

NSE & BSE / 2023-24 / 040

May 30, 2023

The Manager  
Corporate Services  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai 400 051

The Manager  
Corporate Services  
BSE Limited  
14<sup>th</sup> Floor, P J Towers, Dalal Street,  
Mumbai 400 001

**Ref: Symbol: PERSISTENT**

**Ref: Scrip Code: 533179**

Dear Sir/Madam,

**Sub: Submission of Annual Secretarial Compliance Report for the Financial Year 2022-23**

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019, including amendments thereto, we are submitting herewith the 'Annual Secretarial Compliance Report' issued by SVD & Associates, Company Secretaries, Pune for the Financial Year 2022-23.

Please acknowledge the receipt.

Thanking you,

Yours Sincerely,  
For **Persistent Systems Limited**

Amit Atre  
Company Secretary  
ICSI Membership No.: A20507

Encl: A/a

**Secretarial Compliance Report of Persistent Systems Limited  
for the financial year ended March 31, 2023**

We **SVD & Associates, Company Secretaries** have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Persistent Systems Limited CIN L72300PN1990PLC056696** (hereinafter referred as 'the listed entity'), having its Registered Office at Bhageerath, 402, Senapati Bapat Road, Pune - 411016. Secretarial Review 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 listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the financial year ended March 31, 2023 ("Review Period"), complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We **SVD & Associates, Company Secretaries**, have examined:

- (a) all the documents and records made available to us and explanation provided by the listed entity,
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the Review Period in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");



The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR");
  - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable to listed entity during the Review Period)**;
  - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to listed entity during the Review Period)**;
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; ("SEBI SBEB & SE")
  - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(not applicable to the listed entity during the Review Period)**;
  - (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (h) Securities and Exchange Board of India (Depositories and Participant Regulation), 2018
- and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period

I. (a) (\*\*) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Particulars	Sr. No. 1
Compliance Requirement (Regulations /circulars/guidelines including specific clause)	SEBI has issued instructions to the Exchanges vide its Letter dated June 14, 2018 read with BSE circular no. LIST/COMP/14/2018-19 and NSE circular no. NSE/CML/2018/02 dated June 20, 2018 respectively requires the Listed Companies shall, while informing the Exchange through corporate announcements for appointment of Director, specifically affirm that the Director being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.
Regulation /Circular No.	SEBI has issued instructions to the Exchanges vide its Letter dated June 14, 2018 read with BSE circular no. LIST/COMP/14/2018-19 and NSE circular no. NSE/CML/2018/02 both dated June 20, 2018
Deviations	Disclosure of appointment of Mr. Sandeep Kalra as Executive director for the period from June 11, 2022, till September 30, 2025 is given to stock exchange on June 07, 2022. The said disclosure does not include the details required as per the above mentioned BSE and NSE circular.



Action Taken by	NA
Type of Action (Advisory /Clarification/Fine/Show Cause Notice/ Warning, etc.)	NA
Details of Violation	Disclosure of appointment of Mr. Sandeep Kalra as Executive director for the period from June 11, 2022, till September 30, 2025 is given to stock exchange on June 07, 2022. The said disclosure does not include the details required as per the above mentioned BSE and NSE circular.
Fine Amount	NA
Observations/Remarks of the Practicing Company Secretary	The listed entity needs to ensure to include while informing the Exchange through corporate announcements for appointment of Director, specifically affirm that the Director being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.
Management Response	The listed entity has inadvertently not given the disclosure of Sandeep Kalra under the corporate announcement and has set necessary procedure for ensuring this disclosure under the corporate announcements.
Remarks	Nil

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Particulars	Sr. No. 1	Sr. No. 2
Compliance requirement (Regulations /circulars/guidelines including specific clause)	In terms of Regulation 6(2) of SEBI (Share Based Employee Benefit and Sweat Equity) Regulations 2014 read with SEBI Circular dated June 16, 2015, the exercise price/pricing formula shall be included in the explanatory statement to the notice and the resolution which was proposed to be passed for the schemes in the general meeting.	In terms of Regulation 3(4) of SEBI (Share Based Employee Benefit and Sweat Equity) Regulations 2014 and Regulation 3(4) of SEBI (Share Based Employee Benefit and Sweat Equity) Regulations 2021, a person can be appointed as a trustee of the trust except in cases where such person is a director of its subsidiary company.
Regulation /Circular No.	Regulation 6(2) of SEBI (Share Based Employee Benefit and Sweat Equity) Regulations 2014 read with SEBI Circular dated June 16, 2015.	Regulation 3(4) of SEBI (Share Based Employee Benefit and Sweat Equity) Regulations 2014 and Regulation 3(4) of SEBI (Share Based Employee Benefit and Sweat Equity) Regulations 2021.
Deviations	In the notice of 31 <sup>st</sup> Annual General Meeting, the disclosure pertaining to determining the exercise price per option granted under PESOS 2014 scheme was not adequate.	The trustees of the ESOP trust were acting as the director of the subsidiary company for the period under review.



Action Taken by	NA	NA
Type of Action (Advisory /Clarification/Fine/Show Cause Notice/ Warning, etc.)	NA	NA
Details of Violation	In the notice of 31 <sup>st</sup> Annual General Meeting, the disclosure pertaining to determining the exercise price per option granted under PESOS 2014 scheme was not adequate.	The trustees of the ESOP trust were acting as the director of the subsidiary company for the period under review.
Fine Amount	NA	NA
Observations/Remarks of the Practicing Company Secretary	As per records, the information regarding exercise price pertaining to PESOS 2014 was provided by way of an addendum to the AGM notice, which was circulated on July 16, 2021, i.e., before commencement of e-voting for the said AGM.	As per the records, the composition of the Board of Trustees of the Listed Entity's ESOP trust was changed in the last quarter of the financial year under review.
Management Response	Listed entity has taken necessary action to disclose the necessary information by way of an addendum to the AGM notice, which was circulated on July 16, 2021, i.e., before commencement of e-voting for the said AGM.	Listed entity has taken necessary action to change the composition of trustees of the ESOP trust as per the SEBI SBEB & SE Regulations.
Remarks	Nil	Nil

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	No such instance during the Review Period.
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the		



	<p>limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>		
<b>2.</b>	<b>Other conditions relating to resignation of statutory auditor</b>		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information/non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the</p>	NA	No such instance during the Review Period.



	<p>management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI /NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>		
3.	The listed entity/its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	No such instance during the Review Period.

III. We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS*
1.	<p><b>Secretarial Standards:</b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	Nil
2.	<p><b>Adoption and timely updation of the Policies:</b></p> <ul style="list-style-type: none"> <li>All applicable policies under SEBI</li> </ul>	Yes	Nil



	<p>Regulations are adopted with the approval of board of directors of the listed entities.</p> <ul style="list-style-type: none"> <li>All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>		
3.	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>The Listed entity is maintaining a functional website</li> <li>Timely dissemination of the documents/ information under a separate section on the website</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</li> </ul>	Yes	Nil
4.	<p><b>Disqualification of Director:</b></p> <p>None of the Director(s) of the listed entity is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	Nil
5.	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b></p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	Yes	Nil
6.	<p><b>Preservation of Documents:</b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	Nil





7.	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	Nil
8.	<b>Related Party Transactions:</b> (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes  NA	Nil  All the related party transactions are with prior approval of Audit Committee
9.	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No action(s) has been taken against the listed entity/its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	Yes	Nil



<b>12.</b>	<b>Additional Non-compliances, if any:</b> No additional non-compliance observed for any SEBI regulation/circular/guidance note etc (**).	No	Details as prescribed in Table (a) (**) above
------------	--	----	---

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity and we have physically verified the documents and evidences and also relied on data provided through electronic mode for the purpose of issuing this report.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **SVD & Associates**  
Company Secretaries

  
  
**Sridhar Mudaliar**  
Partner  
FCS No: 6156  
CP No: 2664

**Peer Review No:** P2013MH075200  
**UDIN:** F006156E000417820

**Place:** Pune  
**Date:** May 30, 2023