	609.37
Excess provision in respect of earlier years written back		(3.01)	(32.29)
Profit on sale/fair valuation of financial assets designated as FVTPL		(581.59)	(444.99)
Provision towards employee benefits		-	(506.74)
Profit on sale of investments (net)		(582.47)	(336.02)
Profit on sale of Property, Plant and Equipment (net)		(60.05)	(78.06)
Profit on account of lease modification (net)		-	(28.15)
Operating profit before working capital changes		24,133.54	15,916.76
Movements in working capital:			
Decrease / (Increase) in other non current assets		160.67	(380.60)
(Increase) / Decrease in other non current financial assets		(200.92)	6.42
(Increase) in other current financial assets		(1,468.01)	(9,546.78)
(Increase) in current assets		(13,735.12)	(2,786.27)
(Increase) in trade receivables		(11,903.95)	(272.77)
Increase in trade payables, current liabilities and non-current liabilities		25,283.50	8,213.68
Increase in provisions		1,577.25	919.52
Operating profit after working capital changes		23,846.96	12,069.96
Direct taxes paid (net of refunds)		(5,779.78)	(4,895.83)
Net cash generated from operating activities	(A)	18,067.18	7,174.13
Cash flows from investing activities			
Payment towards capital expenditure (including property, plant and equipment, intangible assets, capital advances and capital creditors)		(2,016.83)	(1,709.35)
Proceeds from sale of Property, Plant and Equipment		133.57	172.87
Payment towards investment in wholly owned subsidiary		(1,466.57)	-
Payment for acquisition of financial instruments		(78,259.69)	(54,326.32)
Proceeds from transfer of business undertaking		-	969.99
Payment to selling shareholders		(282.13)	-
Proceeds from sale of financial instruments		72,246.77	52,772.61
Proceeds from maturity of bank deposits having original maturity over three months		1,989.81	89.33
Interest received		430.24	478.89
Net cash (used in) investing activities	(B)	(7,224.83)	(1,551.98)

Standalone Statement of Cash Flows for Year Ended March 31, 2026

	Notes	For the year ended	
		March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Cash flows from financing activities			
Proceeds from issue of share capital including securities premium		-	1,845.90
Proceeds from issue of treasury shares for stock options		2,547.75	(1,008.77)
Purchase of treasury shares for stock options		(2,048.57)	-
Repayment of long term borrowings		-	(1.85)
Payment towards lease liabilities		(1,547.48)	(813.90)
Dividend paid		(5,790.48)	(4,657.50)
Interest paid		(337.25)	(530.78)
Net cash (used in) financing activities	(C)	(7,176.03)	(5,166.90)
Net (decrease) / increase in cash and cash equivalents (A + B + C)		3,666.32	455.25
Cash and cash equivalents at the beginning of the year		3,636.55	3,258.83
Movement in cash and cash equivalent on account of transfer of business undertaking		-	(72.17)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(65.76)	(5.36)
Cash and cash equivalents at the end of the year		7,237.11	3,636.55
Components of cash and cash equivalents (refer note no. 12)			
Cash on hand		0.10	0.19
Balances with banks			
On current accounts #		2,781.37	1,534.92
On saving accounts		11.48	26.87
On deposit account with original maturity of less than three months		682.00	586.00
On exchange earner's foreign currency accounts		3,762.16	1,488.57
Cash and cash equivalents		7,237.11	3,636.55

#Of the cash and cash equivalent balance as at March 31, 2026, the Company can utilise ₹ 0.02 Million (Previous year: ₹ 0.02 Million) only towards certain predefined activities.

The above Cash Flow Statement has been prepared under “Indirect Method” as set out in Ind AS - 7 on “Statement of Cash Flows” notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Summary of material accounting policy information — (Refer note 3)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W - 100022

Swapnil Dakshindas
Partner

Membership No.: 113896

Place: Pune
Date: April 21, 2026

For and on behalf of the Board of Directors of
Persistent Systems Limited

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Place: Pune
Date: April 21, 2026

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Place: Pune
Date: April 21, 2026

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Place: Pune
Date: April 21, 2026

Amit Atre
Company Secretary
Membership No. A20507

Place: Pune
Date: April 21, 2026

Praveen Kadle
Independent Director
DIN: 00016814

Place: Pune
Date: April 21, 2026

Standalone Statement of Changes in Equity for Year Ended March 31, 2026

A. Equity share capital

(Refer note 16(a))

(In ₹ Million)

Balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
779.25	9.50	788.75

(In ₹ Million)

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025 (Restated)
770.25	9.00	779.25

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Standalone Statement of Changes in Equity for Year Ended March 31, 2026

B. Other equity

(In ₹ Million)

Particulars	Reserves and surplus							Items of other comprehensive income	Total
	General reserve	Share options outstanding reserve	Capital redemption reserve	Retained earnings	Treasury shares	PSL ESOP Trust reserve	Securities premium	Effective portion of cash flow hedges	
Balance as at April 1, 2025	27,741.64	3,432.38	35.75	24,008.13	(3,585.51)	180.77	3,438.70	(2.32)	55,249.54
Profit for the period	-	-	-	16,348.65	-	-	-	-	16,348.65
Items recognised in / from other comprehensive income for the period	-	-	-	211.93	-	-	-	(2,237.38)	(2,025.45)
Income tax effect on above	-	-	-	(53.34)	-	-	-	562.91	509.57
Dividend	-	-	-	(5,816.50)	-	-	-	-	(5,816.50)
Adjustments towards employees stock options	3,927.51	(3,927.51)	-	-	-	-	-	-	-
Dividend Paid to ESOP trust	-	-	-	-	-	41.71	-	-	41.71
Addition during the period	-	-	-	-	-	-	171.22	-	171.22
Employee stock compensation expenses	-	141.50	-	-	-	-	-	-	141.50
Exercise of stock options	-	-	-	-	1,954.76	-	-	-	1,954.76
Purchase of treasury shares	-	-	-	-	(2,229.29)	-	-	-	(2,229.29)
Adjustment during the year	-	-	-	-	1,706.40	(1,706.40)	-	-	-
Employee stock compensation expenses of subsidiaries	-	1,435.62	-	-	-	-	-	-	1,435.62
Impact on account of Subsidiary business transfer (refer note no.54)	-	-	-	(59.99)	-	-	-	-	(59.99)
Other changes during the year	-	-	-	(631.55)	-	1,224.54	-	-	592.99
Balance as at March 31, 2026	31,669.15	1,081.99	35.75	34,007.33	(2,153.64)	(259.38)	3,609.92	(1,676.79)	66,314.33

Standalone Statement of Changes in Equity for Year Ended March 31, 2026

B. Other equity

(In ₹ Million)

Particulars	Reserves and surplus							Items of other comprehensive income	Total
	General reserve	Share options outstanding reserve	Capital redemption reserve	Retained earnings	Treasury shares	PSL ESOP Trust reserve	Securities premium	Effective portion of cash flow hedges	
Balance as at April 1, 2024	25,854.48	2,227.71	35.75	17,272.67	-	-	1,601.80	23.85	47,016.26
Impact of scheme of merger (refer note no.50) (CAPIOT)	-	-	-	(58.96)	-	-	-	-	(58.96)
Impact on account of ESOP consolidation (refer note no. 50)	-	-	-	-	(2,677.25)	140.64	-	-	(2,536.61)
Profit for the year	-	-	-	11,303.82	-	-	-	-	11,303.82
Items recognised in / from other comprehensive income for the year	-	-	-	197.91	-	-	-	(34.97)	162.94
Income tax effect on above	-	-	-	(49.81)	-	-	-	8.80	(41.01)
Dividend	-	-	-	(4,657.50)	-	-	-	-	(4,657.50)
Dividend Paid to ESOP trust	-	-	-	-	-	40.13	-	-	40.13
Shares held by ESOP trust	-	-	-	-	(908.26)	-	-	-	(908.26)
Adjustments towards employees stock options	1,887.16	(1,887.16)	-	-	-	-	-	-	-
Employee stock compensation expenses	-	609.37	-	-	-	-	-	-	609.37
Employee stock compensation expenses of subsidiaries	-	2,482.46	-	-	-	-	-	-	2,482.46
Premium on fresh issue of equity shares	-	-	-	-	-	-	1,836.90	-	1,836.90
Balance as at March 31, 2025	27,741.64	3,432.38	35.75	24,008.13	(3,585.51)	180.77	3,438.70	(2.32)	55,249.54
Summary of material accounting policy information - Refer note 3									

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W - 100022

**For and on behalf of the Board of Directors of
Persistent Systems Limited**

Swapnil Dakshindas
Partner

Membership No.: 113896

Dr. Anand Deshpande
Chairman and
Managing Director
DIN: 00005721

Sandeep Kalra
Executive Director and
Chief Executive Officer
DIN: 02506494

Praveen Kadle
Independent Director

DIN: 00016814

Vinit Teredesai
Executive Director and
Chief Financial Officer
DIN: 03293917

Amit Atre
Company Secretary

Membership No. A20507

Place: Pune
Date : April 21, 2026

Place: Pune
Date : April 21, 2026

Place: Pune
Date : April 21, 2026

Place: Pune
Date : April 21, 2026

Place: Pune
Date : April 21, 2026

Place: Pune
Date : April 21, 2026

Nature and purpose of reserves

a) General reserve

The general reserve is a free reserve created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of other comprehensive income (“OCI”). The same can be utilised in accordance with the provisions of the Companies Act, 2013.

b) Share options outstanding reserve

Share options outstanding reserve represents the cumulative expense recognised for equity-settled transactions at each reporting date until the employee share options are exercised / expired on which such amount is transferred to General reserve.

c) Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares bought back and is created and utilised in accordance with section 69 of the Companies Act, 2013.

d) Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company which includes remeasurements of the defined benefit liabilities / asset.

e) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

f) Effective portion of Cash flow hedge reserve

When a derivative is designated as a cashflow hedging instrument, the effective portion of changes in the fair value of derivative is recognised in other comprehensive income (OCI) and accumulated in cashflow hedge reserve. Cumulative gains or losses previously recognised in cashflow hedge reserve are recognised in the statement of profit and loss in the period in which such transaction occurs / hedging instruments are settled / cancelled.

g) PSPL ESOP Trust reserve and Treasury shares

The Company has created an Employee Stock Options Trust (ESOP Trust) for providing share-based payment to its employees. The Company uses ESOP Trust as a vehicle for distributing shares to employees. The ESOP Trust buys shares of the Company from the market, for giving shares to employees. The shares held by ESOP Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in equity. Share options, whenever exercised, would be satisfied with treasury shares.

Notes forming part of standalone financial statements

1. Company overview

Persistent Systems Limited (“the Company” or “PSL”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (“the 1956 Act”). The Company has its registered office at Bhageerath, 402 Senapati Bapat Road, Pune, Maharashtra, India. The shares of PSL are listed on Bombay Stock Exchange and National Stock Exchange. PSL is a global company specialising in software products, services and technology innovation. The Company offers complete product life cycle services.

The Board of Directors approved the annual standalone financial statements for the year ended March 31, 2026 and authorised for issue on April 21, 2026.

2. Basis of preparation

The Standalone financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 (“the Act”) and Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for the following items, which are measured on an alternative basis on each reporting date —

Items	Basis of Measurement
Derivative financial instruments	Fair Value
Non-derivative financial instruments at FVTPL	Fair Value
Debt and equity securities at FVOCI	Fair Value
Contingent consideration assumed in a business combination	Fair Value
Net defined benefit (asset) / liability	Fair value of plan assets less the present value of the defined benefit obligation

The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Amounts in the consolidated financial statements are presented in Indian Rupees in Millions as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

The Company had formulated an Employee Stock Option Plan (ESOP) where the company granted stock options to employees and the shares will be issued to employees at the time of exercising the options through PSPL ESOP Management Trust (the ‘Trust’). As the Trust carried out activities on behalf of the Company, the Company consolidates the Trust in the standalone financial statements to reflect appropriate presentation of the activity of the Trust.

Recent Pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on its financial statements.

In August 2025, MCA notified the following amendments to:

Ind AS 1 – Presentation of Financial Statements, applicable w.e.f. April 1, 2025

The amendment relates to classification of liabilities as current or non-current and clarifies that covenants that affect the classification of a liability as current or non-current must exist at the reporting date and have substance.

The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025

The amendment in Ind AS 7 requires an entity to disclose information about supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Ind AS 12 – International Tax Reform – Pillar Two Model Rules, applicable immediately

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively (Refer note 30).

3. Material accounting policy information

3.1 Use of estimates and judgements

The preparation of the annual standalone financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements has been disclosed appropriately. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the annual standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the annual standalone financial statements.

3.2 Critical accounting estimates & judgement

a) Revenue recognition

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involve significant judgment.

Revenue from fixed price maintenance type contracts is recognised rateably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from other fixed-price contracts is recognised rateably using a percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of a method to recognise such revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

When performance obligation is satisfied over time, the Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Further, the Company uses significant judgement while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

In respect of the contracts where the transaction price is payable as revenue share at pre-defined percentage of customer revenue and, bearing in mind, the time gap between the close of the accounting period and availability of the revenue report from the customer, the Company is required to use its judgement to ascertain the income from revenue share on the basis of historical trends of customer revenue.

The Company receives advance payments from customers for the sale of software products, services and technology innovation including complete product life cycle services after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and rendering of services as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised services and the payment is one year or less.

b) Income taxes

The Company's primary tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits are available against which deductible temporary differences & tax losses can be utilised. The Management evaluates if the deferred tax assets will be realised in future considering the historical taxable income, scheduled reversals of deferred tax liabilities, projected future taxable income and tax-planning strategies. While the Management believes that the Company will realise the deferred tax assets, the amount of deferred tax asset realisable, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

c) Business combination

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the acquirer to recognise the identifiable intangible assets and contingent consideration at fair value. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These valuations are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management.

d) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

e) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements

undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease periods relating to the existing lease contracts.

As noted above, the Company enters into leases with third-party landlords and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Company uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over similar terms which requires estimations when no observable rates are available.

f) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities.

g) Defined benefits and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

h) Share based payments

Employees of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments granted (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value of the options at the date of the grant and recognised as employee compensation cost over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

At the end of each reporting period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revisions to the original estimates, if any, in the annual consolidated statement of profit and loss with a corresponding adjustment to equity.

The expense or credit recognised in the annual consolidated statement of profit and loss for the period / year represents the movement in cumulative expense recognised as at the beginning and end of that period / year and is recognised in employee benefits expense with a corresponding increase in stock options outstanding reserve in equity. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

i) Impairment of assets

Investments in subsidiaries, goodwill and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is the higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.

3.3 Summary of material accounting policies

a) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Act. Operating cycle is the time between the acquisition of resources / assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress includes cost of Property, plant and equipment that are not ready to be put to use and is stated at cost. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use, cost of replacing part of the Property, plant and equipment, cost of asset retirement obligations and borrowing costs for long term construction projects if the recognition criteria are met. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of Property, plant and equipment is added to its original cost only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from disposal of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

c) Intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation which is recognised from the date they are available for use and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of preparing the asset for its intended use.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;

- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Such development expenditure, until capitalisation, is reflected as intangible assets under development.

Following the initial recognition, internally generated intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation of internally generated intangible asset begins when the development is complete and the asset is available for use.

d) Depreciation and amortisation

Depreciation on Property, plant and equipment is provided using the Straight Line Method ("SLM") over the useful lives of the assets estimated by the management.

The management estimates the useful lives for the Property, plant and equipment except for leasehold improvements as follows:

Assets	Useful lives
Buildings*	25 years
Computers*	3 to 5 years
Computers - Servers and networks*	3 to 5 years
Office equipment	5 years
Plant and equipment*	5 years
Plant and equipment (Windmill)*	20 years
Plant and equipment (Solar Energy System) *	10 years
Furniture and fixtures*	5 years
Vehicles*	5 years

*For these classes of assets, based on a technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Thus useful lives of these assets are different from useful lives as prescribed under Part C of Schedule II of the Act.

Leasehold improvements are amortised over the period of lease or useful life, whichever is lower.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Intangible assets are amortised on a straight-line basis over their estimated useful lives ranging from 3 to 7 years from the day the asset is made available for use.

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically.

e) Borrowing costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

f) Leases

The Company assesses at the inception of contract whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

Where the Company is a lessee

The Company recognises right of use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right of use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liability. The right of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment.

Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right of use asset, or statement of profit and loss if the right of use asset is already reduced to zero.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease expenses associated with these leases are recognised in the statement of profit and loss on a straight-line basis.

g) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from

other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on budgets and forecast calculations, prepared for each CGUs to which the individual assets are allocated. To estimate cash flow projections covered by the most recent budgets / forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the statement of profit and loss, except for assets previously revalued with the revaluation surplus taken to OCI. For such assets, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. If recoverable amount cannot be determined for an individual asset, an entity identifies the lowest aggregation of assets that generate largely independent cash inflows. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which the Management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent the Management's best estimate about future developments.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The synergy benefits derived from Goodwill are enjoyed interchangeably among segments and the Company is of the view that it is not practical to reasonably allocate the same and an ad-hoc allocation will not be meaningful.

h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company's business model refers to how it manages its financial assets to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Subsequent measurement

Non-derivative financial instruments

Financial assets

Financial assets at amortised cost

Financial assets that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortised cost using the effective interest rate method. The change in measurement are recognised as finance income in the statement of profit and loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognised in OCI.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset which does not meet the criteria for categorisation as financial asset at amortised cost or at FVTOCI, is classified as financial asset at FVTPL. Financial assets except derivative contracts included within the FVTPL category are subsequently measured at fair value with all changes recognised in the statement of profit and loss.

Net gains or net losses on items at fair value through profit or loss include interest or dividend income received from these assets.

Investments in subsidiaries

Equity investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank, cash in hand and short term deposits with an original maturity period of three months or less.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments

The Company uses derivatives for economic hedging purposes. At the inception of a hedging relationship, the Company documents the hedging relationship between the hedging instrument and hedged item including whether the changes in cash flows of the hedging instruments are expected to offset the changes in cash flows of the hedged items. The Company documents its objective and strategy for undertaking its hedging transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently re-measured at fair value at each reporting date.

For cash flow hedges that qualify for hedge accounting, the effective portion of fair value of derivatives is recognised in cash flow hedging reserve within equity through OCI.

Gains or losses relating to the ineffective portion are immediately recognised in the statement of profit and loss.

Amounts accumulated in equity are reclassified to the statement of profit and loss in the period when the hedged item affects profit and loss or hedged future cash flows are no longer expected to occur.

Derivatives which do not qualify for hedge accounting are accounted classified as FVTPL.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in the statement of profit and loss, except in case of equity instruments classified as FVOCI, where such cumulative gain or loss is not recycled to statement of profit and loss.

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, dealer quotes.

For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Company recognises such equity instruments at cost, which is considered as an appropriate estimate of fair value.

All methods of assessing fair value result in general approximation of value, and such value may never actually be realised. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost and financial assets that are debts instruments and are measured at FVTOCI. ECL is the difference between contractual cash flows that are due and the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For trade receivables, the Company recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

i) Revenue recognition

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services (“performance obligations”) to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company’s contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Income from software services and licenses

The Company derives revenues primarily from IT services comprising software development and related services and from the licensing of software products.

Arrangements with customers for software related services are either on a time-and-material or a fixed-price basis.

Revenue on time-and-material contracts are recognised as and when the related services are performed. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

When support services are provided in conjunction with the licensing arrangement and the license and the support services have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone

selling prices. Maintenance revenue is recognised proportionately over the period in which the services are rendered.

Income from services rendered to the Company is recognised as and when services are rendered and is invoiced using a cost-plus mark-up approach.

Revenue from revenue share is recognised in accordance with the terms of the relevant agreements.

Unbilled revenue represents revenue recognised in relation to work done until the balance sheet date for which billing has not taken place.

Unearned revenue represents the billing in respect of contracts for which the revenue is not recognised.

The Company collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the carrying amount and the effective interest rate.

Dividend

Dividend income is recognised when the Company's right to receive dividend is established. Dividend income is included under the head 'Other income' in the statement of profit and loss.

Contract balances

Contract assets

Contract assets are recognised when there is an excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenue.

j) Foreign currency translation

Foreign currency transactions and balances

The functional currency of the Company is ₹ (INR).

Initial recognition

Foreign currency transactions are recorded in the functional currency of the Company, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined. For foreign currency transactions recognised in statement of profit and loss of the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Exchange differences

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to Property, plant and equipment acquisition are recognised as income or expenses in the period in which they arise.

Translation of foreign operations

The company presents the annual standalone financial statements in ₹. For the purpose of the financial statements, the assets and liabilities of the company's foreign operations are translated using exchange

rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on translation are recognised in other comprehensive income and accumulated in equity.

k) Employee benefits

Defined contribution plan

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the eligible salary of the entitled employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the period / year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Defined benefit plan

Gratuity

Gratuity is a defined benefit obligation plan operated by the Company for its employees covered under Company Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date and are charged to the statement of profit and loss, except for the remeasurements, comprising of actuarial gains and losses which are recognised in full in the statement of other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit and loss subsequently.

Compensated absences and long service awards

Leave encashment

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the statement of profit and loss. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The Company presents the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating leave encashment is recognised in the period in which the absences occur.

Other employee benefits

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for services rendered by employees, are recognised in the statement of profit and loss during the period when the employee renders the service.

l) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in statement of profit and loss.

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit / loss at the time of transaction. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit / loss at the time of transaction. Deferred tax assets are recognised only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the period in which the temporary differences originate.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised in co-relation to the underlying transaction either in OCI or directly in equity.

m) Segment reporting

In accordance with para 4 of Indian Accounting Standard 108 (Ind AS-108) "Operating Segments" the Company has disclosed segment information only in annual consolidated financial statements which are presented together with the annual standalone financial statements.

n) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit for the period / year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period / year. The weighted average number of equity shares outstanding during the reporting period / year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted EPS, the net profit for the period / year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period / year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the annual standalone financial statements by the Board of Directors.

o) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate of the amount required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p) Contingent liabilities and commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent assets are neither recognised nor disclosed in annual standalone financial statements.

q) Share based payments

Employees of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments granted (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value of the options at the date of the grant and recognised as employee compensation cost over the vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revisions to the original estimates, if any, in statement of profit and loss with a corresponding adjustment to equity.

The expense or credit recognised in the statement of profit and loss for the period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense with a corresponding increase in stock options outstanding reserve in equity. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

The employee stock option expenses in respect of the employees of the subsidiary are charged to the respective subsidiary.

r) Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognised as a deduction from equity, net of any tax effects.

s) Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

t) Business Combination

The acquisition method of accounting is used to recognised for all business combinations, when the acquired set of activities and assets meet the definition of business and control is transferred regardless of whether equity instruments or other assets are acquired. The acquisition cost is measured as the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree at fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-

controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- Consideration transferred and fair value of contingent consideration payable;
- Amount of any non-controlling interest in the acquired business, and
- Acquisition-date fair value of any previous equity interest in the acquired business over the fair value of the net identifiable assets acquired is recognised as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in OCI and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase is recognised directly in equity as capital reserve.

Business combinations between entities under common control is accounted for using pooling of interest method. The identity of the reserves is preserved as they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to business transfer reserve.

u) Goodwill / Gain on bargain purchase

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognised in the OCI as gain on bargain purchase. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

v) Cashflow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

4.1. Property, plant and equipment

(In ₹ Million)

	Land-Freehold	Buildings (Refer Note 1)	Computers	Office Equipment	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (at cost)									
As at April 1, 2025	991.53	2,821.18	4,047.43	72.58	2,152.03	12.80	848.43	15.37	10,961.35
Additions	-	45.20	260.94	10.79	124.31	0.03	29.03	-	470.30
Disposals	-	57.12	687.70	1.28	148.23	-	40.40	-	934.73
Other Adjustments	-	-	(0.18)	-	(0.01)	-	-	-	(0.19)
As at March 31, 2026	991.53	2,809.26	3,620.49	82.09	2,128.10	12.83	837.06	15.37	10,496.73
Accumulated depreciation									
As at April 1, 2025	-	1,590.74	3,288.11	53.66	1,507.70	8.31	634.69	9.78	7,092.99
Charge for the period	-	125.99	381.45	7.21	209.84	1.06	84.36	1.94	811.85
Disposals	-	40.09	643.77	1.28	147.53	-	40.40	-	873.07
Other Adjustments	-	-	(0.02)	-	-	-	-	-	(0.02)
As at March 31, 2026	-	1,676.64	3,025.77	59.59	1,570.01	9.37	678.65	11.72	7,031.75
Net block									
As at March 31, 2026	991.53	1,132.62	594.72	22.50	558.09	3.46	158.41	3.65	3,464.98

4.1. Property, plant and equipment

(In ₹ Million (Restated))

	Land-Freehold	Buildings (Refer Note 1)	Computers	Office Equipment	Plant and Equipment	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Gross block (at cost)									
As at April 1, 2024	991.53	2,825.52	3,727.84	67.17	2,057.11	20.79	876.97	14.81	10,581.74
Additions	-	10.34	603.77	11.28	199.04	5.23	39.21	0.87	869.74
Disposals	-	14.90	295.66	6.71	91.57	13.23	67.73	0.33	490.13
Other Adjustments	-	0.22	11.48	0.84	(12.55)	0.01	(0.02)	0.02	0.00
As at March 31, 2025	991.53	2,821.18	4,047.43	72.58	2,152.03	12.80	848.43	15.37	10,961.35
Accumulated depreciation									
As at April 1, 2024	-	1,481.62	3,132.32	54.36	1,400.79	20.79	611.18	8.14	6,709.20
Charge for the period	-	120.77	343.37	5.92	206.60	0.75	83.47	1.94	762.82
Disposals	-	11.65	198.55	6.71	88.54	13.23	59.99	0.33	379.00
Other Adjustments	-	-	10.97	0.09	(11.15)	-	0.03	0.03	(0.03)
As at March 31, 2025	-	1,590.74	3,288.11	53.66	1,507.70	8.31	634.69	9.78	7,092.99
Net block									
As at March 31, 2025	991.53	1,230.44	759.32	18.92	644.33	4.49	213.74	5.59	3,868.36

Note 1: Building includes those constructed on leasehold land:

- Gross block as on March 31, 2026 ₹ 1446.20 Million (Previous year: ₹ 1460.20 Million)
- Depreciation charge for the year ₹ 57.46 Million (Previous year: ₹58.04 Million)
- Accumulated depreciation as on March 31, 2026 ₹844.80 Million (Previous year: ₹793.47 Million)
- Net book value as on March 31, 2026 ₹601.40 Million (Previous year: ₹ 666.73 Million)

4.2. Capital work in progress

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Balance at beginning of year	38.12	210.12
Additions	538.72	697.74
Capitalised during the year	470.30	869.74
Balance at end of year	106.54	38.12

Capital work in progress ageing schedule*

(In Million)

Amount in capital work in progress for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	68.42	38.12	-	-	106.54
As at March 31, 2026	68.42	38.12	-	-	106.54

Amount in capital work in progress for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	38.12	-	-	-	38.12
As at March 31, 2025	38.12	-	-	-	38.12

*There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year.

4.3. Right of use assets

(In ₹ Million)

	Office premises	Leasehold land	Other Assets	Total
Gross block (at cost)				
As at April 1, 2025	3,124.28	973.36	276.80	4,374.44
Additions	945.64	-	1,986.38	2,932.02
Disposals	189.69	-	-	189.69
Lease reassessment	37.77	-	-	37.77
Lease Modification	(11.31)	-	-	(11.31)
As at March 31, 2026	3,906.69	973.36	2,263.18	7,143.23
Accumulated depreciation				
As at April 1, 2025	1,267.49	17.52	14.09	1,299.10
Charge for the period	761.00	12.21	508.89	1,282.10
Lease reassessment	9.73	-	-	9.73
Disposals	177.83	-	-	177.83
As at March 31, 2026	1,860.39	29.73	522.98	2,413.10
Net block as at March 31, 2026	2,046.30	943.63	1,740.20	4,730.13

(In ₹ Million (Restated))

	Office premises	Leasehold land	Other Assets	Total
Gross block (at cost)				
As at April 1, 2024	2,150.19	131.97	-	2,282.16
Additions	1,284.80	835.59	276.80	2,397.19
Disposals	168.39	-	-	168.39
Lease Modification	(142.32)	-	-	(142.32)
Other Adjustments	-	5.80	-	5.80
As at March 31, 2025	3,124.28	973.36	276.80	4,374.44
Accumulated depreciation				
As at April 1, 2024	853.14	4.76	-	857.90
Charge for the year	650.51	6.95	14.09	671.55
Disposals	116.85	-	-	116.85
Lease Modification	(119.31)	-	-	(119.31)
Other Adjustments	-	5.81	-	5.81
As at March 31, 2025	1,267.49	17.52	14.09	1,299.10
Net block As at March 31, 2025	1,856.79	955.84	262.71	3,075.34

4.4. Goodwill

(In ₹ Million)

	As at March 31, 2026	As at March 31, 2025 (Restated)
Balance at beginning of year	604.90	604.90
Balance at end of year	604.90	604.90

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The Company internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGUs or groups of CGUs.

The recoverable amount of a CGU is determined based on its value-in-use. Value-in-use is determined based on discounted future cash flows.

The key assumptions used for the calculations are as follows:

	As at March 31, 2026	As at March 31, 2025 (Restated)
Long-term growth rate	4.79%	5%
Operating margins	8% to 22%	13% to 23%
Discount rate	18% to 21%	15% to 18%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. Pre-tax discount rate is applied to cash flow projections for impairment testing during the current year. As at March 31, 2026, the estimated recoverable amount of the CGU exceeded its carrying amount. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the

CGU would decrease below its carrying amount. Cash flow projections are considered for next 5 years and consider past experience and represent management's best estimate about future developments. Operating margin are in line with company's current operations. The growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate.

Based on testing, no impairment loss was identified during current year and previous year.

4.5. Other Intangible assets

(In ₹ Million)

	Software	Internally Generated Software	Acquired Contractual Rights	Total
Gross block				
As at April 1, 2025	1,058.77	176.70	1,316.77	2,552.24
Additions	324.82	1,584.69	141.22	2,050.73
Disposals	-	-	261.73	261.73
Other Adjustments	(2.82)	-	-	(2.82)
As at March 31, 2026	1,380.77	1,761.39	1,196.26	4,338.42
Accumulated amortisation				
As at April 1, 2025	879.38	66.63	436.56	1,382.57
Charge for the period	194.46	70.86	299.40	564.72
Disposals	-	-	261.73	261.73
Other Adjustments	(1.42)	-	-	(1.42)
As at March 31, 2026	1,072.42	137.49	474.23	1,684.14
Net block as at March 31, 2026	308.35	1,623.90	722.03	2,654.28

(In ₹ Million)

	Software	Internally Generated Software	Acquired Contractual Rights	Total (Restated)
Gross block				
As at April 1, 2024	824.14	87.98	652.64	1,564.76
Additions	234.66	88.72	664.13	987.51
Disposals	(0.03)	-	-	(0.03)
As at March 31, 2025	1,058.77	176.70	1,316.77	2,552.24
Accumulated amortisation				
As at April 1, 2024	658.98	15.17	380.84	1,054.99
Charge for the year	220.43	51.46	55.72	327.61
Disposals	(0.03)	-	-	(0.03)
As at March 31, 2025	879.38	66.63	436.56	1,382.57
Net block as at March 31, 2025	179.39	110.07	880.21	1,169.67

Acquired contractual rights have remaining amortisation period between 3-4 years.

4.6. Intangible Assets Under Development

(In ₹ Million)

	As at March 31, 2026	As at March 31, 2025
Balance at beginning of year	731.77	116.53
Additions	1,587.91	703.96
Capitalised during the year	(2,050.73)	(88.72)
Balance at end of year	268.95	731.77

Intangible Asset under Development Ageing Schedule*

(In Million)

Amount in Intangible Asset under Development for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	268.95	-	-	-	268.95
As at March 31, 2026	268.95	-	-	-	268.95

(In Million)

Amount in Intangible Asset under Development for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	703.96	27.81	-	-	731.77
As at March 31, 2025	703.96	27.81	-	-	731.77

*There are no projects whose completion schedule is overdue or has exceeded its cost compared to its original plan as of current year and previous year.

4.7. Depreciation and amortisation expense

(In ₹ Million)

	For the year ended	
	As at March 31, 2026	As at March 31, 2025 (Restated)
On Property, plant and equipment	811.85	762.82
On Right of use assets	1,282.10	671.55
On Other intangible assets	564.72	327.61
	2,658.67	1,761.98

5. Non-current financial assets: Investments

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Investments carried at cost		
Unquoted investments		
Investments in equity instruments		
- In wholly owned subsidiary companies (refer note 33)		
Persistent Systems, Inc. 702.00 Million (Previous year: 702.00 Million) shares of USD 0.10 each, fully paid up	4,729.74	4,729.74
Persistent Systems Pte Ltd. 0.50 Million (Previous year: 0.50 Million) shares of SGD 1 each, fully paid up	15.50	15.50
Persistent Systems France SAS (refer note 55) NIL Million (Previous year: 1.50 Million) shares of GBP 1 each, fully paid up	-	97.47
Persistent Systems Malaysia Sdn. Bhd. 5.45 Million (Previous year: 5.45 Million) shares of MYR 1 each, fully paid up	102.25	102.25
Persistent Systems Germany GmbH (refer note 55) NIL Million (Previous year: 16.73 Million) shares of EUR 1 each, fully paid up	-	1,719.40
Media Agility India Private Limited 3.21 Million (Previous year: 3.21 Million) shares of Rs. 10 each, fully paid up	971.45	971.45
Persistent Systems UK Limited 12.39 Million (Previous year: 12.39 Million) shares of GBP 1 each, fully paid up	782.01	782.01
Persistent India Foundation 0.05 Million (Previous year: 0.05 Million) shares of INR 10 each, fully paid up.	0.50	0.50
Arrka Infosec Private Limited 0.103 Million (Previous year: 0.103 Million) shares of INR 10 each, fully paid up.	133.31	133.31
Aepona Group Limited (refer note 58) 1,374,481.26 Million (Previous year: NIL) shares of EUR 0.012 and EUR 0.0000012 each, fully paid up.	3,865.91	-
Total investments carried at cost (A)	10,600.67	8,551.63
Investments carried at amortised cost		
Quoted investments		
In bonds (refer note 31a)	2,368.97	2,916.91
Add: Interest accrued on bonds	165.26	78.66
Total investments carried at amortised cost (B)	2,534.23	2,995.57
Investments carried at fair value through profit and loss		
Quoted investments		
- Investments in mutual funds		
Fair value of long term mutual funds (refer note 5 (a))	3,754.41	2,877.14
	3,754.41	2,877.14

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
- Others*		
Altizon Systems Private Limited		
3,766 equity shares (Previous year: 3,766 equity shares) of ₹ 10 each, fully paid up	6.00	6.00
	6.00	6.00
Total investments carried at fair value (C)	3,760.41	2,883.14
Total investments (A) + (B) + (C)	16,895.31	14,430.34
Aggregate amount of quoted investments (bonds)	2,534.23	2,995.57
Aggregate amount of quoted investments (mutual funds)	3,754.41	2,877.14
Aggregate book value of quoted investments	6,288.64	5,872.71
Aggregate market value of quoted investments	5,893.87	5,580.86

*Investments, where the Company does not have joint-control or significant influence including situations where such joint-control or significant influence is intended to be temporary, are classified as “investments in others”.

5 (a) Details of fair value of investment in long term mutual funds (quoted)

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Axis Mutual Fund	713.62	672.09
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	508.33	532.52
HDFC Mutual Fund	212.97	201.26
DSP Mutual Fund	178.59	168.52
HSBC Mutual Fund	178.71	168.43
Kotak Mutual Fund	617.99	208.86
ICICI Prudential Mutual Fund	1,002.23	324.15
SBI Mutual Fund	-	166.04
Nippon India Mutual Fund (formerly known as Reliance Mutual Fund)	110.93	269.72
Aditya Birla Sun Life Mutual Fund	174.74	165.55
UTI Mutual Fund	56.30	-
	3,754.41	2,877.14

6. Non-current financial assets: Loans

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Unsecured, credit impaired		
Inter-corporate deposit	0.58	0.58
Less: Impairment	(0.58)	(0.58)
	-	-
	-	-

7. Other non-current financial assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Considered good		
Carried at amortised cost		
Deposits with Bank (refer note 13)*	4.39	48.29
Add: Interest accrued but not due on deposits with Bank (refer note 13)	0.23	0.70
	4.62	48.99
Security deposits	470.23	328.02
Simple Agreement for Future Equity (SAFE)	391.46	332.75
Considered good (A)	866.31	709.76
Credit impaired		
Deposit with financial institutions (refer note 45)	408.88	408.88
Add: Interest accrued but not due on deposit with financial institutions	0.30	0.30
Less: Credit impaired	(409.18)	(409.18)
Credit impaired (B)	-	-
Other financial assets	-	0.11
Total (A+B)	866.31	709.87

*Out of the balance, fixed deposits of ₹ 3.76 Million (Previous year: ₹ 3.00 Million) have been earmarked against credit facilities and bank guarantees availed by the Company.

8. Deferred tax asset (net)

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Deferred tax assets		
Provision for leave encashment	392.68	252.79
Allowance for expected credit loss	83.74	54.29
Lease liability	991.61	584.52
Provisions for doubtful investment	113.28	113.28
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	10.85	12.42
Cash flow hedges	563.69	0.78
Others	-	28.26
	2,155.85	1,046.34
Deferred tax liabilities		
Capital gains (net)	126.07	122.73
Right of use asset	936.01	533.44
	1,062.08	656.17
Deferred tax assets (net)	1,093.77	390.17

Movement in deferred tax assets (net) during the year ended March 31, 2026

(In ₹ Million)

	As at April 1, 2025	Charge / (Credit) in statement of Profit or loss	Credit / (Charge) in other comprehensive income	As at March 31, 2026
Deferred tax assets				
Provision for leave encashment	252.79	(139.89)	-	392.68
Allowance for expected credit loss	54.29	(29.45)	-	83.74
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	12.42	1.57	-	10.85
Cash flow hedges	0.78	-	562.91	563.69
Lease liability	584.52	(407.09)	-	991.61
Provisions for doubtful investment	113.28	-	-	113.28
Others	28.26	28.26	-	-
	1,046.34	(546.60)	562.91	2,155.85
Deferred tax liabilities				
Capital gains (net)	122.73	(3.34)	-	126.07
Cash flow hedges	533.44	(402.57)	-	936.01
	656.17	(405.91)	-	1,062.08
	390.17	(140.69)	562.91	1,093.77
Deferred tax assets				
Provision for leave encashment	223.08	(29.71)	-	252.79
Provision for long service awards	127.54	127.54	-	-
Allowance for expected credit loss	18.95	(35.34)	-	54.29
Provision for Gratuity	14.72	14.72	-	-
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	-	(12.42)	-	12.42
Cash flow hedges	-	-	0.78	0.78
Lease liability	378.52	(206.00)	-	584.52
Provisions for doubtful investment	117.28	4.00	-	113.28
Other	-	(28.26)	-	28.26
	880.09	(165.47)	0.78	1,046.34
Deferred tax liabilities				
Differences in book values and tax base values of block of Property, plant and equipment and other intangible assets	16.73	16.73	-	-
Right of use asset	317.39	(216.04)	-	533.44
Capital gains (net)	44.15	(78.58)	-	122.73
Cash flow hedges	8.02	-	(8.02)	-
	386.29	(277.89)	(8.02)	656.17
	493.80	112.43	8.80	390.17

9. Other non-current assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Capital advances (Unsecured, considered good)	28.07	33.53
Prepayments	348.20	508.87
	376.27	542.40

10. Current financial assets: Investments

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Investments carried at fair value through profit and loss		
- Quoted investments		
Investments in mutual funds (A)		
Fair value of current mutual funds (refer note 10(a))	5,954.41	3,335.01
Investments carried at amortised costs (B)		
- Quoted investments		
In bonds (refer note 31a)	2,452.60	-
Add: Interest accrued on bonds	-	-
Total investments carried at amortised cost	2,452.60	-
- Unquoted investments		
Investment in commercial papers	739.27	-
Total investments carried at amortised cost	739.27	-
Total investments	9,146.28	3,335.01
Aggregate market value of quoted investments	8,403.30	3,335.01
Aggregate market value of unquoted investments	739.27	-

10 (a) Details of fair value of current investment in mutual funds (quoted)

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Aditya Birla Sun Life Mutual Fund	375.78	438.79
UTI Mutual Fund	812.44	383.48
Bandhan Mutual Fund (formerly known as IDFC Mutual Fund)	1,056.97	472.47
Axis Mutual Fund	739.80	275.99
Kotak Mutual Fund	476.54	609.18
HDFC Mutual Fund	253.93	118.00
Tata Mutual Fund	823.35	195.10
Nippon India Mutual Fund (formerly known as Reliance Mutual Fund)	230.93	195.40
HSBC Mutual Fund	60.03	-

ICICI Prudential Mutual Fund	30.02	70.03
DSP Mutual Fund	272.82	-
Mirae Asset Mutual Fund	148.22	195.64
SBI Mutual Fund	80.03	70.04
Sundaram Mutual Fund	60.48	115.28
Invesco Mutual Fund	344.87	195.61
Bajaj Finserv Mutual Fund	158.18	-
Baroda BNP Mutual Fund	30.02	-
	5,954.41	3,335.01

11. Trade receivables*

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
- Non current - Billed		
Unsecured, considered good	735.65	503.15
	735.65	503.15
- Current - Billed		
Unsecured, considered good	20,178.63	16,577.15
Unsecured, credit impaired	149.11	52.63
	20,327.74	16,629.78
Less: Allowance for expected credit loss	(332.74)	(215.72)
	19,995.00	16,414.06
- Current - Unbilled	12,015.92	8,836.14
	32,746.57	25,753.35

*Includes dues from related parties (refer note 33)

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Trade receivables ageing schedule

(In ₹ Million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	15,408.85	4,795.72	434.43	149.92	55.01	70.36	20,914.29
Undisputed Trade receivable – credit impaired	-	-	36.97	112.14	-	-	149.11
	15,408.85	4,795.72	471.40	262.06	55.01	70.36	21,063.40
Less: Allowance for expected credit loss	(2.61)	(2.07)	(175.64)	(93.45)	(39.15)	(19.83)	(332.75)
	15,406.24	4,793.65	295.76	168.61	15.86	50.53	20,730.65
- Current - Unbilled	12,015.92	-	-	-	-	-	12,015.92
As at March 31, 2026	27,422.16	4,793.65	295.76	168.61	15.86	50.53	32,746.57
Expected loss rate (Refer note 31a)	0.02%	0.04%	37.26%	35.66%	71.17%	28.18%	1.58%

Trade receivables ageing schedule

(In ₹ Million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	3,997.21	12,251.42	526.66	184.6	74.71	45.70	17,080.30
Undisputed Trade receivable – credit impaired	-	-	51.40	1.23	-	-	52.63
	3,997.21	12,251.42	578.06	185.83	74.71	45.70	17,132.93
Less: Allowance for expected credit loss	(1.69)	(1.34)	(113.87)	(60.58)	(25.38)	(12.86)	(215.72)
	3,995.52	12,250.08	464.19	125.25	49.33	32.84	16,917.21
- Current - Unbilled	8,836.14	-	-	-	-	-	8,836.14
As at March 31, 2025	12,831.66	12,250.08	464.19	125.25	49.33	32.84	25,753.35
Expected loss rate (Refer note 31a)	0.04%	0.01%	19.70%	32.60%	33.97%	28.14%	1.26%

12. Cash and cash equivalents

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Cash and cash equivalents		
Cash on hand	0.10	0.19
Balances with banks		
On current accounts#	2,781.37	1,534.92
On saving accounts	11.48	26.87
On exchange earner's foreign currency accounts	3,762.16	1,488.57
On deposit accounts with original maturity less than three months	682.00	586.00
	7,237.11	3,636.55

#Of the cash and cash equivalent balance as at March 31, 2026, the Company can utilise ₹ 0.02 Million (Previous year: ₹ 0.02 Million) only towards certain predefined activities.

13. Bank balances other than cash and cash equivalents

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Deposits with banks*	1,048.63	3,054.13
Add: Interest accrued but not due on deposits with banks	20.94	101.39
Deposits with banks (carried at amortised cost)	1,069.57	3,155.52
Less: Deposit with maturity more than twelve months from the Balance Sheet date disclosed under non-current financial assets (refer note 7)	(4.39)	(48.29)
Less: Interest accrued but not due on non-current deposits with banks (refer note 7)	(0.23)	(0.70)
	1,064.95	3,106.53
Balances with banks on unpaid dividend accounts**	4.54	20.23
	1,069.49	3,126.76

* Out of the balance, fixed deposits of ₹ 866.71 Million (Previous year: ₹ 2,367.54 Million) have been earmarked against credit facilities and bank guarantees availed by the Company.

**The Company can utilise these balances only towards settlement of the respective unpaid dividend.

14. Other current financial assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Carried at amortised cost		
Advances to related parties (Unsecured, considered good) (refer note 33)		
Persistent Systems France SAS	0.40	0.81
Persistent Telecom Solutions Inc.	-	0.26
Persistent Systems Malaysia Sdn. Bhd.	0.64	0.13
Persistent Systems UK Limited (Formerly known as Aepona Limited)	200.78	137.07
Persistent Systems Mexico, S.A. de C.V	3.45	2.18

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Persistent Systems Germany GmbH	0.60	0.86
Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.20	0.20
Persistent Systems Australia Pty Limited	1.41	0.45
Persistent Systems Costa Rica Limitada - (Formerly known as Data Glove IT Solutions Limitada)	3.13	1.28
MediaAgility Inc.	119.43	-
	330.04	143.24
Security deposits	63.95	85.35
Other receivables *	8,976.56	6,240.19
	9,370.55	6,468.78

*Includes amounts received in subsidiaries on behalf of the company of ₹ 4,296.94 Million (previous year - ₹ 6,240.19 Million) (refer note 33).

15. Other current assets

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Advances to suppliers (Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	1,494.14	1,173.59
Prepayments	1,126.63	913.65
Deferred finance cost	2.11	5.72
Contract Assets	1,675.25	907.88
Other advances (Unsecured, considered good)		
VAT receivable (net)	134.33	55.25
GST receivable (net) (refer note 35)	10,832.14	4,880.45
	10,966.47	4,935.70
	15,264.60	7,936.54

16 (a). Share capital

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Authorised shares (No. in Million) 400 (Previous year: 400) equity shares of ₹5 each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid-up shares (No. in Million) 157.75 (Previous year: 155.85) equity shares of ₹5 each	788.75	779.25
Issued, subscribed and fully paid-up share capital	788.75	779.25

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and longterm and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

a) Reconciliation of the shares outstanding at the beginning and at the end of the year

The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

(In Million)

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount ₹	No. of shares	Amount ₹ (Restated)
Number of shares at the beginning of the reporting period	155.85	779.25	154.05	770.25
Changes during the year	1.90	9.50	1.80	9.00
Number of shares at the end of the reporting period	157.75	788.75	155.85	779.25

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors of Persistent Systems Limited, at its meeting held on January 20, 2026, declared an interim dividend of ₹ 22 per equity share of face value of ₹ 5 each for the Financial Year 2025-26.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. However, no such preferential amounts exist currently.

Dividend distribution made and proposed:

	For the year ended	
	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 March 2025: ₹ 20 per share (31 March 2024: ₹ 16 per share)	2,346.00	1,540.50
Interim dividend for the year ended on 31 March 2026: ₹ 22 per share (31 March 2025: ₹ 20 per share)	3,470.50	3,117.00
	5,816.50	4,657.50
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31 March 2026: ₹ 18 per share (31 March 2025: ₹ 15 per share)	2,839.50	2,346.00
	2,839.50	2,346.00

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised a liability as at 31 March 2026.

c) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date.

In the period of five years immediately preceding March 31, 2026, the Company has not done any buyback of shares.

d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder*	As at March 31, 2026		As at March 31, 2025 (Restated)	
	No. in Million	% Holding	No. in Million	% Holding
Dr. Anand Deshpande	45.78*	29.02	45.75	29.35

*The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members.

e) Details of shares held by promoters

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande*	45,747,680	36,000	45,783,680	29.02%	0.08%
Mrs. Chitra Hemadri Buzruk	938,800	-	938,800	0.60%	-
Dr. Mukund Suresh Deshpande*	800,050	(56,000)	744,050	0.47%	-
Mrs. Sonali Anand Deshpande	224,000	-	224,000	0.14%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	1,760	-	1,760	0.00%	-
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-
Ms. Ria Anand Deshpande*	-	20,000	20,000	0.01%	-

*Note 1:

1. Dr. Anand Deshpande, Promoter and CMD of the Company transferred 20,000 shares of INR 5 each to his daughter, Ms. Ria Anand Deshpande, on June 9, 2025. Accordingly, she has become a Member of Promoter Group with effect from June 9, 2025.
2. Mr. Mukund Deshpande, Member of Promoter Group transferred aggregate 56,000 shares in the month of December 2025 (December 10 and 17, 2025) to Dr. Anand Deshpande, Promoter and CMD of the Company.

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Dr. Anand Suresh Deshpande	45,743,680	2,000	45,745,680	29.00%	0.00%
Mrs. Chitra Hemadri Buzruk	938,800	-	938,800	0.60%	-
Dr. Mukund Suresh Deshpande	800,050	-	800,050	0.51%	-
Mrs. Sonali Anand Deshpande	224,000	-	224,000	0.14%	-
Mrs. Sulabha Suresh Deshpande	1,000	-	1,000	0.00%	-
Mr. Arul Anand Deshpande	20,000	-	20,000	0.01%	-
Ms. Gayatri Hemadri Buzruk	20,000	-	20,000	0.01%	-
Mr. Hemadri N Buzruk	15,640	-	15,640	0.01%	-
Mr. Suresh Purushottam Deshpande	1,000	-	1,000	0.00%	-
Mr. Padmakar Govind Khare	1,760	-	1,760	0.00%	-
Mr. Chinmay Hemadri Buzruk	20,000	-	20,000	0.01%	-

16 (b). Other equity

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Reserves and Surplus		
General reserve	31,669.15	27,741.64
Share options outstanding reserve	1,081.99	3,432.38
Capital redemption reserve	35.75	35.75
Retained earnings	34,007.33	24,008.13
Securities premium	3,609.92	3,438.70
PSL ESOP Trust reserve	(259.38)	180.77
Treasury shares	(2,153.64)	(3,585.51)
Items of other comprehensive income		
Effective portion of cash flow hedges	(1,676.79)	(2.32)
	66,314.33	55,249.54

(i) General reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	27,741.64	25,854.48
Adjustments towards employees stock options	3,927.51	1,887.16
	31,669.15	27,741.64

(ii) Share options outstanding reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	3,432.38	2,227.71
Adjustments towards employees stock options	(3,927.51)	(1,887.16)
Employee stock compensation expenses	141.50	609.37
Employee stock compensation expenses of subsidiaries	1,435.62	2,482.46
	1,081.99	3,432.38

(iii) Capital redemption reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	35.75	35.75
	35.75	35.75

(iv) Retained earnings

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	24,008.13	17,272.67
Profit for the year	16,348.65	11,303.82
Impact of scheme of merger (refer note no. 50)	-	(58.96)
Items recognised in / from other comprehensive income for the year	211.93	197.91
Income tax effect on above	(53.34)	(49.81)
Impact on account of Subsidiary business transfer (refer note no. 54)	(59.99)	-
Dividend	(5,816.50)	(4,657.50)
Other changes during the year	(631.55)	-
	34,007.33	24,008.13

(v) Securities premium

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	3,438.70	1,601.80
Premium on fresh issue of equity shares	171.22	1,836.90
	3,609.92	3,438.70

(vi) Effective portion of cash flow hedges

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	(2.32)	23.85
Items recognised in / from other comprehensive income for the year	(2,237.38)	(34.97)
Income tax effect on above	562.91	8.80
	(1,676.79)	(2.32)

(vii) PSL ESOP Trust reserve

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	180.77	-
Dividend Paid to ESOP trust	41.71	40.13
Adjustment during the year	(1,706.40)	-
Impact on account of ESOP consolidation	-	140.64
Other changes during the year	1,224.54	-
	(259.38)	180.77

(viii) Treasury shares

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Opening Balance	(3,585.51)	-
Exercise of stock options	1,954.76	
Purchase of treasury shares	(2,229.29)	
Shares held by ESOP trust	-	(908.26)
Adjustment during the year	1,706.40	-
Impact on account of ESOP consolidation	-	(2,677.25)
	(2,153.64)	(3,585.51)

17. Lease liabilities

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Non-current		
Lease liabilities	3,939.95	2,322.46
Less: Current portion of lease liabilities	(1,491.31)	(834.49)
	2,448.64	1,487.97
Current		
Lease liabilities	1,491.31	834.49
	1,491.31	834.49

The table below shows change in the Company's liabilities arising from lease, including both cash and non-cash changes:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Opening balance	2,322.46	1,503.97
Additions	2,897.78	1,561.60
Deletions	(14.24)	(102.58)
Lease modification	(9.34)	(45.32)
Add: Interest recognised during the year	290.78	218.69
Less: Payments made during the year	(1,547.49)	(813.90)
Closing balance	3,939.95	2,322.46

18. Non current liabilities: Provisions

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Provision for employee benefits		
- Gratuity	889.07	69.06
- Leave Encashment	1,169.00	-
Other provisions	35.00	-
	2,093.07	69.06

19. Trade payables

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Trade payables for goods and services*		
- total outstanding dues of micro enterprises and small enterprises	58.10	40.77
- total outstanding dues of creditors other than micro enterprises and small enterprises	19,374.10	10,152.90
	19,432.20	10,193.67

*Includes dues payable to related parties (refer note 33)

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information information available with the Company.

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
- Principal	58.10	40.77
- Interest	1.15	-
Total principal and interest remaining unpaid	59.25	40.77
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along With the amount of the payment made to the supplier beyond the appointed day during each accounting year		
- Principal	47.47	
- Interest	-	-
	47.47	-
Interest paid, other than under Section 16 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the day appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	2.16	-
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	3.31	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure and section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	3.31	-
As at March 31, 2026		

There are overdue amounts of ₹ 9.07 Million payable to suppliers, who have intimated about their status as Micro and Small Enterprises as per the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

Trade payables ageing schedule

	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises		39.93	17.43	0.74	-	-	58.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,734.02	8,039.64	5,186.32	414.12	-	-	19,374.10
As At March 31, 2026	5,734.02	8,079.57	5,203.75	414.86	-	-	19,432.20

	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	34.32	6.45	-	-	-	40.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,470.35	1,458.79	5,209.98	7.70	0.98	5.10	10,152.90
As At March 31, 2025	3,470.35	1,493.11	5,216.43	7.70	0.98	5.10	10,193.67

20. Other financial liabilities

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Non-Current		
At amortised cost		
Security deposits	4.75	15.70
At fair value through profit & loss		
Liability towards contingent consideration	122.44	173.13
	127.19	188.83
Current		
At amortised cost		
Capital creditors	100.77	59.66
Accrued employee liabilities	2,542.69	2,055.01
Unpaid dividend *	4.61	20.23
Other liabilities**	38.11	31.77
Payable to selling shareholders	58.77	283.71
Advance from related parties (Unsecured, considered good)		
Persistent Systems, Inc.	969.15	194.71
Persistent Systems Lanka (Private) Limited	34.51	-
MediaAgility India Private Limited	2.21	2.21
Persistent Systems Pte. Ltd.	0.37	0.32
	1,006.24	197.24
At fair value through profit & loss		
Liability towards contingent consideration	116.10	54.98
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts	2,791.65	36.82
	6,658.94	2,739.42

*Unpaid dividend is credited to Investor Education and Protection Fund as and when due.

**Includes amounts payable to related parties of ₹ 32.60 Million (previous year - ₹ 16.84 Million).

21. Other liabilities

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Non-current		
Other Liabilities	23.29	39.96
	23.29	39.96
Current		
Unearned revenue	3,594.09	2,207.79
Advance from customers	111.07	106.25
Other payables		
- Statutory liabilities	994.05	837.16
Amount received on behalf of related parties	617.08	438.21
Other Liabilities	1,102.47	66.15
	6,418.76	3,655.56

22. Current liabilities: Provisions

	As at March 31, 2026 In ₹ Million	As at March 31, 2025 In ₹ Million (Restated)
Provision for employee benefits		
- Leave encashment	471.22	1,123.13
	471.22	1,123.13

23. Revenue from operations (refer note 33)

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Software and other services	137,818.68	115,074.17
Software licenses	6,460.91	2,206.04
	144,279.59	117,280.21

Software service revenue is recognised as and when the related services are performed i.e. over the period of time.
Software licenses revenue is recognised on point in time basis.

The table below presents disaggregated revenues from contracts with customers by segments, geography and type.
The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Revenue by industry segments		
Banking, Financial Services and Insurance (BFSI)	50,685.48	36,679.33
Healthcare & Life Sciences	38,266.79	31,331.75
Technology Companies and Emerging Verticals	55,327.32	49,269.13
Total	144,279.59	117,280.21
Geographical disclosure		
India	13,042.84	10,983.97
North America	122,474.02	97,195.64
Rest of the World	8,762.73	9,100.60
Total	144,279.59	117,280.21

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material and unit of work-based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency. The normal credit term is 30 to 90 days.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Revenue as per contract price	144,279.59	117,280.21
Discount	-	-
Revenue from contract with customers	144,279.59	117,280.21

Changes in contract assets (unbilled revenue) are as follows:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Balance at the beginning of the year	9,744.02	4,190.71
Invoices raised that were included in the contract assets balance at the beginning of the year	(9,152.22)	(4,190.71)
Increase due to revenue recognised during the year, excluding amounts billed during the year	11,863.15	9,744.02
Translation exchange difference	1,236.22	-
Balance at the end of the year	13,691.17	9,744.02

Changes in unearned revenue are as follows:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Balance at the beginning of the year	2,207.79	530.99
Revenue recognised that was included in the unearned revenue balance at the beginning of the year	(4,426.37)	(901.38)
Increase due to revenue recognised during the year, excluding amounts billed during the year	5,500.74	2,578.18
Translation exchange difference	311.93	-
Balance at the end of the year	3,594.09	2,207.79

24. Other income

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Interest income		
- On deposits carried at amortised cost	158.68	244.23
- On Others	271.56	226.92
Other non-operating income		

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Foreign exchange gain	(11.04)	113.39
Profit on sale of Property, plant and equipment (net)	60.05	78.06
Profit on account of lease modification	-	28.15
Profit on sale of investments (net) (refer note no 55)	582.47	336.02
Net profit on sale / fair valuation of financial assets designated as FVTPL	581.59	471.09
Excess provision in respect of earlier periods / years written back	3.01	10.49
Miscellaneous income	24.90	70.70
	1,671.22	1,579.05

25. Personnel expenses

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
25.1 Employee benefits expense		
Salaries, wages and bonus	54,344.58	44,287.34
Contribution to provident and other funds*	2,970.34	2,639.27
Staff welfare expense	1,289.30	1,226.29
Share based payments to employees	141.50	609.37
	58,745.72	48,762.27
25.2 Subcontracting costs		
- Related parties (refer note 33)	18,150.16	20,376.15
- Others	21,094.28	16,151.58
	39,244.44	36,527.73
	97,990.16	85,290.00

*Includes contribution towards gratuity.

26. Finance Costs

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Interest on Lease	290.78	218.69
Interest Others - Expenses	337.25	255.97
	628.03	474.66

27. Other expenses*

	For the Year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Travelling and conveyance	1,138.16	1,012.39
Electricity expenses (net)	126.32	117.72
Internet link expenses	105.11	106.74
Communication expenses	24.13	24.17

	For the Year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 In ₹ Million (Restated)
Recruitment expenses	269.38	168.76
Training and seminars	182.71	145.26
Royalty expenses	22.28	-
Purchase of software licenses and support expenses	7,760.25	4,545.79
Bad debts	85.58	-
Charge / (reversal) of allowance for expected credit loss (net)	106.27	141.60
Rent (refer note no. 32)	47.62	60.23
Insurance	135.20	124.73
Rates and taxes	167.63	169.94
Legal and professional fees	911.11	564.21
Repairs and maintenance		
- Plant and machinery	177.60	156.28
- Buildings	54.84	43.79
- Others	46.45	33.71
Selling and marketing expenses	9,255.87	7,554.79
Advertisement, conference and sponsorship fees	17.13	8.80
Computer consumables	35.18	17.36
Auditors' remuneration (refer note no. 40)	15.33	13.31
Corporate social responsibility expenditure	237.71	217.78
Books, memberships & subscriptions	4.34	6.08
Directors' sitting fees	8.03	9.10
Directors' commission	52.50	35.55
Miscellaneous expenses	637.94	560.33
	21,624.67	15,838.42

* Includes expenses incurred with related parties (refer note 33)

28. Earnings per share

		For the Year ended	
		March 31, 2026	March 31, 2025 (Restated)
Numerator for basic and diluted EPS			
Net Profit after tax (In ₹ Million)	(A)	16,348.65	11,303.82
Denominator for basic EPS			
Weighted average number of equity shares	(B)	155,758,627	153,487,571
Denominator for Diluted EPS			
Number of equity shares	(C)	156,901,233	155,166,164
Basic earnings per share of face value of ₹ 5 each (In ₹)	(A / B)	104.96	73.65
Diluted earnings per share of face value of ₹ 5 each (In ₹)	(A / B)	104.20	72.85

	For the Year ended	
	March 31, 2026	March 31, 2025 (Restated)
Number of outstanding equity shares	156,901,233	155,166,164
Less: weighted average number of shares issued during the period	1,142,606	1,678,593
Number of outstanding equity shares considered for basic EPS	155,758,627	153,487,571

29. Defined benefits and contribution obligation:**a) Defined benefits Plan — Gratuity**

The Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible Indian employees of the Company. The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the amount recognised in the statement of profit and loss and other comprehensive income, the funded status and amounts recognised in the Balance Sheet for the plan.

Statement of profit & loss and other comprehensive income

The amount recognised in the statement of profit and loss are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025 (Restated)
Current service cost	449.76	485.08
Interest cost on benefit obligation	141.06	113.07
Expected return on plan assets	(120.44)	(111.43)
Total Expense	470.38	486.72

The amount recognised in the statement of other comprehensive income are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025 (Restated)
Net actuarial loss :		
Due to changes in financial assumptions	(234.77)	(70.03)
Due to Experience assumptions	70.59	(107.71)
Due to changes in demographic assumptions	(11.62)	-
Return on Plan Assets	(36.13)	(20.17)
Total (Income)/ Expense	(211.93)	(197.91)

Balance Sheet

Changes in the fair value of plan assets (recognised in the Balance Sheet) are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025 (Restated)
Opening fair value of plan assets	1,765.99	1,543.32
Expected return on plan assets	120.44	111.43
Return on Plan Assets	36.13	20.17
Contribution by employer	265.72	278.24
Benefits paid	(144.06)	(218.26)
Acquisitions*	-	31.09
Other adjustments	1.68	-
Closing fair value of plan assets	2,045.90	1,765.99
Actual return on plan assets		162.69

*An amount of INR 31.09 Million has been shown as a transfer-in in liability and asset towards acquisition of an entity during the previous year.

Changes in the present value of the defined benefit obligation (recognised in Balance Sheet) are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025 (Restated)
Opening defined benefit obligation	1,835.05	1,601.81
Current service cost	449.76	485.08
Past service cost	876.07	-
Interest cost	141.06	113.07
Benefits payments from plan assets	(144.06)	(218.26)
Benefits payments directly by the employer	(48.80)	-
Acquisitions (refer note above)	-	31.09
Other adjustments	1.68	-
Actuarial losses on obligation	(175.80)	(177.74)
Closing defined benefit obligation	2,934.96	1,835.05

Net Defined Benefit Asset / (Liability)

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025 (Restated)
Fair value of plan assets	2,045.90	1,765.99
(Less): Defined benefit obligations	(2,934.96)	(1,835.05)
Net Defined Benefit Asset / (Liability)*	(889.06)	(69.06)

*This has been classified as non-current in the balance sheet

The major categories of plan assets as a percentage of the fair value of total plan assets:

	As at	
	March 31, 2026	March 31, 2025 (Restated)
Investments with insurer including accrued interest	100%	100%

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	As at	
	March 31, 2026	March 31, 2025 (Restated)
Discount rate	7.46%	6.82%
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Attrition rate	PS: 0 to 1: 20% PS: 1 to 3: 16% PS: 3 to 4: 9% PS: 4 to 5: 5% PS: 5 to 7: 6% PS: 7 to 10: 3% PS: 10 to 50: 2%	PS: 0 to 1: 17% PS: 1 to 3: 15% PS: 3 to 4: 10% PS: 4 to 5: 5% PS: 5 to 7: 6% PS: 7 to 10: 4% PS: 10 to 50: 2%
Increment rate		5.00%
Weighted average duration of the defined benefit obligation (Years)		13.74

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and increase in compensation levels. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Every percentage point increase / decrease in discount rate will change the gratuity benefit obligation to approximately ₹ 2,617.13 Million / ₹ 3,314.19 Million (previous year: ₹1,638.21 Million / ₹ 2,069.91 Million) respectively.

Every percentage point increase / decrease in rate of increase in compensation levels will change the gratuity benefit obligation to approximately ₹ 3,233.77 Million / ₹ 2,659.82 Million (previous year: ₹ 1,999.38 Million / ₹ 1,696.70 Million) respectively.

Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes.

The Mortality and Attrition does not have a significant impact on the Liability, hence are not considered a significant actuarial assumption for the purpose of Sensitivity analysis.

The assumptions used in preparing the sensitivity analysis is:

Discount rate at +1% and - 1%

Salary assumption at +1% and -1%

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed.

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

Amounts for the current and previous year are as follows:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025 (Restated)
Plan assets	2,045.90	1,765.99
Defined benefit obligation	(2,934.96)	(1,835.05)
Surplus	(889.06)	(69.06)
Experience adjustments on plan liabilities - loss/ (gain)	70.59	(107.71)

Maturity Profile of defined benefit obligations:

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025 (Restated)
Within 1 year	106.94	71.89
1-2 years	175.63	80.37
2-3 years	166.90	130.65
3-4 years	175.71	107.15
4-5 years	170.74	113.46
5-10 years	973.90	601.45
Above 10 years	7,008.63	3,771.17

Expected contributions to the gratuity plan for the next annual reporting period are ₹ 106.94 Million.

Risk Characteristics of the Defined Benefit Plan

Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Market Risk (Interest Rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

b) Defined contribution plan - Superannuation Fund

The Company contributed ₹ 92.78 Million and ₹ 89.39 Million to superannuation fund during the years ended March 31, 2026 and March 31, 2025 respectively and the same is recognised in the Statement of profit and loss under the head employee benefit expenses.

c) Defined contribution plan - Provident Fund

The Company has certain defined contribution plans. Contributions are made to provident fund for employees @ 12% of Basic salary as per regulation. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan (provident fund) is ₹ 1,677.22 Million (Previous year ₹ 1,418.48 Million).

30. Income taxes

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

	For the year ended	
	March 31, 2026 In ₹ Million	March 31, 2025 (Restated) In ₹ Million
Profit before tax	22,159.03	15,494.20
Enacted tax rate in India	25.17%	25.17%
Computed tax expense at enacted tax rate	5,576.98	3,899.58
Effect of exempt income	(40.10)	(41.97)
Effect of non-deductible expenses	79.54	60.78
Different tax rates of branches operating in other jurisdictions (Net)	210.76	180.83
Effect of different tax rates for different heads of income	(125.75)	(7.87)
Others	75.57	99.03
Prior Period Tax charge / (Credit)	33.38	-
Income tax expense	5,810.38	4,190.38

Financial risk management

Financial risk factors and risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects

on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors which provide written principles on foreign exchange hedging. The Company's exposure to credit risk is mainly for receivables that are overdue for more than 90 days. The Credit Task Force is responsible for credit risk management. Investment of excess liquidity is governed by the Investment policy of the Company. The Company's Risk Management Committee monitors risks and policies implemented to mitigate risk exposures.

Market risk

Foreign currency risk

The Company operates globally with its operations spread across various geographies and consequently the Company is exposed to foreign exchange risk. Around 70% to 90% of the Company's foreign currency exposure is in USD. The Company holds plain vanilla forward contracts against expected receivables in USD to mitigate the risk of changes in exchange rates.

The following table analyses unhedged foreign currency risk from financial instruments as of March 31, 2026.

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	16,885.17	688.44	1,232.61	522.71	19,328.93
Cash and cash equivalents and bank balances	5,007.65	53.38	99.16	258.06	5,418.25
Investments	4,729.74	3,865.91	782.01	117.75	9,495.41
Other financial assets (including loans and interest accrued)	9,169.95	1.09	214.64	4.50	9,390.18
Trade and other payables	12,550.39	162.30	367.78	379.12	13,459.59
Other financial liabilities	23.69	-	5.02	1.95	30.66

The following table analyses unhedged foreign currency risk from financial instruments as of March 31, 2025.

(In ₹ Million)

	USD	EUR	GBP	Other currencies	Total
Trade receivables	17,184.60	577.88	783.28	418.05	18,963.81
Cash and cash equivalents and bank balances	2,297.61	108.39	128.97	163.62	2,698.59
Investments	5,999.99	2,831.17	-	136.89	8,968.05
Other financial assets (including loans and interest accrued)	12,322.05	1.85	381.60	5.27	12,710.77
Trade and other payables	5,217.09	245.02	253.35	600.46	6,315.92
Other financial liabilities	-	-	128.26	-	128.26

Foreign currency sensitivity analysis

For the year ended March 31, 2026 and March 31, 2025 every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and foreign currencies on foreign currency exposure would affect the Company's profit before tax margin (PBT) by approximately 0.21% and 0.21% respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Derivative financial instruments

The Company holds derivative foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These derivative financial instruments are valued based on quoted prices for similar assets in active markets or inputs that are directly or indirectly observable in the marketplace. The Company has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast sales transactions.

The following table gives details in respect of outstanding foreign currency forward contracts:

	As at March 31, 2026			As at March 31, 2025		
	Foreign currency (Million)	Average rate ₹	₹ (Million)	Foreign currency (Million)	Average rate ₹	₹ (Million)
Derivatives designated as cash flow hedges						
Forward contracts						
USD	500.00	90.73	45,366.58	300.00	86.33	25,899.71

The foreign exchange forward contracts mature within a maximum period of twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

	As at March 31, 2026			As at March 31, 2025		
	Foreign currency (Million)	Average rate ₹	₹ (Million)	Foreign currency (Million)	Average rate ₹	₹ (Million)
Not later than 3 months	131.00	87.93	11,519.27	75.00	84.95	6,371.25
Later than 3 months and not later than 6 months	126.00	89.38	11,262.49	76.00	85.50	6,498.00
Later than 6 months and not later than 9 months	124.00	91.43	11,337.64	75.00	86.38	6,478.50
Later than 9 months and not later than 12 months	119.00	94.51	11,247.18	74.00	88.54	6,551.96
Total	500.00		45,366.58	300.00		25,899.71

Price Risk

The company exposure to price risk arises for investment in mutual funds held by the company. To manage its price risk arising from investments in mutual funds, the Company diversified its portfolio.

Sensitivity: The sensitivity of profit or loss to change in Net assets value (NAV) as at year end for investment in mutual funds:

(In ₹ Million)

Particulars	As at March 31, 2026	As at March 31, 2025
NAV increase by 5%	608.07	310.61
NAV decrease by 5%	(608.07)	(310.61)

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 32,746.57 Million and ₹ 25,753.35 Million as at March 31, 2026 and March 31, 2025, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in the United States. Credit risk is managed by the Company by Credit Task Force through credit approvals, establishing credit limits and continuously monitoring the recovery status of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Credit risk is perceived mainly in case of receivables overdue for more than 180 days. The following table gives details of risk concentration in respect of percentage of receivables overdue for more than 180 days:

	As at	
	March 31, 2026	March 31, 2025
Receivables overdue for more than 180 days (₹ Million)*	858.83	884.30
Total receivables (gross) (₹ Million)	32,746.57	25,753.35
Overdue for more than 180 days as a % of total receivables	2.6%	3.4%

* Out of this amount, ₹ 332.74 Million (March 31, 2025: ₹ 215.72 Million) have been provided for.

Ageing of trade receivables

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Within the credit period	27,424.78	12,833.35
1 to 30 days past due	1,444.49	4,443.45
31 to 60 days past due	1,598.91	4,309.44
61 to 90 days past due	1,148.84	1,153.73
91 to 120 days past due	201.68	1,339.77
120 to 180 days past due	401.79	1,005.03
181 and above past due	858.83	884.30
Less: Expected credit loss	(332.75)	(215.72)
Net trade receivables	32,746.57	25,753.35

Movement in expected credit loss allowance

(In ₹ Million)

	As at	
	March 31, 2026	March 31, 2025
Opening balance	215.72	63.58
Movement in expected credit loss allowance	106.27	141.60
Translation differences	10.76	10.54
Closing balance	332.75	215.72

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings. Investments primarily include investment in debts mutual funds, quoted bonds.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The investment of surplus funds is governed by the Company's investment policy approved by the Board of Directors. The Company believes that the working capital is sufficient to meet its current fund requirements. Accordingly, no liquidity risk is perceived.

As at March 31, 2026, the Company had a working capital of ₹ 39,502.63 Million including cash and cash equivalents and current fixed deposits (excluding interest accrued) of ₹ 8,285.74 Million and current investments of ₹ 5,954.41 Million.

As at March 31, 2025, the Company had a working capital of ₹ 31,733.58 Million including cash and cash equivalents and current fixed deposits (excluding interest accrued) of ₹ 6,623.84 Million and current investments of ₹ 3,335.01 Million.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

(In ₹ Million)

	As at			
	March 31, 2026		March 31, 2025	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Trade payables	13,813.59	5,618.61	10,193.67	-
Lease liabilities	1,491.31	3,146.70	834.49	1,487.97
Other financial liabilities (excluding borrowings)	6,658.94	127.19	2,739.42	188.83

Capital management risk

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's capital management aims to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and current and non-current borrowings.

Gearing Ratio

(In ₹ Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Other financial liabilities	6,786.13	2,928.25
Total Debt:	6,786.13	2,928.25
Less : Cash and cash equivalents and other current bank balances	8,306.60	6,763.31
Net Debt #	(1,520.47)	(3,835.06)
Total equity	67,103.08	56,028.79
Total Capital	67,103.08	56,028.79
Gearing Ratio (in %)	-2.27%	-6.84%

Net debt for the above purpose includes borrowings, interest accrued on borrowings and amount payable for letter of credit net of cash and cash equivalents and bank balances other than cash and cash equivalents.

31a. Financial assets and liabilities

The carrying values of financial instruments by categories are as follows:

(In ₹ Million)

Financial assets / Financial liabilities	March 31, 2026				March 31, 2025 (Restated)				Fair value hierarchy*
	FVTPL	FVTOCI	Amortised Cost	Cost	FVTPL	FVTOCI	Amortised Cost	Cost	
Financial assets:									
Investments in subsidiaries	-	-	-	10,600.67	-	-	-	8,551.63	
Investments in other equity instruments	6.00	-	-	-	6.00	-	-	-	Level 3
Investments in bonds	-	-	2,534.23	-	-	-	2,995.57	-	
Investments in Commercial papers			739.27						
Investments in mutual funds	12,161.42	-	-	-	6,212.15	-	-	-	Level 2
Loans	-	-	-	-	-	-	-	-	
Deposit with banks and financial institutions (including interest accrued but not due on deposits with banks)	-	-	1,069.57	-	-	-	3,155.52	-	
Cash and cash equivalents (including unpaid dividend)	-	-	7,241.65	-	-	-	3,656.78	-	
Trade receivables (net)	-	-	32,746.57	-	-	-	25,753.35	-	
Other non current financial assets	-	-	861.69	-	-	-	660.88	-	
Other current financial assets	-	-	9,370.55	-	-	-	6,468.78	-	
Total financial assets	12,167.42	-	54,563.53	10,600.67	6,218.15	-	42,690.88	8,551.63	
Financial liabilities:									
Borrowings (including accrued interest)	-	-	-	-	-	-	-	-	
Trade payables	-	-	19,432.20	-	-	-	10,193.67	-	
Lease liabilities	-	-	3,939.95	-	-	-	2,322.46	-	
Forward contracts payables	-	2,791.65	-	-	-	36.82	-	-	Level 2
Payable to selling shareholders	-	-	58.77	-	-	-	283.71	-	Level 3
Liability towards contingent consideration	238.54	-	-	-	228.11	-	-	-	
Other financial liabilities (excluding borrowings)	-	-	3,755.94	-	-	-	2,379.61	-	
Total financial liabilities	238.54	2,791.65	27,186.86	-	228.11	36.82	15,179.45	-	

***Fair value hierarchy:**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. In respect of equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Company recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.

Significant Unobservable Inputs Used in Level 2 Fair Values

Financial Instrument	Valuation Methods and Assumptions
Derivative instruments (assets and liabilities)	The Company enters into derivative financial instruments with various counterparties, primarily banks with investment-grade credit ratings. Derivatives are valued using valuation techniques with market-observable inputs, mainly foreign exchange forward contracts. The valuation models incorporate inputs such as the credit quality of counterparties, foreign exchange spot and forward rates, and forward rate curves of the underlying instruments.
Treasury Bonds	Fair value of bonds is determined using the discounted cash flow (DCF) approach with yield-to-maturity (YTM) rates.

Significant Unobservable Inputs Used in Level 3 Fair Values

Type	Valuation Techniques	Significant Unobservable Inputs	Inter-relationship Between Significant Unobservable Inputs and Fair Value Measurement
Contractual obligation	Discounted cash flow method. The valuation model considers the present value of expected payments discounted using a risk-adjusted discount rate. Expected payments are determined by considering possible scenarios of forecast EBITDA, the amount payable under each scenario, and the probability assigned to each scenario.	• Forecasted EBITDA • Risk-adjusted discount rate	The estimated increase/ (decrease) in the fair value of the contractual obligation would not be significant for a 10% sensitivity in the significant unobservable inputs.

Fair Value of Financial InstrumentsFinancial Instruments at FVTPL & FVTOCI

The financial instruments being carried at FVTPL and FVTOCI is at their respective fair value.

Financial Instruments at Amortised Cost

The Management assessed that fair value of Trade receivables, Unbilled revenue, Other financial assets, Borrowings, Lease liabilities, Trade payables and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of Investment in Bonds is as per the table below:

Particulars	March 31, 2026		March 31, 2025	
	Carried Value	Fair Value	Carried Value	Fair Value
Bonds carried at amortised cost	4821.57	4588.35	2916.91	5580.86
Add: Interest accrued on bonds	165.26	-	78.66	-
Total investments carried at amortised cost	4,986.83	4,588.35	2,995.57	5,580.86

The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date.
- Mark to market on forward covers and embedded derivative instruments is based on forward exchange rates at the end of reporting period and discounted using G-sec rate plus applicable spread.
- For equity instruments of unlisted companies, in limited circumstances, insufficient more recent information is available to measure fair value, or if there are a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The Company recognises such equity instruments at cost, which is considered as appropriate estimate of fair value.
- The fair value of contingent consideration related to the acquisition of subsidiaries/ business unit is estimated using a present value technique. The ₹ 228.11 Million fair value is estimated by probability-weighting the estimated future cash outflows adjusting for risk and discounting at incremental borrowing rate for unsecured liabilities at the reporting date. The probability-weighted cash outflows before discounting are ₹ 292.40 Million and reflect management's estimate of a 90% probability that the contract's target level will be achieved. The effects on the fair value of risk and uncertainty in the future cash flows are dealt with by adjusting the estimated cash flows rather than adjusting the discount rate.

Level 3 fair value measurements

The reconciliation of the carrying amounts of financial instruments classified within Level 3 is as follows:

	Investments in other equity instruments	Liability towards contingent consideration
Balance at April 1, 2024	6.00	-
Acquired during the year	-	511.82
Disposed during the year	-	-
Balance at 31 March 2025	6.00	511.82
Balance at April 1, 2025	6.00	511.82
Acquired during the year	-	10.43
Disposed during the year	-	(224.94)
Balance at 31 March 2026	6.00	297.31

Total amount included in profit and loss account for unrealised gains / losses on Level 3 instruments.

31b. Details of un-hedged foreign currency exposures at the end of the year:

	As at March 31, 2026			As at March 31, 2025		
	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)
Bank balances	11.48	JPY 19.32	0.59	22.80	JPY 39.81	0.57
	5,007.65	USD 52.84	94.77	2,297.61	USD 26.88	85.47
	99.16	GBP 0.79	125.52	128.97	GBP 1.17	110.63
	224.73	CAD 3.3	68.10	94.01	CAD 1.58	59.56
	53.38	EUR 0.49	108.93	108.39	EUR 1.17	92.46
	11.71	AUD 0.18	65.03	37.44	AUD 0.7	53.43
	9.88	ZAR 1.79	5.52	9.38	ZAR 2.02	4.64
	0.26	AED 0.01	25.80	-	-	-
Investments	4,729.74	USD 52.84	52.84	5,999.99	USD 70.20	85.47
	15.50	SGD 0	-	31.85	SGD 0.50	63.69
	3,865.91	EUR 0.49	0.49	2,831.17	EUR 30.62	92.46
	102.25	MYR 0	-	105.04	MYR 5.45	19.27
	782.01	GBP 0.79	0.79	-	-	-
Trade and other payables	-	SGD 0	73.49	12.74	SGD 0.2	63.69
	12,550.39	USD 132.43	94.77	5217.09	USD 61.04	85.47
	367.78	GBP 2.93	125.52	253.35	GBP 2.29	110.63
	230.86	CAD 3.39	68.10	87.13	CAD 1.463	59.56
	162.30	EUR 1.49	108.93	245.02	EUR 2.65	92.46
	119.66	AUD 1.84	65.03	141.58	AUD 2.65	53.43
	-2.37	CHF -0.02	118.57	8.73	CHF 0.09	97.00
	19.29	MXN 3.68	5.24	80.08	MXN 19.15	4.18
	2.35	MYR 0.1	23.53	135.11	MYR 7.01	19.27
	6.81	LKR 22.63	0.30	57.18	LKR 197.65	0.29
	1.42	CRC 6.9	0.21	31.33	CRC 182.9	0.17
	-	PLN 0	25.41	32.80	PLN 1.48	22.16
	-	RON 0	21.37	13.78	RON 0.74	18.62
	1.09	JPY 1.83	0.59	-	JPY 0	-
	-	ZAR 0	5.52	-	ZAR 0	-
	-	ILS 0	29.96	1.62	ILS 0.07	23.12
Advances given and deposits placed	-	USD 0	-	6156.40	USD 72.03	85.47
	200.83	GBP 1.6	125.52	253.35	GBP 2.29	110.63
	1.09	EUR 0.01	108.93	1.85	EUR 0.02	92.46
	-	MYR 0.03	-	0.19	MYR 0.01	19.27
	-	CAD 0	-	1.09	CAD 0.0183	59.56
	-	CHF 0	118.57	-	-	97.00
	1.30	AUD 0.02	65.03	0.53	-	53.43
	-	LKR 0	-	0.00	-	0.29
	-	SGD 0	-	-	-	63.69
	3.20	CRC 15.24	0.21	1.28	CRC 7.47	0.17
	-	MXN 0.66	-	2.17	MXN 0.52	4.18
Other payables	1.95	AUD 0.03	65.03	-	-	-
	5.02	GBP 0.04	125.52	-	-	-
	23.69	USD 0.25	94.77	-	-	-
Other receivables	9,169.95	USD 96.76	94.77	6,165.64	USD 72.14	85.47
	13.81	GBP 0.11	125.52	128.26	GBP 1.16	110.63

	As at March 31, 2026			As at March 31, 2025		
	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)	In ₹ Million	Foreign currency (In Million)	Conversion rate (₹)
Trade receivables	16,885.17	USD 178.17	94.77	17,184.60	USD 201.06	85.47
	688.44	EUR 6.32	108.93	577.88	EUR 6.25	92.4614
	1,232.61	GBP 9.82	125.52	783.28	GBP 7.08	110.63
	392.13	AUD 6.03	65.03	242.03	AUD 4.53	53.43
	13.23	SGD 0.18	73.49	10.19	SGD 0.16	63.69
	12.75	ZAR 2.31	5.52	12.90	ZAR 2.78	4.64
	61.97	CAD 0.91	68.10	84.57	CAD 1.42	59.56
	35.57	CHF 0.3	118.57	61.11	CHF 0.63	97.00
	-	JPY 0	-	0.12	JPY 0.21	0.57
	7.06	MYR 0.3	23.53	7.13	MYR 0.37	19.27

32. Leases

The Company has lease contracts for various items of computers, buildings and other assets being used in its operations. Lease terms generally ranges between 4 to 5 years.

The Company has certain lease contracts that includes extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at March 31, 2026 (In ₹ Million)	As at March 31, 2025 In ₹ Million (Restated)
- Less than one year	1,491.31	834.49
- One to five years	3,146.70	1,483.59

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 47.62 Million for the year ended March 31, 2026 (Previous year ₹ 60.23 Million).

The company has adopted Ind AS 116, Leases; and has recognised notional interest on lease liability of ₹ 290.78 Million under finance costs for year ended March 31, 2026 (Previous year: ₹ 218.69 Million).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss. (Refer note 4.7)

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33. Related party disclosures

i. Names of related parties and related party relationship

Related parties where control exists	
Subsidiaries	Persistent Systems, Inc., USA (Wholly owned subsidiary)
(Refer note 3 of consolidated financial statement for list of subsidiaries and ownership %)	Persistent Systems Pte Ltd., Singapore (Wholly owned subsidiary)
	Persistent Systems Malaysia Sdn. Bhd., Malaysia (Wholly owned subsidiary)
	MediaAgility India Private Limited, India (Wholly owned subsidiary)
	Persistent Systems UK Limited, UK (Formerly known as Aepona Limited) (Wholly owned subsidiary)
	Aepona Group Limited, Ireland (Wholly owned subsidiary w.e.f December 5th, 2025)
	Persistent Systems Mexico, S.A. de C.V., Mexico (Wholly owned subsidiary of Persistent Systems Inc.)
	Persistent Systems Israel Ltd., Israel (Wholly owned subsidiary of Persistent Systems Inc.)
	MediaAgility Inc., USA (Wholly owned subsidiary of Persistent Systems Inc.)
	MediaAgility UK Limited, UK (Wholly owned subsidiary of MediaAgility Inc.)
	Digitalagility S de RL de CV, Mexico (Wholly owned subsidiary of MediaAgility Inc.)
	MediaAgility Pte Ltd, Singapore (Wholly owned subsidiary of MediaAgility Inc.)
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd) (Wholly owned subsidiary of Persistent Systems Inc.)
	Persistent Systems Germany GmbH., Germany (PSG) (Wholly owned subsidiary of Aepona Group Limited w.e.f. March 31st, 2026)
	Persistent Systems France SAS, France (Wholly owned subsidiary of Aepona Group Limited w.e.f. March 25th, 2026)
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG) (Wholly owned subsidiary of Aepona Group Limited, Ireland)
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada, Costa Rica) (Wholly owned subsidiary of Persistent Systems Inc)
	Persistent Systems S.R.L. Romania (Wholly owned subsidiary of Persistent Systems Germany GmbH)
	Persistent Systems Lanka (Private) Limited, Sri Lanka (Wholly owned subsidiary of Aepona Group Limited)
	Arrka Infosec Private Limited (w.e.f. October 28, 2024) (Wholly Owned Subsidiary)
	Persistent India Foundation (w.e.f. May 1, 2024) (Wholly Owned Subsidiary)

33. Related party disclosures

Related parties with whom transactions have taken place	
Key management personnel	Dr. Anand Deshpande, Chairman and Managing Director
	Mr Sandeep Kalra, Executive Director and Chief Executive Officer
	Mr. Vinit Teredesai, Executive Director and Chief Financial Officer (appointed on May 15, 2024)
	Mr. Amit Atre, Company Secretary
	Ms. Anjali Joshi, Independent Director (w.e.f. June 12, 2024)
	Ms. Avani Davda, Independent Director
	Mr. Praveen Kadle, Independent Director
	Mr. Arvind Goel, Independent Director
	Mr. Ambuj Goyal, Independent Director
	Mr. Dan'l Lewin, Independent Director
	Dr. Ajit Ranade, Independent Director
	Mr. Sunil Sapre, Executive Director (Retired w.e.f. December 31, 2024) and Chief Financial Officer (Retired w.e.f. May 15, 2024)
	Ms. Roshini Bakshi, Independent Director (Retired w.e.f. July 16, 2024)
Relatives of Key management personnel	Mr. Suresh Deshpande (Father of the Chairman and Managing Director)
	Mrs. Sulabha Deshpande (Mother of the Chairman and Managing Director)
	Mrs. Sonali Anand Deshpande (Wife of the Chairman and Managing Director)
	Dr. Mukund Deshpande (Brother of the Chairman and Managing Director)
	Mrs. Chitra Buzruk (Sister of the Chairman and Managing Director)
	Mr. Arul Deshpande (Son of the Chairman and Managing Director)
	Ms. Alpana Ajit Ranade (Wife of Independent Director)
	Ms. Ria Anand Deshpande (Daughter of Chairman and Managing Director)
	Dr. Asha Sapre (upto December 31, 2024) (Wife of Former Executive Director)
	Mr. Hemant Bakshi (Husband of Former Independent Director)
Members of Promoter Group	Rama Purushottam Foundation
Entities over which a key management personnel has significant influence	Persistent India Foundation Persistent Systems Foundation Inc. ICGA Foundation
Controlled Trust	PSPL ESOP Management Trust

ii. Related party transactions

(in ₹ Million)

	Name of the related party and nature of relationship	For the year ended	
		March 31, 2026	March 31, 2025 (Restated)
Sale of software services	Subsidiaries		
	Persistent Systems, Inc.	1,500.91	2,703.08
	Persistent Systems Malaysia Sdn. Bhd.	122.37	34.17
	Persistent Systems Pte Ltd	26.78	15.72
	Persistent Systems France SAS	40.18	12.08
	Persistent Systems Germany GmbH	94.47	105.25
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	3,189.01	1,920.80
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	123.70	72.73
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	897.37	477.37
	MediaAgility India Private Limited	78.18	97.50
	MediaAgility Inc.	6.64	200.20
	Persistent Systems Mexico, S.A. de C.V	44.62	-
	MediaAgility Pte Ltd	-	0.48
	Arrka Infosec Private Limited	-	13.87
	Persistent Systems Poland Sp. z.o.o.	1.96	-
	ICGA Foundation	0.13	-
	Total	6,126.32	5,653.25
Investment in wholly owned subsidiary	Subsidiaries		
	Persistent India Foundation	-	0.50
	Arrka Infosec Private Limited	-	133.31
	Aepona Group Limited	3,865.91	-
	Total	3,865.91	133.81
Cost of professionals	Subsidiaries		
	Persistent Systems, Inc.	14,714.02	17,800.81
	Persistent Systems France SAS	122.13	17.88
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	156.52	147.09
	Persistent Systems Malaysia Sdn. Bhd.	379.80	264.81
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	830.03	706.60
	Persistent Systems Lanka (Private) Limited	76.44	99.55
	Persistent Systems Mexico, S.A. de C.V.	757.26	556.23
	Persistent Systems Germany GmbH	98.22	90.01
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	21.16	48.69
	Persistent Systems Pte Ltd	22.90	30.26
	Persistent Systems S.R.L. Romania	87.74	141.52
	Persistent Systems Poland Sp. z.o.o.	573.64	247.17
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	144.21	107.90
	Aepona Group Limited	159.21	115.70
	Persistent Systems Israel Ltd.	1.40	1.70
	MediaAgility UK LTD	-	0.04
	MediaAgility India Private Limited	5.48	-
	Total	18,150.16	20,375.96
Profit on sale of investments (net)	Subsidiary		
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	-	336.02
	Persistent Systems France SAS	25.97	-
	Persistent Systems Germany GmbH	556.50	-
	Total	582.47	336.02

	Name of the related party and nature of relationship	For the year ended	
		March 31, 2026	March 31, 2025 (Restated)
Selling and marketing expenses	Subsidiaries		
	Persistent Systems, Inc.	8,937.04	7,211.79
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	5.93	16.55
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	194.22	205.17
	Persistent Systems France SAS	23.46	-
	Persistent Systems Germany GmbH	82.19	116.87
	Total	9,242.84	7,550.38
Commission received on corporate guarantee	Subsidiary		
	Persistent Systems, Inc.	0.30	3.11
	Total	0.30	3.11
Remuneration # (Salaries, bonus and contribution to PF)	Key Management Personnel		
	Dr. Anand Deshpande	42.43	39.78
	Mr. Sunil Sapre	-	20.18
	Mr Vinit Teredesai (including fair value of perquisites for stock options exercised ₹ 66.22 Million during the year (Previous year: ₹ NIL)	95.22	23.74
	Mr. Amit Atre (including fair value of perquisites for stock options exercised ₹ NIL Million during the year (Previous year: ₹ 19.44 Million)	7.60	25.94
	Mr Sandeep Kalra*	3.15	3.15
	Independent directors:		
	Ms. Roshini Bakshi	-	2.15
	Mr. Praveen Kadle	9.10	6.70
	Ms. Avani Davda	8.95	6.55
	Mr. Arvind Goel	8.53	6.15
	Dr. Ambuj Goyal	8.55	6.30
	Mr. Dan'l Lewin	8.15	5.90
	Dr. Ajit Ranade	8.85	6.45
	Ms. Anjali Joshi	8.40	4.64
	Total	208.93	157.66
Dividend paid	Key Management Personnel		
	Dr. Anand Deshpande	1,693.16	1,372.41
	Mr. Arvind Goel	-	0.02
	Mr. Sunil Sapre	-	1.44
	Mr Sandeep Kalra	11.07	3.60
	Mr. Amit Atre	0.09	0.19
	Mr Vinit Teredesai	0.28	-
	Relatives of Key Management Personnel		
	Mr. Suresh Deshpande	0.04	0.03
	Mrs. Chitra Buzruk	34.73	28.16
	Mrs. Sonali Anand Deshpande	8.29	6.72
	Mrs. Sulabha Suresh Deshpande	0.04	0.03
	Mr. Arul Deshpande	0.74	0.60
	Mr. Mukund Deshpande	28.37	-
	Ms. Ria Anand Deshpande	-	-
	Mrs. Alpana Ajit Ranade	0.01	0.01
	Total	1,776.82	1,413.21
Other payments	Key Management Personnel		
	Sunil Sapre	-	0.26
	Relatives of Key Management Personnel		
	Asha Sapre	-	0.26
	Total	-	0.52
Employee stock compensation - Reimbursement	Subsidiary		
	Persistent Systems Inc.	1,435.62	2,482.46

(In ₹ Million)

	Name of the related party and nature of relationship	For the year ended	
		March 31, 2026	March 31, 2025 (Restated)
	Total	1,435.62	2,482.46
CSR Expenditure	Subsidiaries		
	Persistent India Foundation	237.71	217.78
	Persistent Systems Foundation, Inc.	10.97	-
	Total	248.68	217.78

Notes:

* Amount of remuneration represents remuneration paid through Persistent Systems Limited only.

The remuneration to the key managerial personnel does not include the provisions made for gratuity, long service awards and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. All other outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. There have guarantees and letters of comfort provided for subsidiaries. For the year ended 31 March 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: Nil).

iii. Outstanding balances

(In ₹ Million)

	Name of the related party and nature of relationship	As at	
		March 31, 2026	March 31, 2025 (Restated)
Advances given	Subsidiaries		
	Persistent Systems France SAS	0.40	0.81
	Persistent Telecom Solutions Inc.	-	0.26
	Persistent Systems Malaysia Sdn. Bhd	0.64	0.13
	Persistent Systems México, S.A. de C.V.	3.45	2.18
	Persistent Systems Germany GmbH	0.60	0.86
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	0.20	0.20
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	200.78	137.05
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	1.41	0.45
	MediaAgility Inc.	119.43	-
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	3.13	1.28
	Total	330.04	143.22
Other receivables	Subsidiaries		
	Persistent Systems UK Limited (FKA Aepona Limited)	16.74	104.69
	Persistent Systems, Inc.	8,864.24	6,135.50
	Persistent Systems Malaysia Sdn. Bhd.	-	-
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	47.33	-
	Total	8,928.31	6,240.19
Trade receivables	Subsidiaries		
	Persistent Systems France SAS	55.32	20.18

(In ₹ Million)

	Name of the related party and nature of relationship	As at	
		March 31, 2026	March 31, 2025 (Restated)
	Persistent Systems, Inc.	407.08	1,075.22
	Persistent Systems Pte Ltd	24.94	12.42
	Persistent Systems Malaysia Sdn. Bhd.	61.91	-
	Persistent Systems Mexico, S.A. de C.V	42.46	-
	Persistent Systems Germany GmbH	100.81	259.39
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	418.91	187.62
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	37.22	60.51
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	998.32	484.25
	MediaAgility Inc.	1.67	68.36
	MediaAgility India Private Limited	-	44.91
	Arrka Infosec Private Limited	8.92	21.48
	Persistent Systems Poland Sp. z.o.o	1.96	-
	Total	2,159.52	2,234.34
Unbilled Receivable	Subsidiaries		
	Persistent Systems, Inc.	15.56	67.80
	Persistent Systems Malaysia Sdn. Bhd.	40.33	10.05
	Persistent Systems Mexico, S.A. de C.V	4.31	-
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	426.88	514.34
	Persistent Systems Germany GmbH	0.37	-
	Persistent Systems France SAS	8.54	-
	MediaAgility Inc.	-	63.38
	MediaAgility India Private Limited	22.98	33.86
	MediaAgility UK Limited	-	-
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	137.00	90.43
	Persistent Systems Switzerland AG (FKA PARX Werk AG)	19.90	11.66
	Persistent Systems Pte. Ltd.	2.09	-
	Total	677.96	791.52
Investments	Subsidiaries		
	Persistent Systems, Inc.	4,729.74	4,729.74
	Persistent Systems Pte Ltd	15.50	15.50
	Persistent Systems France SAS	-	97.47
	Persistent Systems Malaysia Sdn. Bhd.	102.25	102.25
	Persistent Systems Germany GmbH	-	1,719.40
	MediaAgility India Private Limited	971.45	971.45
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	782.01	782.01
	Persistent India Foundation	0.50	0.50
	Arrka Infosec Private Limited	133.31	133.31
	Aepona Group Limited	3,865.91	-
	Total	10,600.67	8,551.63

(In ₹ Million)

	Name of the related party and nature of relationship	As at	
		March 31, 2026	March 31, 2025 (Restated)
Advance taken	Subsidiaries		
	Persistent Systems Pte. Ltd.	0.37	0.32
	MediaAgility India Private Limited	2.21	2.21
	Persistent Systems Lanka (Private) Limited	34.51	-
	Persistent Systems, Inc.	953.59	194.71
	Total	990.68	197.24
Advance from customers	Subsidiaries		
	MediaAgility Pte Ltd	1.42	1.28
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	0.47	0.43
	Persistent Systems Malaysia Sdn. Bhd.	-	10.06
	Total	1.89	11.77
Trade payables	Subsidiaries		
	Persistent Systems France SAS	37.85	3.32
	Persistent Systems S.R.L. Romania	7.98	13.71
	Persistent Systems, Inc.	8,978.16	3,431.30
	Persistent Systems Malaysia Sdn. Bhd.	163.53	135.13
	Persistent Systems Pte Ltd	4.14	12.71
	Persistent Systems Germany GmbH	28.28	122.22
	Persistent Systems Australia Pty Ltd. (Formerly known as CAPIOT Software Pty Ltd)	118.75	130.00
	Persistent Systems Costa Rica Limitada (Formerly known as Data Glove IT Solutions Limitada)	90.37	31.33
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	366.30	250.45
	Persistent Systems Poland Sp. z.o.o.	124.59	32.90
	Persistent Systems Lanka (Private) Limited	90.01	57.18
	Persistent Systems Mexico, S.A. de C.V.	248.25	80.09
	Persistent Systems Switzerland AG (Formerly known as PARX Werk AG)	-	7.92
	Aepona Group Limited	71.78	61.75
	Persistent Systems Israel Ltd.	3.43	1.72
	MediaAgility India Private Limited	5.48	-
	Total	10,338.90	4,371.73
Other liabilities	Subsidiaries		
	Persistent Systems Pte Ltd	5.12	4.62
	Persistent Systems Germany GmbH	1.89	1.71
	Persistent Systems Australia Pty Limited	1.99	10.51
	Persistent Systems Malaysia Sdn. Bhd.	0.20	-
	Persistent Systems UK Limited (FKA Aepona Limited)	5.08	-
	Persistent Systems, Inc.	18.31	-
	Total	32.59	16.84

(In ₹ Million)

	Name of the related party and nature of relationship	As at	
		March 31, 2026	March 31, 2025 (Restated)
Payable to related parties	Subsidiaries		
	Persistent Systems Germany GmbH	1.92	1.63
	Persistent Systems UK Ltd. (Formerly known as Aepona Ltd)	186.49	159.12
	Persistent Systems, Inc.	391.26	277.46
	Persistent Systems Malaysia Sdn. Bhd.	0.06	-
	Persistent Systems Pte. Ltd.	0.06	-
	Persistent Systems Australia Pty Limited	47.33	-
	Total	627.12	438.21
Unearned Revenue	Subsidiaries		
	Arrka Infosec Private Limited	-	4.57
	Persistent Systems Germany GmbH	-	6.78
	Persistent Systems France SAS	-	0.90
	Total	-	12.25

34. Employees stock option plans (ESOP)

Certain information in this note relating to number of shares, options and per share/option price has been disclosed in full and is not rounded off.

a. Details of Employee stock option plans

The Company has framed various share-based payment schemes for its employees. The details of various equity-settled employee stock option plan ('ESOP') schemes adopted by the Board of Directors are as follows:

ESOP scheme	No. of options granted	Date of adoption by the Board/Members	Initial Grant Date	Exercise period
Scheme I	9,121,000	11-Dec-99	11-Dec-99	*
Scheme II	1,506,400	23-Apr-04	23-Apr-04	10 Years
Scheme III	5,066,600	23-Apr-04	23-Apr-04	*
Scheme IV	13,916,500	23-Apr-06	23-Apr-06	10 Years
Scheme V	3,781,050	23-Apr-06	23-Apr-06	*
Scheme VI	2,432,500	31-Oct-06	31-Oct-06	10 Years
Scheme VII	3,569,950	30-Apr-07	30-Apr-07	10 Years
Scheme VIII	84,000	24-Jul-07	24-Jul-07	3 Years
Scheme IX	2,748,924	29-Jun-09	29-Jun-09	10 Years
Scheme X	6,124,544	10-Jun-10	29-Oct-10	2-3 Years
Scheme XI **	6,465,360	26-Jul-14	3-Nov-14	4-5 Years
Scheme XII ***	134,600	4-Feb-16	8-Apr-16	2.5 Months
Scheme XIII	17,362,690	27-Jul-17	1-Aug-19	4-5 Years
Scheme XIV	160,000	27-Jul-17	1-May-19	3 Years

Adjusted for bonus issue of shares.

*No contractual life is defined in the scheme.

**The options under Scheme XI, which is a performance based ESOP scheme will vest after 1-4 years in proportion of credit points earned by the employees every quarter based on performance. The maximum options which can be granted under this scheme are 2,800,000.

***The options under Scheme XII, ESOP scheme would vest after 1 year. The maximum options which are granted under this scheme are 100 per employee.

The vesting period and conditions of the above ESOP schemes is as follows:

All the above ESOP schemes have service condition (other than Grant Category 1 of scheme XI which is based on performance criteria), which require the employee to complete a specified period of service, as a vesting condition. The vesting pattern of various schemes has been provided below:

i. Scheme I to V, VII, VIII, X and XIV

Service period from the date of grant	% of Options vesting			
	Scheme I to V & X	Scheme VII	Scheme VIII	Scheme XIV
12 Months	10%	20%	25%	0%
24 Months	30%	40%	50%	33.33%
36 Months	60%	60%	75%	66.66%
48 Months	100%	80%	100%	100%
60 Months	NA	100%	NA	NA

ii. Scheme VI

Service period from the date of grant	% of Options vesting
18 Months	30%
Every quarter thereafter	5%

iii. Scheme IX

Service period from the date of grant	% of Options vesting
30-60 Months varying from employee to employee	100%

iv. Scheme XI

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 Months	Based on credit points earned which varies from employee to employee	25%	40%
24 Months		50%	30%
36 Months		75%	30%
48 Months	NA	100%	NA
60 Months	NA	NA	NA

v. Scheme XII

Service period from the date of grant	% of Options vesting
1 year	100%

vi. Scheme XIII

Service period from the date of grant	% of Options vesting		
	Grant (Category 1)	Grant (Category 2)	Grant (Category 3)
12 - 20 Months	25%	40%	33.33%
24 - 32 Months	50%	30%	66.66%
36 - 44 Months	75%	30%	100%
48 Months	100%	NA	NA
60 Months	NA	NA	NA

b. Details of activity of the ESOP schemes

Movement for the year ended March 31, 2026 and March 31, 2025:

ESOP Scheme	Particulars	Year Ended	Outstanding at the beginning of the Year	Granted during the Year	Forfeited during the Year	Exercised during the Year	Outstanding at the end of the Year	Exercisable at the end of the Year
Scheme III	Number of Options	31-Mar-25	70,470	-	70,470	-	-	-
	Weighted Average Price	31-Mar-25	17.67	-	17.67	-	-	-
	Number of Options	31-Mar-26	-	-	-	-	-	-
	Weighted Average Price	31-Mar-26	-	-	-	-	-	-
Scheme IV	Number of Options	31-Mar-25	34,200	-	16,200	18,000	-	-
	Weighted Average Price	31-Mar-25	25.33	-	18.31	11.12	-	-
	Number of Options	31-Mar-26	-	-	-	-	-	-
	Weighted Average Price	31-Mar-26	-	-	-	-	-	-
Scheme V	Number of Options	31-Mar-25	70,068	-	68,002	2,066	-	-
	Weighted Average Price	31-Mar-25	12.41	-	12.64	5.00	-	-
	Number of Options	31-Mar-26	-	-	-	-	-	-
	Weighted Average Price	31-Mar-26	-	-	-	-	-	-
Scheme IX	Number of Options	31-Mar-25	-	-	-	-	-	-
	Weighted Average Price	31-Mar-25	-	-	-	-	-	-
	Number of Options	31-Mar-26	-	-	-	-	-	-
	Weighted Average Price	31-Mar-26	-	-	-	-	-	-
Scheme X	Number of Options	31-Mar-25	-	-	-	-	-	-
	Weighted Average Price	31-Mar-25	-	-	-	-	-	-
	Number of Options	31-Mar-26	-	-	-	-	-	-
	Weighted Average Price	31-Mar-26	-	-	-	-	-	-
Scheme XI	Number of Options	31-Mar-25	888,770	1,972,610	35,094	602,106	2,224,180	7,176
	Weighted Average Price	31-Mar-25	5.00	5.00	5.00	5.00	5.00	5.00
	Number of Options	31-Mar-26	2,224,180	74,150	49,386	882,552	1,366,392	67,535
	Weighted Average Price	31-Mar-26	5.00	5.00	5.00	5.00	5.00	5.00
Scheme XIII	Number of Options	31-Mar-25	7,690,048	115,800	1,394,790	1,929,162	4,481,896	194,871
	Weighted Average Price	31-Mar-25	2,286.26	4,332.79	2,484.74	1,234.24	2,730.19	1,443.30
	Number of Options	31-Mar-26	4,481,896	292,700	433,862	1,232,043	3,108,691	704,753
	Weighted Average Price	31-Mar-26	2,730.19	4,838.10	2,830.93	1,204.85	3,519.13	2,064.34
Total	Number of Options	31-Mar-25	8,753,556	2,088,410	1,584,556	2,551,334	6,706,076	202,047
	Number of Options	31-Mar-26	6,706,076	366,850	483,248	2,114,595	4,475,083	772,288

The weighted average share price for the period over which stock options were exercised was ₹ 5,446.69 (previous year ₹ 4,984.34).

c. Details of exercise price for stock options outstanding at the end of the year

Scheme	Range of exercise price	As at March 31, 2026		As at March 31, 2025	
		No. of Options outstanding	Weighted average remaining contractual life*	No. of Options outstanding	Weighted average remaining contractual life*
Scheme I	1.02 - 4.785	-	-	-	-
Scheme III	0 - 24.105	-	-	-	-
Scheme IV	11.115 - 30.56	-	-	-	-
Scheme V	11.115 - 22.07	-	-	-	-
Scheme XI	10	1,366,392.00	3.20	2,224,180	4.02
Scheme XIII	100 - 5446	3,108,691.00	2.72	4,481,896	3.28

Note (i) - No contractual life is defined in the scheme.

*The weighted average contractual life disclosed above has been computed only for the unexpired options.

d. Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position

Compensation expense arising from equity-settled employee share-based payment plans for the year ended March 31, 2026 amounted to ₹ 141.50 Million for PSL India and ₹ 1,435.62 Million for subsidiaries. (Previous year ₹ 609.37 Million for PSL India & ₹ 2,482.46 Million for subsidiaries). The liability for employee stock options outstanding as at March 31, 2025 is ₹ 1,081.99 Million (Previous year ₹ 3,432.38 Million).

e. Weighted average exercise prices and weighted average fair values of options

The Black-Scholes valuation models have been used for computing the weighted average fair value of the stock options granted during the current and previous financial year:

Particulars	March 31, 2026		March 31, 2025	
	RSU Scheme XI	ESOP Scheme XIII	RSU Scheme XI	ESOP Scheme XIII
Weighted average share price (Rs.)	5309.79	5691.52	3614.30	5096.48
Weighted Exercise Price (Rs.)	5	4838.10	5	4332.79
Weighted Average Fair Value (Rs.)	5235.00	1801.33	3550.15	1722.81
Expected Volatility	26.17%-27.98%	25.75%-27.98%	22.87%-27.14%	26.55%-27.38%
Life of the options granted ** (Vesting and exercise period)	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs	3 - 4 yrs
Dividend Yield	37.00	37.00	30.00	30.00
Average risk-free interest rate	5.96%	6.09%	7.15%	7.18%

** 1.The expected life of the RSU / ESOP is estimated based on the vesting term and contractual term of the RSU / ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2.The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options.

Note: The company has done a share split of 1:2, the impact of this has been given to options granted to the employees of the company ((refer note 16(a)).

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares and has been modelled based on historical movements in the market prices of the publicly traded equity shares during a larger period after excluding outliers to smoothen the fluctuations.

35. Contingent liabilities & Capital Commitments

(In ₹ Million)

Sr. No.	Particulars	March 31, 2026 (In ₹ Million)	March 31, 2025 In ₹ Million (Restated)
a	Claims against the company not acknowledged as debt*		
1	Indirect tax matters		
	(i) In respect to the order passed by the Learned Principal Commissioner of Service Tax, Pune, for Service tax under import of services on reverse charge basis for the Financial Year 2014-15, the Company has filed an appeal against the order passed by Learned Principal Commissioner of Service Tax, Pune with the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT) on September 23, 2017. The Company has paid ₹ 165.58 Million under protest towards the demand and the same forms part of the GST receivable balance. If the appeal filed as mentioned above results in a demand, there will be no impact on the profitability as the Company will be eligible to claim credit / refund for the amount paid.	173.78	173.78
	(ii) Other pending litigations in respect of indirect taxes.	1,099.19	723.33
2	Income tax demands disputed in appellate proceedings.	1,554.69	1,041.74
b	Capital Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	502.01	326.88

*The Company, based on independent legal opinions and judgments in favour of the Company in the earlier years, believes that the liabilities with respect to the above matters is not likely to arise and therefore, no provision is considered necessary in the annual standalone financial statements.

36. Letter of comfort on behalf of subsidiaries

(In ₹ Million)

Sr. No	Particulars	As at	
		March 31, 2026 (In ₹ Million)	March 31, 2025 In ₹ Million (Restated)
1	Guarantees given on behalf of subsidiaries	16.11	869.23

37. Details of Corporate Social Responsibility expenditure

(In ₹ Million)

		For the year ended	
		March 31, 2026	March 31, 2025 (Restated)
a.	Gross amount required to be spent by the Company during the year	237.71	214.75
b.	Amount of Expenditure incurred		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	237.71	217.78
c.	Total of previous year shortfall	-	-

		For the year ended	
		March 31, 2026	March 31, 2025 (Restated)
d.	Reason for shortfall	NA	NA
e.	Nature of CSR Activity	a. Community Development b. Healthcare c. Education	a. Community Development b. Healthcare c. Education
f.	Details of related party transactions Donation given to Persistent Foundation	237.71	217.78
g.	Details of provision made for liability incurred by entering into a contractual obligation	-	-

Pursuant to Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Company was required to spend ₹237.71 Million as its CSR expenditure during FY 2025-26. The Company has spent ₹237.71 Million during the year, thereby fully meeting its CSR obligation for FY 2025-26, with no excess CSR expenditure incurred during the year.

Set off available: The Company had incurred excess CSR expenditure of ₹3.03 Million in FY 2024-25, which remains available for set-off against future CSR obligations up to FY 2027-28.

38. Ratios

Ratio	Denomination	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for variance (If more than 25%)
(a) Current Ratio	Number	Current Assets	Current Liabilities	2.12	2.70	(21.48%)	
(b) Debt-Equity Ratio	%	Debt	Shareholder's Equity	NA	NA	NA	
(c) Debt Service Coverage Ratio	Number	Earnings available for debt service	Current debt liability	NA	NA	NA	
(d) Return on Equity Ratio	%	Net Profit after tax	Average Shareholder's Equity	26.55%	21.78%	21.94%	
(e) Trade Receivables turnover ratio	Number	Revenue from operations	Average Trade receivables	4.93	5.47	(9.90%)	
(f) Trade payables turnover ratio	Number	Cost of Professionals+other expenses ± Other non cash adjustments	Average Trade payables	4.08	8.08	(49.46%)	Note 1
(g) Net capital turnover ratio	Number	Revenue from operations	Working Capital	3.69	3.69	(0.09%)	
(h) Net profit ratio	%	Net Profit after tax	Revenue	11.33%	9.64%	17.56%	
(i) Return on Capital employed	%	Profit before Interest and taxes	Capital employed	33.96%	28.50%	19.15%	
(j) Return on investment	%	Income generated from treasury investments	Average invested funds in treasury investments	9.84%	7.87%	25.06%	Note 1

*Earnings available for debt service = Profit before exceptional item and tax + Finance cost + Depreciation & Amortisation - Other income - Lease payments

Note 1: The decline in the trade payable turnover ratio reflects increased trade payables and longer vendor credit periods during the year.

The increase in return on investment was primarily driven by the sale of subsidiary investments and mutual fund holdings.

39. Disclosure required under Sec 186(4) of the Companies Act 2013

a. Details of guarantees given on behalf of subsidiaries

(In ₹ Million)

Name of Subsidiary	As at March 31, 2026		As at March 31, 2025	
	\$ Million	₹ Million	\$ Million	₹ Million
Persistent Systems Inc.	0.17	16.11	10.17	835.67

40. Auditors' remuneration

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025 (Restated)
- Audit fee	14.00	12.25
- Certifications	0.30	0.55
- Reimbursement of expenses	1.03	0.41
	15.33	13.21

41. Research and development expenditure

The particulars of expenditure incurred on in-house research and development are as follows:

(In ₹ Million)

	For the year ended	
	March 31, 2026	March 31, 2025 (Restated)
Revenue	249.55	210.62
	249.55	210.62

42. Details of dues to micro and small enterprises as defined under MSMED Act, 2006

There are overdue amounts of ₹ 9.07 Million payable to suppliers, who have intimated about their status as Micro and Small Enterprises as per the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

43. Net dividend remitted in foreign exchange

Particulars	No. of non-resident shareholders		No. of equity shares held on which dividend was due		For the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026 (in ₹ Million)	March 31, 2025 (in ₹ Million)	March 31, 2026 (in ₹ Million)	March 31, 2025 (in ₹ Million)
Interim dividend	24	25	0.05	0.07	0.58	1.42
Final dividend	25	11	0.06	0.03	1.09	0.30

44. Other statutory information

- a. The Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- b. The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.
- c. The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- d. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- e. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- g. There are no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

45. The Company has deposits of 408.88 Million (previous year: ₹ 408.88 Million) with the financial institutions viz. Infrastructure Leasing & Financial Services Ltd. (IL&FS) and IL&FS Financial Services Ltd. (referred to as “IL&FS Group”) as on the balance sheet date. These were due for maturity from January 2019 to June 2019. In view of the uncertainty prevailing with respect to recovery of outstanding balances from IL&FS Group, Management of the Company has fully provided for these deposits along with interest accrued thereon till the date the deposits had become doubtful of recovery.

During the previous year the Company has received ₹ 21.12 Million from the IL&FS Group and the Management is hopeful of recovery of balance amount with a time lag. The Company continues to monitor developments in the matter and is committed to take steps including legal action that may be necessary to ensure full recovery of the said deposits.

46. The Company has recognised notional interest on lease liability of ₹ 290.78 Million (Previous year: ₹ 218.69 Million) under finance cost as required by Ind AS 116: Leases and notional interest on amounts due to selling shareholders ₹ 43.69 Million (Previous year: ₹ 1.38 Million).
47. The Company has not advanced / loaned / invested funds to any entities, including foreign entities (Intermediaries), with the understanding that the Intermediary shall directly or indirectly lend or invest in other entities by or on behalf of the Company (Ultimate Beneficiaries). Further, the Company has not provided any guarantee, security to or on behalf of the Ultimate Beneficiaries.
48. The Company has not received funds from any entities, including foreign entities (Funding Parties), with the understanding that the Company shall directly or indirectly, lend or invest in other persons or entities by or on behalf of the Funding Party (Ultimate Beneficiaries). Further, the Company has not provided any guarantee, security on behalf of the Ultimate Beneficiaries.
49. On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to facilitate assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion. Considering that the impact is non-recurring in nature and is driven by regulatory changes, the Company has presented such incremental impact of ₹ 890.25 Million as “Statutory impact of new Labour Codes” under “Exceptional Items” in the standalone statement of profit and loss for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

50. Restatement of Standalone Financial statements

A) Consolidation of PSPL ESOP Management Trust (THE 'TRUST')

The Company had formulated an Employee Stock option Plan (ESOP) where the company granted an stock options to employees and the shares will be issued to employees at the time of exercising the options through PSPL ESOP Management Trust (the 'Trust'). The Company has granted a loan to the Trust for acquisition of shares of the Company and those shares will be issued to employees at the time of exercising options under Stock Option Plan. The Trust was identified as a subsidiary. Accordingly, in the standalone financial statements, the Company had adopted the policy of considering the trust as a legal entity separate from the Company and therefore, was not consolidating the Trust in the standalone financial statements. The Company recognised the loan given to the Trust as financial asset and tested it for impairment on a periodic basis in accordance with the requirements of applicable accounting standards. However, given that the Trust was identified as a subsidiary, in the consolidated financial statements of the Company, the Trust was consolidated and consequently, the related loan to Trust (including interest) appearing in the standalone financial statements of the Company was eliminated.

During the period ended 31 December 2025, the Company changed its accounting policy whereby it decided to consolidate the Trust in the standalone financial statements to reflect a more appropriate presentation of the activity of the Trust in the standalone financial statements as the Trust carried out activities on behalf of the Company. Consequently, in the standalone financial statements of the Company, the loan given to the Trust (including interest) is eliminated.

This change in accounting policy in the standalone financial statements has been given effect by restating the comparative information for the preceding period in accordance with the requirements of applicable standards for change in accounting policy.

B) Merger with Capiot Software Private Limited

The Board of Directors of the Company at its meeting held on January 20, 2024 had approved the Composite Scheme of Arrangement (the 'Scheme') for merger of Persistent Systems Limited, parent company and Capiot Software Private Limited, wholly owned subsidiary of the Company. The Scheme of Amalgamation by Absorption was approved by the NCLT Bench of Mumbai, on April 9, 2025 for the merger of the parent company and subsidiary. In accordance with IND AS 103, the merger has been accounted on April 1, 2024 and accordingly, the financial statements for the corresponding and comparative quarter and year have been restated. The reserves and surplus has decreased by Rs. 58.96 Million on April 1, 2024.

1. For the year ended 31 March 2025

I. Balance Sheet as at 31 March 2025

(In ₹ Million)

	As previously reported	Impact of Trust consolidation Refer Note (A) above	Impact of Capiot Merger Refer Note (B) above	As Restated
ASSETS				
Non-current assets				
Goodwill	236.00	-	368.90	604.90
Financial assets				-
- Investments	14,860.87	53.18	(483.71)	14,430.34
- Loans	3,694.86	(3,694.86)	-	-
Deferred tax assets (net)	361.91	-	28.26	390.17
Current assets				
Financial assets				
Cash and cash equivalents	3,618.00	14.48	4.07	3,636.55
Income tax assets (net)	527.99	169.34	4.57	701.90

	As previously reported	Impact of Trust consolidation Refer Note (A) above	Impact of Capiot Merger Refer Note (B) above	As Restated
Other current assets	7,023.68	-	4.98	7,028.66
EQUITY AND LIABILITIES				-
EQUITY				-
Other equity				
Retained earnings	24,314.68	(242.96)	(63.59)	24,008.13
Treasury shares	-	(3,585.51)	-	(3,585.51)
PSL ESOP Trust reserve	-	180.77	-	180.77
	24,314.68	(3,647.70)	(63.59)	20,603.39
LIABILITIES				
Current liabilities				-
Trade payables		-		-
-total outstanding dues of creditors other than micro enterprises and small enterprises	10,151.84	-	1.06	10,152.90
Other current liabilities	3,635.07	20.49	-	3,655.56
Income tax liabilities (net)	-	158.95	-	158.95

II. Statement of Profit and Loss

(In ₹ Million)

	As previously reported	Impact of Trust consolidation Refer Note (A) above	Impact of Capiot Merger Refer Note (B) above	As Restated
For year ended 31 March 2025				
Income				
Other income	1,808.25	(229.20)	-	1,579.05
Expenses				
Other expenses	15,830.96	1.26	6.20	15,838.42
Tax expense				
Current tax	4,038.76	12.50	-	4,051.26
Deferred tax charge / (credit)	140.69	-	(1.57)	139.12

III. Statement of Cash Flows

	As previously reported	Impact of Trust consolidation Refer Note (A) above	Impact of Capiot Merger Refer Note (B) above	As Restated
Cash Flows from operating activities	7,129.62	38.31	6.20	7,174.13
Cash Flows from investing activities	(2,516.24)	964.26	-	(1,551.98)
Cash Flows from financing activities	(4,158.13)	(1,008.77)	-	(5,166.90)

IV. Earnings Per Share (EPS)

(In ₹ Million)

	As previously reported	Impact of Trust consolidation Refer Note (A) above	Impact of Capiot Merger Refer Note (B) above	As Restated
For year ended 31 March 2025				
Basic EPS	74.45	(0.77)	(0.03)	73.65
Diluted EPS	74.45	(1.57)	(0.03)	72.85
Weighted average number of equity shares				
For Basic EPS	155,166,164	(1,678,593)	-	153,487,571
For Diluted EPS	155,166,164	-	-	155,166,164

51. Persistent India Foundation was incorporated under Section 8 of the Companies Act, 2013 effective from May 1, 2024, as a wholly owned subsidiary of the Company.

52. During the year ended, based on review of method and estimated useful lives of property, plant and equipment, the management has revised the estimated useful lives of computers and networking equipment prospectively from 3 years to 4 years w.e.f. April 01, 2024. The effect of this change on actual and expected depreciation expense is as follows:

(In ₹ Million)

	For the year ended	
Particulars	FY 2024-25	FY 2025-26
Decreases in depreciation expenses	167.33	44.84

53. The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) which is effective from 1st April 2023, states that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company uses a SaaS based ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at application as well as database level.

54. The Business Transfer Agreement ('BTA') for the transfer of service business of Starfish Associates LLC (Step-down Subsidiary of the Company) to Persistent Systems Limited ('the Company') as executed on June 26, 2025 with effective date as April 01, 2025. Under this agreement, the Company has acquired Net Assets with carrying value of ₹ 149.41 Million for a consideration of ₹ 209.40 Million. Pursuant to this transaction, reserves of the company has been decreased by Rs. 59.99 Million on April 01, 2025.

55. During the period, the Company sold its 100% entire holding in equity shares of Persistent Systems France SAS ('PS France') and Persistent Systems Germany GmbH ('PS Germany') to Aepona Group Limited for a consideration of EUR 1,132,991 and EUR 20,878,597 respectively. In lieu of the payment of the consideration, equivalent number of eEquity shares of Aepona Group Limited, equivalent to the fair value of equity shares of PS France and PS Germany, were allotted to the Company to settle the consideration in accordance with the terms of 'Share Purchase Agreement'. Accordingly, the Company has recognised gain on sale of investments of ₹ 582.47 Million under other income.

56. During the year ended March 31, 2026, the Company has re-classified the following comparatives, which are primarily to conform to the current year's classification. This reclassification does not have material impact on the

Standalone Financial Statements and has been done for better presentation and to enhance the understanding of the users of the Standalone Financial Statements.

(In ₹ Million)

Balance Sheet Caption	Mar-25		
	Previously restated amounts	Change in amounts	Revised amounts
Current Asset- Trade Receivable	16,414.06	8,836.14	25,250.20
Other current financial assets	16,212.80	(9,744.02)	6,468.78
Other current assets	7,023.68	907.88	7,931.56
Other current financial liabilities	1,221.55	1,517.87	2,739.42
Current liabilities provisions	2,641.00	(1,517.87)	1,123.13

57. During the year, Persistent Systems Limited (“the Company” or “PSL”) executed the Share Purchase Agreement (‘SPA’) on December 06, 2025, with Persistent Systems Inc (PSI) (wholly owned subsidiary of “PSL”), for the transfer of the 100% shareholding of Aepona Group Limited, Ireland (AGL) (was wholly owned subsidiary of PSI). Upon completion of the customary closing conditions, AGL has become a Wholly Owned Subsidiary of PSL effective from December 23, 2025.
58. The Board of Directors at its meeting concluded on April 21, 2026, recommended a Final Dividend of ₹ 18 per Equity Share having face value of ₹ 5 each for FY 2025-26. This Final Dividend is subject to the approval of the Members at the ensuing 36th Annual General Meeting of the Company.
59. The financial statements are presented in ₹ Million and decimal thereof except for per share information or as otherwise stated.
60. Previous year’s figures have been regrouped where necessary to conform with the current year’s classification. The impact of such regrouping is not material to financial statements.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W - 100022

For and on behalf of the Board of Directors of
Persistent Systems Limited

Swapnil Dakshindas
 Partner
 Membership No.: 113896
 Place: Pune
 Date: April 21, 2026

Dr. Anand Deshpande
 Chairman and
 Managing Director
 DIN: 00005721
 Place: Pune
 Date: April 21, 2026

Sandeep Kalra
 Executive Director and
 Chief Executive Officer
 DIN: 02506494
 Place: Pune
 Date: April 21, 2026

Praveen Kadle
 Independent
 Director
 DIN: 00016814
 Place: Pune
 Date: April 21, 2026

Vinit Teredesai
 Executive Director and
 Chief Financial Officer
 DIN: 03293917
 Place: Pune
 Date: April 21, 2026

Amit Atre
 Company Secretary
 Membership No.:
 A20507
 Place: Pune
 Date: April 21, 2026



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