



PERSISTENT

NSE & BSE / 2011-12/034

July 18, 2011

The Manager,
Corporate Services,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400051

The Manager,
Corporate Services,
Bombay Stock Exchange Limited
14th Floor, P J Towers, Dalal Street,
Mumbai 400001

Ref: Symbol: PERSISTENT

Ref: Scrip Code: 533179

Dear Sirs,

Sub: Proceedings of the Annual General Meeting of the Company held on July 18, 2011

Pursuant to Clause 31 of the Listing Agreement, please find below proceedings of the Twenty First Annual General Meeting of the Company held on July 18, 2011 at 09:30 hrs (India date and time) at Persistent Systems Limited, Dewang Mehta Auditorium, Bhageerath, 402 Senapati Bapat Road, Pune 411016, Maharashtra, India.

The resolutions for the following items were unanimously passed by the members at the said Annual General Meeting in terms of notice of Annual General Meeting dated June 13, 2011. (Attached as **Annexure 1**):

- a. Adoption of the Balance Sheet as at March 31, 2011 and the Profit and Loss Account for the year ended on that date and the report of the Board of Directors and the Auditors thereon.
- b. Declaration of final dividend of ₹ 1.50 per share for the financial year ended March 31, 2011.
- c. Re-appointment of Mr. P. B. Kulkarni, retiring by rotation and who had confirmed his eligibility and willingness to accept office, as a Director of the Company.
- d. Appointment of M/s. Joshi Apte & Co., Chartered Accountants and M/s. S. R. Batliboi & Co., Chartered Accountants as the joint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and authorized the Board of Directors to fix their remuneration.
- e. Appointment of Mr. Prakash Telang as Director of the Company liable to retire by rotation, who was appointed as an Additional Director with effect from August 19, 2010.



- f. Appointment of Mr. Kiran Umrootkar as Director of the Company liable to retire by rotation, who was appointed as an Additional Director with effect from August 19, 2010.
- g. Appointment of Dr. Dinesh Keskar as Director of the Company liable to retire by rotation, who was appointed as an Additional Director with effect from October 29, 2010.
- h. Appointment of Mr. Sanjay Kumar Bhattacharyya as Director of the Company liable to retire by rotation, who was appointed as an Additional Director with effect from May 12, 2011.
- i. Re-appointment of Dr. Anand Deshpande as Managing Director of the Company for a period of five years with effect from April 1, 2012 not liable to retire by rotation so long as he continues to hold office of Managing Director of the Company and authorized the Board of Directors, based on the recommendation of the Compensation Committee to decide the remuneration payable to Dr. Anand Deshpande by way of salary, bonus and other allowances and on the terms and conditions as detailed in the resolution forming part of notice of the Annual General Meeting.
- j. Appointment of Mr. Nitin Kulkarni, Chief Operating Officer of the Company as an Executive Director of the Company designated as the Executive Director and Chief Operating Officer of the Company for a period of five years with effect from July 18, 2011 not liable to retire by rotation so long as he continues to hold the office of the Executive Director of the Company and authorized the Board of Directors, based on the recommendation of the Compensation Committee to decide the remuneration payable to Mr. Nitin Kulkarni by way of salary, bonus and other allowances and on the terms and conditions as detailed in the resolution forming part of notice of the Annual General Meeting.
- k. Amendment to the existing Employee Stock Options Award – X Scheme (ESOA – X) of the Company by deleting Para 1 in Clause 3 in ESOA – X Scheme and substituting by the following:

'The maximum number of Shares earmarked under ESOA – X shall not exceed 20,00,000 (Twenty Lakhs only)'.

- l. Authorized the Board for deployment and allocation of unutilized funds out of the proceeds of Initial Public Offering (IPO) of its Equity Shares of the Company in the best interest of the Company for other projects inter alia including the following:
 - (i) Capitalizing the subsidiaries of the Company not restricted to establishment of development facilities in SEZ;
 - (ii) Establishment of development facilities;
 - (iii) Procuring software; and
 - (iv) Other general corporate purposes including but not limited to inorganic initiatives,

in addition to the Objects of the Issue stated in the Prospectus of the IPO of the Company.

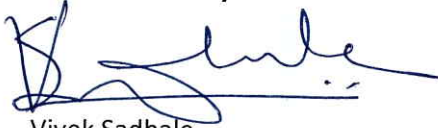


Mr. S. P. Deshpande, Founder and Non-Executive member of the Board of Directors announced that he would retire from the directorship of the Company with effect from end of day of October 31, 2011, when he completes 75 years of age.

Please acknowledge the receipt.

Thanking you.

Yours faithfully,
For **Persistent Systems Limited**



Vivek Sadhale
Company Secretary and Head - Legal



Encl: As above

Notice

NOTICE is hereby given that the TWENTY FIRST Annual General Meeting of the Members of Persistent Systems Limited will be held on Monday, July 18, 2011 at 09:30 Hrs. (India Time) at Persistent Systems Limited, Dewang Mehta Auditorium, Bhageerath, 402 Senapati Bapat Road, Pune 411 016, Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2011, and the Profit and Loss Account for the year ended on that date and the report of the Board of Directors and the Auditors thereon.
2. To declare a final dividend for the financial year ended March 31, 2011.
3. To appoint a Director in place of Mr. P. B. Kulkarni, who retires by rotation and has confirmed his eligibility and willingness to accept office, if re-appointed.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. Joshi Apte & Co., Chartered Accountants and M/s. S. R. Batliboi & Co., Chartered Accountants be and are hereby re-appointed as the Joint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be authorised to fix their remuneration for the said period.”

SPECIAL BUSINESS:

5. Appointment of Mr. Prakash Telang as a Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Prakash Telang, who was appointed as an Additional Director of the Company with effect from August 19, 2010, and who holds office till the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director liable to retire by rotation.”

6. Appointment of Mr. Kiran Umrootkar as a Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Kiran Umrootkar, who was appointed as an Additional Director of the Company with effect from August 19, 2010 and who holds office till the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director liable to retire by rotation.”

7. Appointment of Dr. Dinesh Keskar as a Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Dr. Dinesh Keskar, who was appointed as an Additional Director of the Company with effect from October 29, 2010, and who holds office till the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director liable to retire by rotation.”

8. Appointment of Mr. Sanjay Kumar Bhattacharyya as a Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Sanjay Kumar Bhattacharyya, who was appointed as an Additional Director of the Company with effect from May 12, 2011, and who holds office till the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director liable to retire by rotation.”



9. Re-appointment of Dr. Anand Deshpande as Managing Director of the Company for a further period of five years with effect from April 1, 2012

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and Schedule XIII and any other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for the re-appointment of Dr. Anand Deshpande as the Managing Director of the Company for a further period of five years, effective from April 1, 2012, on the terms and conditions as mentioned below:

i. **Basic Salary**

In the range of ₹ 2,00,000 to ₹ 4,00,000 per month.

ii. **Bonus**

Bonus, as may be decided by the Board upto a maximum of 3% (Three percent) of the Net Profits payable quarterly or at other intervals.

iii. **Allowances**

Allowances in the nature of City Compensatory Allowance, Dearness Allowance, Personal Allowance, Special Allowance or such other allowance, by whatever name called calculated as a percentage of Basic Salary or fixed amount, as decided by the Board of Directors from time to time.

iv. **Perquisites & other benefits**

a. **Housing:**

- The expenditure by the Company on hiring furnished accommodation shall be subject to a ceiling of 50% of the Basic Salary. The perquisite value shall be computed in accordance with the prevailing Income Tax Rules.
- In case the Company provides no accommodation, a House Rent Allowance subject to a ceiling of 50% of the Basic Salary.

In addition, the Company shall provide for maintenance of house.

- The Company may provide the services of a sweeper and / or gardener at the residence of the Managing Director. The Company shall pay the monthly wages of each of them which shall be valued as taxable perquisite as per the prevailing Income Tax Rules.

b. **Domestic Utilities:** The Company shall reimburse expenses for utilities such as gas, electricity, water, repairs at the residence of the Managing Director.

c. **Reimbursement of Corporate Relation Expenses:** The Managing Director shall be entitled to re-imbursement of Corporate Relations Expenses subject to submission of bills.

d. **Medical Reimbursement:** Medical and Hospitalization benefits for self and family by way of reimbursement of expenses actually incurred, the total cost of which to the Company shall not exceed such amount as decided by the Board of Directors from time to time.

e. **Leave travel concession / allowance:** For self and family once in a year, as decided by the Board of Directors from time to time.

f. **Club fees:** Entrance fees (excluding life membership fees) and monthly subscription fees payable subject to a maximum of two clubs.

g. **Life Insurance Policy, Personal Accident Insurance and Mediclaim Policy:** Life Insurance Policy, Personal accident insurance for self and Mediclaim policy for self and dependent family members as per the rules of the Company. In addition, Life Insurance policy for self and dependent family members subject to the annual premium not exceeding ₹ 50,000.

- h. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
- i. Gratuity: As per the rules of the Company.
- j. Earned / privilege leave: As per the rules of the Company.
- k. Encashment of leave: As per the rules of the Company.
- l. **Company car:** The Company will provide to the Managing Director, a Company owned car with a driver, for all his official and personal needs. In this case, no Commuting Allowance will be paid.

If Managing Director chooses not to use the Company vehicle, then he will be entitled to a vehicle allowance as decided by the Board of Directors from time to time.
- m. **Telephone / Telefax / Internet:** The Company shall reimburse rent, taxes and call charges of telephone / telefax at residence of the Managing Director. The Company shall also provide cellular phones with roaming facility and reimburse all charges pertaining to the same. The Company shall also reimburse the cost of Internet connection at the residence of the Managing Director.
- n. **Books and Periodicals:** The Managing Director shall be entitled to reimbursement of cost of books and periodicals subject to a ceiling as decided by the Board of Directors from time to time.
- o. **Other Privileges:** Such other privileges, facilities, perquisites and amenities as may be applicable from time to time to the Executives of the Company.

Explanation:

Perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.

'Family' means the spouse, the dependent children and dependent parents of the Managing Director.

RESOLVED FURTHER THAT the Board of Directors, based on the recommendation of the Compensation Committee, be authorized in its absolute discretion and from time to time to decide remuneration payable to the Managing Director of the Company within the above stated parameters.

RESOLVED FURTHER THAT Dr. Anand Deshpande be designated as Managing Director or such other designation as decided by the Board from time to time.

RESOLVED FURTHER THAT where in any financial year during the tenure of Dr. Anand Deshpande as Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Dr. Anand Deshpande, the remuneration by way of salary, bonus and other allowances not exceeding the limits specified under Section II of Part II of Schedule XIII of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT Dr. Anand Deshpande shall not be liable to retire by rotation so long as he continues to hold the office of Managing Director of the Company.

RESOLVED FURTHER THAT Dr. Anand Deshpande be authorized to exercise the following powers:

- A. Subject to the superintendence, control and direction of the Board of Directors of the Company, Dr. Anand Deshpande so long as he holds the position of the Managing Director of the Company shall have the general authority for conduct and management of the whole of business and affairs of the Company except in the matters which may be specifically required to be done by the Board either pursuant to the Companies Act, 1956 or by the Articles of Association of the Company.
- B. Dr. Anand Deshpande, Managing Director shall exercise and perform such powers and duties as the Board of Directors of the Company may from time to time determine and shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company and in particular but without in any way restricting the general powers and authorities hereinbefore conferred upon. Dr. Anand Deshpande, Managing Director shall in particular have the following powers on behalf of the Company:



1. To manage, conduct and transact day-to-day business, affairs and operations of the Company including power to enter into contracts and to vary and rescind them;
2. To enter into and become party to and to sign and execute all deeds, instruments, contracts, receipts and all other documents or writings on behalf of the Company whether statutory or otherwise;
3. To become party to and to present for registration and admit execution of and to do every act, matter or thing necessary or proper to enable registration on behalf of the Company of all deeds, instruments, contracts, agreements, receipts and all other documents whatsoever;
4. To convene meetings of the Board of Directors, Committees of the Board and the ordinary or extraordinary general meetings of the shareholders;
5. To insure and keep insured Company's properties, buildings, machinery, plants, materials, equipment and all other properties of the Company, movable or immovable either lying in the offices, or elsewhere or in transit for import against loss or damage by fire or other risks and to sell, assign, surrender or discontinue any of the insurances effected in pursuance of this;
6. To incur expenses as may be necessary to maintain offices and other buildings and otherwise deal with the Company's properties, articles or things or for the purposes of the business of the Company;
7. To raise or borrow (otherwise than by way of debentures / deposits) from time to time on behalf of the Company, funds not exceeding Rupees Ten Crores between two consecutive Board Meetings;
8. To invest and deal with the moneys of the Company not exceeding Rupees Twenty Five Crores between two consecutive Board Meetings or to deposit the same with banks and from time to time to realise and vary such investments;
9. To make loans, provide guarantee or give security for the amount not exceeding Rupees Five Crores between two consecutive Board Meetings;
10. To operate upon and close accounts current, fixed or otherwise with any bank or bankers, merchant or merchants or with any company or companies, firm or firms, individual or individuals and to pay moneys into and to draw moneys from any such account or accounts from time to time;
11. To enter into Foreign Currency contracts for hedging the Company's underlying outstanding export and import exposures and other outstanding foreign currency liabilities;
12. To attend any general meeting of any of the companies in which the Company holds shares or is a member or any adjournment thereof and to exercise all the rights and powers of a member on behalf of the Company in the same manner as the Company could exercise if it were personally present as an individual member of such company / companies, including the right to appoint one or more proxies to attend and vote at any of the general meetings;
13. To appoint or employ for the Company's transactions and management of affairs and from time to time to discharge or remove or suspend or re-appoint and re-employ or replace managers, officers, employees and other members of the staff of the Company, bankers, all kinds of agents, brokers, advocates, solicitors, pleaders, lawyers, engineers, technicians and experts with such powers and duties and upon such terms as to duration of employment, remuneration or otherwise;
14. To incur such expenses, in unavoidable situations and exigencies, as may deem expedient for business purposes subject to ratification by the Board of Directors;
15. To make applications to various government, semi-government and local authorities and to execute requisite declarations, statements and other documents, on behalf of the Company, for any permissions, licenses, and registrations, and enhance or modify the application that are necessary for the Company for carrying out the day to day affairs of the Company and to comply with and / or cause to be complied with all statutory requirements affecting the Company and to represent the Company before any Government, courts of law, civil, criminal, industrial or labor, revenue or before all conciliators, other public officers, authorities, bodies or tribunals in connection with all suits, actions, petitions, appeals and other legal or other proceedings

and matters whether civil, criminal, revenue, industrial or labor in which the Company may be concerned or interested whether as plaintiffs, defendants, petitioners, appellants, respondents, opponents, prosecutors, opposing creditors or in any other capacity whatsoever or otherwise howsoever and in all matters in anywise concerning the business affairs and properties of the Company and to appear and to represent the Company in all actions, suits, appeals, petitions, and other proceedings under all Acts or enactments of the Parliament of India or of any State Legislature and to affirm, declare and sign all pleadings applications, petitions, statements, memoranda of appeal, affidavits, documents, acknowledgments and papers in connection therewith and to appear and to represent the Company before all officers, authorities, bodies or tribunals under any of the said Acts or enactments;

16. To apply for and obtain copies of returns of Income / Wealth tax statements, refund orders, depositions, correspondence, proceedings, assessment orders, appellate orders or orders of tax / in land revenue authorities on the Company's behalf herein and to carry on all correspondence and also apply for extension of time, accept notices, assessment orders, appellate orders, revision orders, tribunal judgment etc., on behalf of the Company;
17. To institute, defend, prosecute, conduct, compound, refer to arbitration and abandon and to compromise legal or other proceedings, claims and disputes by or against the Company or in which the Company may be concerned or interested;
18. To collect, ask, demand, sue or recover and receive from all persons, firms, companies, societies including the Government, its agents and servants or local authorities in any part of the world, liable to pay, transfer and deliver the same respectively all such sums of money, stocks, funds, interests, dividends, debts, dues, goods, effects and things now or hereafter to be owing or payable or belonging to the Company by virtue of any security or by right, title, ways or means howsoever or upon any balance of accounts and upon receipt thereof to ask, demand, sue for, recover and receive from persons or from everybody, political or corporate, whom it shall or may concern all sums of money, debts, dues, chattels, effects and things of whatsoever nature and description which now are or at any time or times during the subsistence of these presents shall or may be or become owing, payable or belonging to the Company in or by any right, title, ways or means howsoever;
19. To protest unpaid bills, obtain declarations of bankruptcy from others, attend and vote at all meetings in all bankruptcy, insolvency and liquidation or other proceedings in which the Company may be interested or concerned, concur in or object to the appointment of trustees and members of committees of control and take part in the same, and accept and repudiate composition whether judicial or otherwise;
20. To engage, constitute, appoint and remove advocates, attorneys, lawyers, pleaders or other authorities to advise the Company, to prosecute or defend all proceedings in which the Company may be concerned and to advise the Company on all legal and tax issues and in connection with any reference or proceedings in the Tribunals in the High Court or other Court in connection with the above matters or in or about the premises and to sign vakalatnamas or warrants to act or appeals in any such matters;
21. To apply for, purchase or otherwise acquire any patents, copyrights, designs and inventions, licenses, concessions and the like conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the Company's purposes or the acquisition of which may seem calculated directly or indirectly to benefit the Company and in accordance with the terms if any of such property rights or information so acquired to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property rights or information so acquired;
22. To sign various applications, forms, returns or any other document to be filed by the Company under the provisions of Companies Act, 1956 by using Digital Signature Certificate; and
23. To delegate from time to time as he thinks fit to do, execute and perform all or any such matters and things as aforesaid to the Executive Director/s or other officers of the Company.

RESOLVED FURTHER THAT the Board of Directors be authorized to add, delete or amend the powers and responsibilities of Dr. Anand Deshpande, Managing Director, as may be necessary from time to time, in the best interest of the Company."



10. Appointment of Mr. Nitin Kulkarni, Chief Operating Officer of the Company as a Director to be designated as the Executive Director and Chief Operating Officer of the Company with immediate effect.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 257, 269, 309 and Schedule XIII and any other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for the appointment of Mr. Nitin Kulkarni, being Chief Operating Officer of the Company, as a Director of the Company designated as the Executive Director and Chief Operating Officer of the Company (“Executive Director”) for a period of five years with effect from July 18, 2011, on terms and conditions as mentioned below:

i. **Basic Salary**

In the range of ₹ 50,000 to ₹ 3,00,000 per month.

ii. **Bonus / Commission**

Bonus/ Commission, as may be decided by the Board upto a maximum of 2% (Two percent) of the Net Profits payable quarterly or at other intervals.

iii. **Allowances**

Allowances in the nature of City Compensatory Allowance, Dearness Allowance, Personal Allowance, Special Allowance or such other allowance, by whatever name called calculated as a percentage of Basic Salary or fixed amount, as decided by the Board of Directors from time to time.

iv. **Perquisites & other benefits**

a) **Housing:**

- The expenditure by the Company on hiring furnished accommodation shall be subject to a ceiling of 50% of the Basic Salary. The perquisite value shall be computed in accordance with the prevailing Income Tax Rules.
- In case the Company does not provide accommodation, a House Rent Allowance subject to a ceiling of 50% of the Basic Salary.

In addition, the Company may arrange for maintenance of house by providing the services of a sweeper and / or gardener at the residence of the Executive Director. The monthly wages of each of them, to be paid by the Company, which shall be valued as taxable perquisite as per the prevailing Income Tax Rules.

- b) **Reimbursement of Corporate Relation Expenses:** The Executive Director shall be entitled to re-imbursement of Corporate Relations Expenses subject to submission of bills.
- c) **Medical Reimbursement:** Medical and Hospitalization benefits for self and family by way of re-imbursement of expenses actually incurred, the total cost of which to the Company shall not exceed such amount as decided by the Board of Directors from time to time.
- d) **Leave travel concession / allowance:** For self and family once in a year, as decided by the Board of Directors from time to time.
- e) **Club fees:** Monthly subscription fees subject to a maximum of two clubs as approved by the Managing Director of the Company.
- f) **Life Insurance Policy, Personal Accident Insurance and Mediclaim Policy:** Life Insurance Policy, Personal accident insurance for self and Mediclaim policy for self and dependent family members as per the rules of the Company. In addition, Life Insurance policy for self and dependent family members subject to the annual premium not exceeding ₹ 25,000.
- g) **Company's contribution to provident fund and superannuation fund:** As per the rules of the Company.
- h) **Gratuity:** As per the rules of the Company.

- i) **Earned / privilege leave:** As per the rules of the Company.
- j) **Encashment of leave:** As per the rules of the Company.
- k) **Company car:** The Company will provide to the Executive Director, a Company owned car with a driver, for all his official and personal needs. In this case, no Commuting Allowance will be paid.

If the Executive Director chooses not to use the Company vehicle, then he will be entitled to a vehicle allowance as decided by the Board of Directors from time to time.
- l) **Telephone/ Telefax/ Internet:** The Company shall reimburse rent, taxes and call charges of telephone / telefax at residence of the Executive Director. The Company shall also provide Cellular Phones with roaming facility and reimburse all charges pertaining to the same. The Company shall also reimburse the cost of Internet connection at the residence of the Executive Director.
- m) **Books and Periodicals:** The Executive Director shall be entitled to reimbursement of cost of books and periodicals subject to a ceiling as decided by the Board of Directors from time to time.
- n) **Stock Options:** The Executive Director shall be eligible to receive Stock Options of the Company as decided by the Board of Directors or its Committee thereof from time to time.
- o) **Other Privileges:** Such other privileges, facilities, perquisites and amenities as may be applicable from time to time to the Executives of the Company.

Explanation:

Perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.

'Family' means the spouse, the dependent children and dependent parents of the Executive Director.

RESOLVED FURTHER THAT the Board of Directors, based on the recommendation of the Compensation Committee, be authorized in its absolute discretion and from time to time to decide remuneration payable to the Executive Director of the Company within the above stated parameters.

RESOLVED FURTHER THAT Mr. Nitin Kulkarni be designated as 'Executive Director and Chief Operating Officer' or such other designation as decided by the Board from time to time.

RESOLVED FURTHER THAT where in any financial year during the tenure of Mr. Nitin Kulkarni as the Executive Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Nitin Kulkarni, the remuneration by way of salary, bonus and other allowances not exceeding the limits specified under Section II of Part II of Schedule XIII of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT Mr. Nitin Kulkarni shall not be liable to retire by rotation so long as he continues to hold the office of the Executive Director of the Company.

RESOLVED FURTHER THAT Mr. Nitin Kulkarni be authorized to exercise the following powers:

- A. Subject to the superintendence, control and direction of the Board of Directors of the Company, Mr. Nitin Kulkarni so long as he holds the position of the Executive Director of the Company shall have the general authority for conduct and management of the whole of business and affairs of the Company except in the matters which may be specifically required to be done by the Board either pursuant to the Companies Act, 1956 or by the Articles of Association of the Company.
- B. Mr. Nitin Kulkarni, Executive Director shall exercise and perform such powers and duties as the Board of Directors of the Company may from time to time determine and shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company and in particular but without in any way restricting the general powers and authorities hereinbefore conferred upon, Mr. Nitin Kulkarni, Executive Director shall in particular have the following powers on behalf of the Company:



1. To manage, conduct and transact day-to-day business, affairs and operations of the Company including power to enter into contracts and to vary and rescind them;
2. To enter into and become party to and to sign and execute all deeds, instruments, contracts, receipts and all other documents or writings on behalf of the Company whether statutory or otherwise;
3. To become party to and to present for registration and admit execution of and to do every act, matter or thing necessary or proper to enable registration on behalf of the Company of all deeds, instruments, contracts, agreements, receipts and all other documents whatsoever;
4. To insure and keep insured Company's properties, buildings, machinery, plants, materials, equipment and all other properties of the Company, movable or immovable either lying in the offices, or elsewhere or in transit for import against loss or damage by fire or other risks and to sell, assign, surrender or discontinue any of the insurances effected in pursuance of this;
5. To incur expenses as may be necessary to maintain offices and other buildings and otherwise deal with the Company's properties, articles or things or for the purposes of the business of the Company;
6. To raise or borrow (otherwise than by way of debentures / deposits) from time to time on behalf of the Company, funds not exceeding Rupees Five Crores between two consecutive Board Meetings and with the prior approval of Managing Director of the Company, if the amount exceeds Rupees Five Crores between two consecutive Board Meetings;
7. To invest and deal with the moneys of the Company not exceeding Rupees Twenty Five Crores between two consecutive Board Meetings or to deposit the same with banks and from time to time to realise and vary such investments;
8. To make loans, provide guarantee or give security for the amount not exceeding Rupees Three Crores between two Board Meetings and with the prior approval of Managing Director of the Company, if the amount exceeds Rupees Three Crores between two consecutive Board Meetings;
9. To operate upon and close accounts current, fixed or otherwise with any bank or bankers, merchant or merchants or with any company or companies, firm or firms, individual or individuals and to pay moneys into and to draw moneys from any such account or accounts from time to time;
10. To enter into Foreign Currency contracts for hedging the Company's underlying outstanding export and import exposures and other outstanding foreign currency liabilities;
11. To attend any general meeting of any of the companies in which the Company holds shares or is a member or any adjournment thereof and to exercise all the rights and powers of a member on behalf of the Company in the same manner as the Company could exercise if it were personally present as an individual member of such company / companies, including the right to appointment one or more proxies to attend and vote at any of the general meetings;
12. To appoint or employ for the Company's transactions and management of affairs and from time to time to discharge or remove or suspend or re-appoint and re-employ or replace managers, officers, employees and other members of the staff of the Company, bankers, all kinds of agents, brokers, advocates, solicitors, pleaders, lawyers, engineers, technicians and experts with such powers and duties and upon such terms as to duration of employment, remuneration or otherwise;
13. To incur such expenses, in unavoidable situations and exigencies, as may deem expedient for business purposes subject to ratification by the Board of Directors;
14. To make applications to various government, semi-government and local authorities and to execute requisite declarations, statements and other documents, on behalf of the Company, for any permissions, licenses, and registrations, and enhance or modify the application that are necessary for the Company for carrying out the day to day affairs of the Company and to comply with and / or cause to be complied with all statutory requirements affecting the Company and to represent the Company before any Government, courts of law, civil, criminal, industrial or labor, revenue or before all conciliators, other public officers, authorities, bodies or tribunals in connection with all suits, actions, petitions, appeals and other legal or other proceedings

and matters whether civil, criminal, revenue, industrial or labor in which the Company may be concerned or interested whether as plaintiffs, defendants, petitioners, appellants, respondents, opponents, prosecutors, opposing creditors or in any other capacity whatsoever or otherwise howsoever and in all matters in anywise concerning the business affairs and properties of the Company and to appear and to represent the Company in all actions, suits, appeals, petitions, and other proceedings under all Acts or enactments of the Parliament of India or of any State Legislature and to affirm, declare and sign all pleadings applications, petitions, statements, memoranda of appeal, affidavits, documents, acknowledgments and papers in connection therewith and to appear and to represent the Company before all officers, authorities, bodies or tribunals under any of the said Acts or enactments;

15. To apply for and obtain copies of returns of Income / Wealth tax statements, refund orders, depositions, correspondence, proceedings, assessment orders, appellate orders or orders of tax / in land revenue authorities on the Company's behalf herein and to carry on all correspondence and also apply for extension of time, accept notices, assessment orders, appellate orders, revision orders, tribunal judgment etc., on behalf of the Company;
16. To institute, defend, prosecute, conduct, compound, refer to arbitration and abandon and to compromise legal or other proceedings, claims and disputes by or against the Company or in which the Company may be concerned or interested;
17. To collect, ask, demand, sue or recover and receive from all persons, firms, companies, societies including the Government, its agents and servants or local authorities in any part of the world, liable to pay, transfer and deliver the same respectively all such sums of money, stocks, funds, interests, dividends, debts, dues, goods, effects and things now or hereafter to be owing or payable or belonging to the Company by virtue of any security or by right, title, ways or means howsoever or upon any balance of accounts and upon receipt thereof to ask, demand, sue for, recover and receive from persons or from everybody, political or corporate, whom it shall or may concern all sums of money, debts, dues, chattels, effects and things of whatsoever nature and description which now are or at any time or times during the subsistence of these presents shall or may be or become owing, payable or belonging to the Company in or by any right, title, ways or means howsoever;
18. To protest unpaid bills, obtain declarations of bankruptcy from others, attend and vote at all meetings in all bankruptcy, insolvency and liquidation or other proceedings in which the Company may be interested or concerned, concur in or object to the appointment of trustees and members of committees of control and take part in the same, and accept and repudiate composition whether judicial or otherwise;
19. To engage, constitute appoint and remove advocates, attorneys, lawyers, pleaders or other authorities to advise the Company, to prosecute or defend all proceedings in which the Company may be concerned and to advise the Company on all legal and tax issues and in connection with any reference or proceedings in the Tribunals in the High Court or other Court in connection with the above matters or in or about the premises and to sign vakalatnamas or warrants to act or appeals in any such matters;
20. To apply for, purchase or otherwise acquire any patents, copyrights, designs and inventions, licenses, concessions and the like conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the Company's purposes or the acquisition of which may seem calculated directly or indirectly to benefit the Company and in accordance with the terms if any of such property rights or information so acquired to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property rights or information so acquired;
21. To sign various applications, forms, returns or any other document to be filed by the Company under the provisions of Companies Act, 1956 by using Digital Signature Certificate; and
22. To delegate from time to time as he thinks fit to do, execute and perform all or any such matters and things as aforesaid to other officers of the Company.

RESOLVED FURTHER THAT the Board of Directors be authorized to add, delete or amend the powers and responsibilities of Mr. Nitin Kulkarni, Executive Director, as may be necessary from time to time, in the best interest of the Company."



11. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions contained in the Articles of Association of the Company and all other applicable provisions of the Companies Act, 1956 (“the Act”) and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) and such other applicable provisions (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board of Directors” which term shall be deemed to include any Committees thereof), consent of the Company be and is hereby accorded to the Board of Directors to amend the existing Employee Stock Options Award - X Scheme (ESOA-X) of the Company as under:

Para 1 in Clause 3 in ESOA – X Scheme be deleted and substituted by the following:

The maximum number of Shares earmarked under ESOA - X shall not exceed 20,00,000 (Twenty Lakhs only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard or for the purpose of giving effect to the aforesaid resolution without requiring the Board of Directors to secure any further consent or approval of the members of the Company.”

12. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 61 of the Companies Act, 1956, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, and other applicable provisions, if any (including any statutory modifications or re-enactments thereof, for the time being in force), consent of the Company be and is hereby accorded to the Board to use / deploy unutilized funds out of the proceeds of Initial Public Offering (IPO) of its Equity Shares of the Company, which stood at ₹ 802.58 Million as on March 31, 2011, in the best interest of the Company for other projects inter alia including (i) capitalizing the subsidiaries of the Company not restricted to establishment of development facilities in SEZ, (ii) establishment of development facilities, (iii) procuring software and (iv) other general corporate purposes including but not limited to inorganic initiatives, in addition to the Objects of the Issue stated in the Prospectus of the IPO of the Company.

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to the Board of Directors for varying the allocation of the unutilized funds out of the IPO proceeds for the above stated objects.”

By the order of the Board of Directors

Pune, June 13, 2011

Vivek Sadhale
Company Secretary and Head - Legal

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY, IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate Members are requested to send to the Company a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
3. The Explanatory Statement required under Section 173(2) of the Companies Act, 1956 in respect of the business mentioned at Items No. (5) to (12) (both inclusive) is being annexed herewith.
4. The record date for the purpose of payment of dividend will be Friday, July 15, 2011.
5. Subject to the provisions of Section 206A of the Companies Act, 1956, dividend as recommended by the Board of Directors, if declared at the meeting, will be payable on or before Friday, July 29, 2011, to those members whose name appears on the register of members as on Friday, July 15, 2011.
6. Members / Proxies are requested to bring duly filled attendance slips to be deposited with the Company officials at the venue of the meeting.

7. The Register of Directors' shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the Annual General Meeting.
8. The certificate from the Auditors of the Company certifying that the Company's Employees Stock Option Award – X is being implemented in accordance with SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, and in accordance with the resolution of the members passed at the general meeting will be available for inspection by the members at the AGM.
9. Members desiring any information as regards to accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
10. Details of Directors seeking appointment / re-appointment as director in this Annual General Meeting are attached separately to this Notice.
11. For payment of dividend (if any) through Electronic format, the members holding shares in dematerialized form are required to immediately update bank details and change of address, if any, to the respective Depository Participants (DP). The remittance of money through ECS is replaced by National Electronic Clearing Services (NECS). This is in addition to the existing facility of ECS in other locations. In this regard, shareholders holding shares in electronic form are requested to furnish the new 10-digit Bank Account Number allotted to you by your bank, along with photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP). Please send these details to the Company/Registrars, only if the shares are held in physical form, immediately.
12. Members who wish to claim dividends, which remain unclaimed, are requested to correspond to Company at investors@persistent.co.in or Company Secretary at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as per Section 205A of the Companies Act, 1956.
13. Bank account details registered against members' respective depository accounts will be used by the Company for making payment of the dividend.
14. Members having share certificates in physical mode are requested to immediately update bank details and change of address, if any, to the Company's Registrar and Share Transfer Agent enabling the Company to dispatch the dividend warrants at their correct address.
15. Copies of all documents referred to in the notice are available for inspection at the Registered Office of the Company between 2 p.m. to 4 p.m. IST on all working days till the date of the Annual General Meeting.
16. As a measure of austerity and green initiatives of the Company, copies of Annual Report will not be distributed at the Annual General Meeting.
17. With a view to take "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies, the Ministry of Corporate Affairs has allowed companies to share documents with Shareholders through electronic communication. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow public at large to contribute towards a greener environment. This is a golden opportunity for every shareholder to support the initiative of Ministry.

To support initiative of the Ministry and in view of Persistent Green Movement, the Company intends to send documents to Shareholders in electronic form, at the e-mail address provide by you with your depositories. In case you desire to have a different e-mail id to be registered, please update the same with your Depository Participant. Registering your e-mail address helps you to receive communication promptly, reduce paper consumption and save trees, eliminate wastage of paper, avoid loss of document in postal transit and save costs on paper and on postage. The Company intends to make available a copy of the Annual Report and quarterly results on the Company's website.

18. Members are requested to communicate matters relating to shares, including dividend matters to the Company's Registrar and Share Transfer Agent at the following address:

Link Intime India Private Limited
(Unit: Persistent Systems Limited)
Block No. 202, Second Floor,
Akshay Complex, Off Dhole Patil Road,
Pune 411 001, India
Tel. : +91 (20) 2605 1629
Fax : +91 (20) 2605 3503
E-mail : persistent@linkintime.co.in
Website : www.linkintime.co.in



EXPLANATORY STATEMENT (Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 5: Appointment of Mr. Prakash Telang as a Director of the Company

Mr. Prakash Telang was appointed as an Additional Director of the Company with effect from August 19, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Telang holds office upto the date of forthcoming Annual General Meeting. The Company has received notice in writing under Section 257 of the Companies Act, 1956, alongwith a requisite deposit, proposing his candidature for the office of Director liable to retire by rotation.

Profile of Mr. Prakash Telang

Mr. Prakash Telang is the Managing Director – India Operations of Tata Motors. He is responsible for managing the entire operations for the Tata brand of commercial vehicles and passengers cars in India and international markets. He also oversees the operations of the Company in international markets such as South Korea, Thailand, Spain and South Africa.

Mr. Telang earned a Bachelor's degree in Mechanical Engineering from VNIT, Nagpur in 1967 and worked for three years with Larsen and Toubro. He then completed his Masters in Business Administration from IIM Ahmedabad in 1972. He joined the Tata Group through the prestigious Tata Administrative Service (TAS) in 1972 and since then he has been with Tata Motors.

He has over four decades of functional expertise in the automotive industry and machinery manufacturing. Prior to his current role Mr. Telang was the Executive Director responsible for the Commercial Vehicle Business Unit of Tata Motors. He has been responsible for the product development, manufacturing and sales and service functions of the entire range of commercial vehicles. He has also been acclaimed as the architect of the company's cost reduction drive. He has also overseen the development of Tata Motors' successful products such as the Tata Ace and the Prima.

Mr. Telang is the Chairman of Tata Motors' overseas ventures – Tata Daewoo Commercial Vehicles Company, South Korea, Tata Motors Thailand Ltd., Tata Hispano Motors Carrocera S.A., Spain, and Tata Motors South Africa Pty. Ltd. He is also the Chairman of Tata Cummins, a JV between Tata Motors and Cummins India, Tata Motors Distribution Co. Ltd., Tata Marcopolo Motors Limited. He serves as a Director on the Boards of Fiat India Automobiles Pvt. Ltd., Telco Construction Equipment Ltd., Automobile Corporation of Goa Ltd., TAL Manufacturing Solutions Ltd., Tata Advanced Systems Ltd., Tata Hispano Motors Carroseries Maghreb, S.A., Morocco and Nita Company Limited, Bangladesh.

Sr. No.	Particulars	Description
A	Name of Director	Mr. Prakash Telang
B	Father's Name	Mr. Manjanath Telang
C	Date of Birth	June 21, 1947
D	Date of Appointment	August 19, 2010
E	Expertise in specific functional areas	Engineering & General Management
F	Qualifications	Bachelor's Degree in Mechanical Engg. Master's in Business Administration
G	List of outside directorships held [@]	1. Tata Motors Limited 2. Tata Cummins Limited 3. Automobile Corporation of Goa Limited 4. Telco Construction Equipment Company Limited 5. TAL Manufacturing Solutions Limited 6. Fiat India Automobiles Limited 7. TML Distribution Company Limited 8. Tata Advanced Systems Limited 9. Tata Marcopolo Motors Limited 10. Tata Daewoo Commercial Vehicle Company Limited, Korea 11. Tata Motors (SA) (Pty) Limited, South Africa 12. Tata Motors (Thailand) Limited, Bangkok 13. Nita Company Limited, Bangladesh 14. Tata Hispano Motors Carrocera S.A., Spain 15. Tata Hispano Motors Carroseries Maghreb S.A., Morocco

Sr. No.	Particulars	Description
H	Member of the Committees of the Board of the Company [@]	Compensation Committee [#] Nomination and Governance Committee
I	Member of the Committees in other companies in India [@]	Automobile Corporation of Goa Limited, Goa* (Compensation Committee)
J	Shareholding in the Company [@]	NIL
K	Relationship with other Directors	No

[#] Chairman of the Committee

^{*} Disclosure of the membership in other companies in India includes Chairmanship / Membership of Audit Committee and Shareholders' Investors' Grievance Committee in all Indian Public Companies excluding Persistent Systems Limited.

[@] As on May 31, 2011

None of the Directors of the Company except Mr. Telang is concerned or interested in this Resolution.

The Board of Directors of your Company is of the opinion that Mr. Telang's appointment would be beneficial to the Company and hence recommend the Resolution at Item No. 5 for your approval.

Item No. 6: Appointment of Mr. Kiran Umrootkar as a Director of the Company

Mr. Kiran Umrootkar was appointed as an Additional Director of the Company with effect from August 19, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Umrootkar holds office upto the date of forthcoming Annual General Meeting. The Company has received notice in writing under Section 257 of the Companies Act, 1956, alongwith a requisite deposit, proposing his candidature for the office of Director liable to retire by rotation.

Profile of Mr. Kiran Umrootkar

Mr. Kiran Umrootkar, B.Com (Hons.), LLB, FIIBF, MCIPD (UK) had a distinguished career with Standard Chartered Bank for 26 years, from where he voluntarily retired as the Executive Director-Treasury in November 1993. He is currently the Director-Finance of Jacobs Engineering India Private Limited, which is a part of the US based Global Fortune 500 Company with revenues of about USD 10 Billion and is one of the world's largest and most diverse providers of technical, professional and construction services. In India, the Company has its registered office in Mumbai with branches located at New Delhi, Ahmedabad, Baroda, Navi Mumbai etc.

He worked with Tata Group in India and was the Executive Director of Tata TD Waterhouse Securities Limited managing Primary Dealership business involving wholesale trading in government securities, Director of Tata Finance Amex Limited, a Joint Venture between Tata Finance and American Express and a Director of Tata Home Finance Limited, a Joint Venture between Tata Home Finance and Abbey National Group, UK. During this period, he was also the Director of Primary Dealers' Association of India.

At Standard Chartered Bank, he specialized in Foreign Exchange and Treasury Operations and was instrumental in building Treasury Operations of the Bank since inception. During 1991-92, he was deputed to establish Treasury Operations of the Bank in East and West Africa.

He was the recipient of the Lord Aldington Banking Research Fellowship which was awarded by the Indian Institute of Banking and Finance to study foreign exchange markets in the UK and Europe. He is a Fellow of the Indian Institute of Banking and Finance and a Member of the Chartered Institute of Personnel and Development, U.K.

Mr. Umrootkar represented Standard Chartered Bank as a Vice-Chairman at the Foreign Exchange Dealers' Association of India (FEDAI). He was also a member of the Expert Group established by the Reserve Bank of India in 1995 popularly known as the "Sodhani Committee" for introducing forex reforms in India.

He has been associated with the Bombay Management Association (BMA) since 1980 and was the President of BMA for the year 2000-2001. He is also a Member of the Finance Committee of All India Management Association (AIMA). He is also a Trustee of Foundation for International Taxation in India.

He was the Chairman of Banking & Finance Committee of Bombay Chamber of Commerce and Industry and was also the Chairman of Risk Management and Systems Group to prepare "Risk Management Handbook" for Corporates in India and



a Member of the Task Force appointed by Indian Merchants' Chamber to hasten the process of establishing Mumbai as the "Regional Financial Hub".

He is a member of the Advisory Board of ICFAI Business School, Mumbai and N.L. Dalmia Institute of Management Studies and Research. He is also a Trustee of Students' Literary & Scientific Society and Aryan Education Society which run two Schools in South Mumbai.

Sr. No.	Particulars	Description
A	Name of Director	Mr. Kiran Umrootkar
B	Father's Name	Mr. Dinanath Umrootkar
C	Date of Birth	May 24, 1947
D	Date of Appointment	August 19, 2010
E	Expertise in specific functional areas	Banking, Finance, Legal and General Management
F	Qualifications	B.Com (Hons.), LLB, FIIBF, MCIPD (UK)
G	List of outside directorships@	1. Jacobs Engineering India Private Limited 2. HGC Foundation Private Limited 3. Sverdrup Asia Limited 4. LeighFisher India Private Limited
H	Member of the Committees of the Board of the Company@	Audit Committee Executive Committee Nomination and Governance Committee
I	Member of the Committees in other companies in India@	NIL*
J	Shareholding in the Company@	NIL
K	Relationship with other Directors	No

* Disclosure of the membership in other companies in India includes Chairmanship / Membership of Audit Committee and Shareholders'/ Investors' Grievance Committee in all Indian Public Companies excluding Persistent Systems Limited.

@ As on May 31, 2011

None of the Directors of the Company except Mr. Umrootkar is concerned or interested in this Resolution.

The Board of Directors of your Company is of the opinion that Mr. Umrootkar's appointment would be beneficial to the Company and hence recommend the Resolution at Item No. 6 for your approval.

Item No. 7: Appointment of Dr. Dinesh Keskar as a Director of the Company

Dr. Dinesh Keskar was appointed as an Additional Director of the Company with effect from October 29, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Dr. Keskar holds office upto the date of forthcoming Annual General Meeting. The Company has received notice in writing under Section 257 of the Companies Act, 1956, alongwith a requisite deposit, proposing his candidature for the office of Director liable to retire by rotation.

Profile of Dr. Dinesh Keskar

Dr. Dinesh Keskar has more than two decades of expertise in the aerospace/defense industry. He was appointed Vice President of Boeing International and President of Boeing India in March 2009. Dr. Keskar is responsible for representing the entire enterprise and for leading Boeing-wide efforts focused on expanding the company's local presence and pursuing new growth and productivity initiatives in India. Since he joined Boeing in June 1980, Dr. Keskar has held senior positions in engineering, marketing and sales.

Dr. Keskar serves on several boards and organizations, including the national board of directors of the American Society of Engineers of Indian Origin; chairman of Amcham India, chairman of the Federation of Indian Chambers of Commerce and Industry's Civil Aviation Committee; the advisory board of the College of Engineering at the University of Cincinnati; U.S.-India Business Council Board Member Emeritus, which operates under sponsorship of the U.S. Chamber of Commerce; is a Fellow of the Royal Aeronautical Society; and an Associate Fellow of the American Institute of Aeronautics and Astronautics. He served as a member of the board of directors of the International Society of Transport Aircraft Trading, an organization that serves as the official voice for the entire commercial transport aircraft secondary marketplace, and was a member of the executive committee of the Indo-American Society. Dr. Keskar remains an active member of Indian community organizations in the United States.

Focused on Growth

Dr. Keskar was honored with the “Distinguished Alumni Award” by the University of Cincinnati for meritorious achievement, recognized stature and conspicuous success in the imaginative blending of engineering education with highly productive endeavors in industry. He received the Outstanding Achievement award from the American Society of Engineers of Indian Origin.

Sr. No.	Particulars	Description
A	Name of Director	Dr. Dinesh Keskar
B	Father’s Name	Mr. Achyut Keskar
C	Date of Birth	July 25, 1954
D	Date of Appointment	October 29, 2010
E	Expertise in specific functional areas	Aerospace / Defense, Sales and General Management
F	Qualifications	Bachelor’s Degree in Mechanical Engineering Master’s in Aerospace Engineering Master’s in Business Administration Doctorate in Aerospace Engineering
G	List of outside directorships@	1. Boeing International Corporation Private Limited 2. Boeing India Property Management (P) Limited 3. Continental DataGraphics Technical Services India Private Limited 4. Narus Networks Private Limited
H	Member of the Committees of the Board of the Company@	Compensation Committee Nomination and Governance Committee
I	Member of the Committees in other companies in India@	NIL*
J	Shareholding in the Company@	NIL
K	Relationship with other Directors	No

* Disclosure of the membership in other companies in India includes Chairmanship / Membership of Audit Committee and Shareholders’/ Investors’ Grievance Committee in all Indian Public Companies excluding Persistent Systems Limited.

@ As on May 31, 2011

None of the Directors of the Company except Dr. Keskar is concerned or interested in this Resolution.

The Board of Directors of your Company is of the opinion that Dr. Keskar’s appointment would be beneficial to the Company and hence recommend the Resolution at Item No. 7 for your approval.

Item No. 8: Appointment of Mr. Sanjay Kumar Bhattacharyya as a Director of the Company

Mr. Sanjay Kumar Bhattacharyya was appointed as an Additional Director of the Company with effect from May 12, 2011. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Bhattacharyya holds office upto the date of forthcoming Annual General Meeting. The Company has received notice in writing under Section 257 of the Companies Act, 1956, along with a requisite deposit, proposing his candidature for the office of Director liable to retire by rotation.

Profile of Mr. Sanjay Kumar Bhattacharyya

Mr. Bhattacharyya brings more than 38 years of experience in the banking and financial industry. As an astute senior level banker, his expertise spans in areas such as International and Corporate Banking across geographies, Retail Banking, Credit & Risk Management, Liability Management and Human Resource Management. He was the Managing Director and Chief Credit and Risk Office of State Bank of India (SBI) and Chief Executive Officer (CEO) of State Bank of Bikaner & Jaipur (SBBJ) and the SBI (International) Mauritius; participating in providing leadership to the Indian Financial System and being in the forefront of various initiatives undertaken by the SBI Group.

Mr. Bhattacharyya joined the State Bank of India as a Probationary Officer in the year 1972. During his tenure with State Bank of India, Mr. Bhattacharyya held a number of important positions, including those of Chief General Manager of Hyderabad Circle and DGM (Vigilance) at Chennai Circle. Also, Mr. Bhattacharyya was posted abroad as Managing Director of SBI International (Mauritius) Ltd., Mauritius.

Mr. Bhattacharyya also brings in an extensive experience in leading the bank in complex transaction situations affecting both the top-line and bottom-line, regulatory compliance and has also headed bank committees regarding strategic



alternatives, capital structure and liquidity, impact on earnings per share and shareholder disputes. In his role as the head of the highest level credit committee of the bank, he has been involved with the evaluation of large value projects involving sanction of funds for mergers, acquisitions, green field and brown field projects.

Mr. Bhattacharyya was also the Member of the Basel-II Implementation and Risk Management Committee of Indian Banks Association, and Member of the Expert Committee on Banking & Finance of ASSOCHAM.

Sr. No.	Particulars	Description
A	Name of Director	Mr. Sanjay Kumar Bhattacharyya
B	Father's Name	Mr. Santosh Kumar Bhattacharyya
C	Date of Birth	October 31, 1950
D	Date of Appointment	May 12, 2011
E	Expertise in specific functional areas	Banking, Finance, Operations and General Management
F	Qualifications	BA (Hons.) in Economics
G	List of outside directorships@	Finnacle Capital Advisors Private Limited
H	Member of the Committees of the Board of the Company@	Nil
I	Member of the Committees in other companies in India@	NIL*
J	Shareholding in the Company@	NIL
K	Relationship with other Directors	No

* Disclosure of the membership in other companies in India includes Chairmanship / Membership of Audit Committee and Shareholders'/ Investors' Grievance Committee in all Indian Public Companies excluding Persistent Systems Limited.

@ As on May 31, 2011

None of the Directors of the Company except Mr. Sanjay Kumar Bhattacharyya is concerned or interested in this Resolution.

The Board of Directors of your Company is of the opinion that Mr. Bhattacharyya's appointment would be beneficial to the Company and hence recommend the Resolution at Item No. 8 for your approval.

Item No. 9: Re-appointment of Dr. Anand Deshpande as the Managing Director of the Company for a further period of five years with effect from April 1, 2012

The members of the Company at the Seventeenth Annual General Meeting of the Company held on July 23, 2007 had appointed Dr. Anand Deshpande as the Managing Director of the Company for the period of five years with effect from April 1, 2007. The tenure of Dr. Anand Deshpande as the Managing Director will expire on March 31, 2012.

Subject to the approval of the members of the Company, the Board of Directors at its meeting held on April 18, 2011, in terms of the recommendation of the Nomination and Governance Committee, approved the re-appointment of Dr. Anand Deshpande as the Managing Director of the Company for a further period of five years with effect from April 1, 2012.

The proposed re-appointment is on the terms and conditions of re-appointment as follows:

- Period of re-appointment – Five years beginning on April 1, 2012 and ending on March 31, 2017
- Details of remuneration – As provided in Item No. 9 of the Notice
- Dr. Anand Deshpande shall perform such duties as shall from time to time entrusted to him, subject to superintendence, guidance and control of the Board of Directors and he shall perform such other duties as shall from time to time be entrusted to him by the Board of Directors, as detailed in Item No. 9 of the Notice.

In terms of Sections 269, 309, 310 read with Schedule XIII to the Companies Act, 1956, re-appointment of the Managing Director and for the payment of remuneration is required to be approved by the members of the Company.

The terms of re-appointment of Dr. Anand Deshpande as Managing Director, as stated in this Notice, may be treated as the abstract under Section 302 of the Company Act, 1956. The copies of relevant resolution of the Board with respect to the appointment is available for inspection by members at the registered office of the Company during working hours on any working day till the date of the Annual General Meeting.

Profile of Dr. Anand Deshpande

Dr. Anand Deshpande is the founder, Chairman and Managing Director of Persistent Systems Limited. He earned a Bachelor's Degree (Hons.) in Technology in Computer Science and Engineering from the Indian Institute of Technology, Kharagpur in 1984. He earned a Master's Degree in Computer Science in 1986 and a doctorate in Computer Science in 1989, both from the Indiana University, Bloomington, Indiana (USA).

He worked at Hewlett-Packard Laboratories as a member of the technical staff in Palo Alto, California from 1989 to 1990 and has been a Chairman of our Board since he founded Persistent Systems in 1990. He is a member of the Association for Computing Machinery, Institute of Electrical and Electronics Engineers, Computer Society of India, Institute of Engineers (India).

He is currently the Co-chair of the ACM India Council. He was on the executive committee of NASSCOM for the term 2004-2008 and re-appointed on the executive committee for the term 2011-2013. He is a co-opted member of the Executive Council of Maharashtra Chamber of Commerce, Industries and Agriculture for a term of 2010-2012. He was the Chairman of the Pune Zonal Council of the Confederation of Indian Industries for the year 2008-09. He has been the President of the Software Exporters' Association of Pune for 2005-06 and 2006-07 and Chairman of the Pune Chapter of the Computer Society of India for 2003-04 and 2004-05.

He is an active member of the database community and has served as the Industrial Program Committee Chairman for Very Large Data Bases 2007 in Vienna, and was responsible for organizing the said conference in Mumbai, in 1996. He also served as the Industrial Program Committee Chairman for the International Conference on Data Engineering, 2005 in Tokyo and was actively involved in organizing the 2003 edition of the above conference in Bengaluru, India. He was the Organising Chair of the Conference on Management of Data in 2005 at Goa, India. He was selected as the Technical Chair of the Conference on Database Systems for Advanced Applications held in January 2008, in New Delhi.

He was awarded the Career Achievement Award of the School of Informatics at Indiana University, Bloomington in 2009, where he serves on the Dean's Advisory Council.

Sr. No.	Particulars	Description
A	Name of Director	Dr. Anand Suresh Deshpande
B	Father's Name	Suresh Purushottam Deshpande
C	Date of Birth	May 7, 1962
D	Date of Appointment	October 19, 1990
E	Expertise in specific functional areas	Computer Science and Management
F	Qualifications	M.Tech. (Computer Science); Ph.D. (Computer Science)
G	List of outside directorships@	1. Persistent eBusiness Solutions Limited, India 2. Persistent Systems and Solutions Limited, India 3. Persistent Systems, Inc., USA 4. Persistent Systems Pte. Ltd., Singapore 5. Persistent Systems France S.A.S., France 6. Maharashtra Chamber of Commerce, Industries and Agriculture (Member, Executive Council)
H	Member of the Committees of the Board of the Company@	Compensation Committee Nomination and Governance Committee
I	Member of the Committees in other companies in India@	NIL*
J	Shareholding in the Company@	1,13,76,050 Equity Shares of ₹ 10 each
K	Relationship with other Directors@	Son of Mr. S. P. Deshpande, Non-Executive Director of the Company

* Disclosure of the membership in other companies in India includes Chairmanship / Membership of Audit Committee and Shareholders' / Investors' Grievance Committee in all Indian Public Companies excluding Persistent Systems Limited.

@ As on May 31, 2011

None of the Directors of the Company except Dr. Anand Deshpande, Chairman and Managing Director and Mr. S. P. Deshpande, Non-Executive Director of the Company is concerned or interested in this Resolution.



The Board of Directors of your Company is of the opinion that re-appointment of Dr. Anand Deshpande for a further period of five years with effect from April 1, 2012 would be beneficial to the Company and hence recommend the Resolution at Item No. 9 for your approval.

Item No. 10: Appointment of Mr. Nitin Kulkarni as the Executive Director of the Company for a period of five years with immediate effect

Subject to the approval of the members of the Company, the Board of Directors recommended the appointment of Mr. Nitin Kulkarni, being Chief Operating Officer of the Company, as Director of the Company, to be designated as the Executive Director and Chief Operating Officer of the Company for a period of five years with effect from the date of appointment by the members.

The proposed appointment is on the terms and conditions of appointment as follows:

- Period of appointment – Five years beginning from the date of appointment by the members on July 18, 2011 and ending on July 17, 2016, subject to Mr. Nitin Kulkarni occupying the position of Chief Operating Officer of the Company.
- Details of remuneration – As provided in Item No. 10 of the Notice.
- Mr. Nitin Kulkarni shall perform such duties as shall from time to time entrusted to him, subject to superintendence, guidance and control of the Board of Directors and he shall perform such other duties as shall from time to time be entrusted to him by the Board of Directors as detailed in Item No. 10 of the Notice.

In terms of Sections 269, 309, 310 read with Schedule XIII to the Companies Act, 1956, appointment of the Executive Director and for the payment of remuneration is required to be approved by the members of the Company.

The terms of appointment of Mr. Nitin Kulkarni as Executive Director, as stated in this Notice, may be treated as the abstract under Section 302 of the Company Act, 1956. The copies of relevant resolution of the Board with respect to the appointment is available for inspection by members at the registered office of the Company during working hours on any working day till the date of the Annual General Meeting.

Profile of Mr. Nitin Kulkarni

Mr. Nitin Kulkarni is the Chief Operating Officer of Persistent Systems Limited. He earned a Bachelor's Degree in Engineering in Electronics from Mumbai University in 1988 and a Master's Degree in Engineering in Electronics from VNIT, Nagpur University in 1991. Prior to joining Persistent Systems Limited in 2006, he worked with NELCO, Mumbai from 1991 to 1992 as a Senior Systems Engineer. He subsequently worked with Siemens Information Systems Limited from October 1992 to February 1996 as a Senior Systems Analyst and with Infosys Technologies Limited between May 1996 to November 2006 in various roles in two tranches ranging from Project Manager to Assistant Vice President and Development Center Head.

Sr. No.	Particulars	Description
A	Name of Director	Mr. Nitin Govind Kulkarni
B	Father's Name	Govind Purushottam Kulkarni
C	Date of Birth	March 2, 1967
D	Date of Appointment	Not applicable
E	Expertise in specific functional areas	Software Development and Engineering and General Management
F	Qualifications	Bachelor of Engineering (Electronics) Masters of Engineering (Electronics)
G	List of outside directorships@	Persistent Systems and Solutions Limited, India
H	Member of the Committees of the Board of the Company@	NIL
I	Member of the Committees in other companies in India@	NIL*
J	Shareholding in the Company@	28,510 Equity Shares of ₹ 10 each
K	Relationship with other Directors@	No

* Disclosure of the membership in other companies in India includes Chairmanship / Membership of Audit Committee and Shareholders' / Investors' Grievance Committee in all Indian Public Companies excluding Persistent Systems Limited.

@ As on May 31, 2011

None of the Directors of the Company except Mr. Nitin Kulkarni, Chief Operating Officer of the Company is concerned or interested in this Resolution.

The Board of Directors of your Company is of the opinion that appointment of Mr. Nitin Kulkarni as an Executive Director of the Company would be beneficial to the Company and hence recommend the Resolution at Item No. 10 for your approval.

Item No. 11: Amendment to existing Employee Stock Option Award – X Scheme of the Company

The Company has always believed in rewarding its employees for their long term association, continuous hard work, dedication and support which has led the Company on a growth path.

The members at the Annual General Meeting of the Company held on July 20, 2010, approved ESOA – X for the benefits of all permanent employees of the Company and its subsidiary companies, and Directors (including Whole-time Director and Non-Executive Director) of the Company and its subsidiaries.

In terms of ESOA – X, 9,10,000 (Nine Lakhs Ten Thousand only) Shares were earmarked for grant of Stock Options under ESOA – X. The Company had granted 7.70 Lakhs Stock Options post approval of ESOA – X by the members. To enable the Company to grant Stock Options to eligible employees and directors of the Company from time to time, it is proposed to increase the limit of earmarked Shares for grant of Stock Options under ESOA – X from existing 9,10,000 (Nine Lakhs Ten Thousand only) to 20,00,000 (Twenty Lakhs only).

In terms of Clause 7.1 of the SEBI ESOP Guidelines, no company shall vary the terms of Employee Stock Options Schemes in any manner, which may be detrimental to the interests of the employees. Further, in terms of Clause 7.2 of the SEBI ESOP Guidelines, the company may by special resolution in a general meeting vary the terms of ESOS offered pursuant to an earlier resolution of a general body but not yet exercised by the employee provided such variation is not prejudicial to the interests of the option holders.

The proposed amendment to the ESOP Schemes will be in the interest of the employees and in no way detrimental to their interest. The proposed amendment to the ESOP Schemes as stated in Item No. 11 of the Notice shall be effective from the date of approval by the members.

Accordingly, the resolution set as Item No. 11 is being placed for the approval of the members pursuant to the provisions of the Companies Act, 1956 and Clause 7.2 of the SEBI ESOP Guidelines and all other applicable provisions of law for the time being in force.

The Board recommends the resolution as set out in item no. 11 of the Notice for your approval.

All of the Directors, except Dr. Anand Deshpande and Mr. S. P. Deshpande, Promoter Directors of the Company, may be deemed to be interested in the Resolution to the extent of benefit they may derive under the ESOA – X.

Item No. 12: Utilization of IPO Proceeds of the Company

The members at the Extra-Ordinary General Meeting of the Company held on December 18, 2009, had approved Initial Public Offering (IPO) of the equity shares of the Company. Accordingly, the Company had made an IPO of its Equity Shares in March 2010 and shares of the Company were listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited on April 6, 2010. The IPO of the Company was planned with the objects, as more particularly stated and described under section titled “Objects of the Issue” in the Prospectus dated March 23, 2010, which included (a) to establish our development facilities at Hinjawadi and Nagpur; (b) to capitalize our Subsidiaries for establishing development facilities and meeting fit outs and interior design costs; (c) to procure hardware; (d) to fund expenditure for general corporate purposes. In terms of the year-wise breakup of fund utilization, the Company is required to utilize the IPO proceeds by end of March 31, 2012.

The Company generated net cash of ₹ 1,575.27 Million from operating activities, during the financial year 2010-11 post IPO of the Company.

Due to change in the tax regime for IT companies, the Company in addition to its investment in non-SEZ facilities intends to make aggressive investment in SEZ facilities. Further, given the changing business landscape, the Company intends to pursue inorganic initiatives.

The Company utilized the proceeds of the IPO accruing to the Company, after deducting the Company's share of the underwriting and management fees, selling commissions and other expenses associated with the IPO as on March 31, 2011 in the manner set forth below:



(₹ in Million)

Activity	Funds allocated for the Objects as per Prospectus from the Net Proceeds	Actual utilization upto March 31, 2011 from the Net Proceeds	Unutilised funds upto March 31, 2011 from the Net Proceeds
Establishment of development facilities	760.20	203.91	556.29
Capital expenditure through subsidiaries for establishing development facilities in SEZ	29.59	29.59	-
Procuring computer hardware	204.50	92.92	111.58
Expenses for general corporate purposes	206.31	71.60	134.71
Total	1,200.60	398.02	802.58

In view of the Company's plan for expanding its operations in SEZ facilities and pursuing inorganic initiatives, it is felt necessary that more flexibility be accorded for utilization of unutilized IPO proceeds.

In terms of Section 61 of the Companies Act, 1956, a company cannot vary the terms of a contract referred to in the prospectus except subject to the approval of, or except on authority given by, the company in a general meeting.

In view of the above, the Board of Directors seeks approval of the members for use / deployment of unutilized part of the IPO proceeds as given above for (i) capitalizing the subsidiaries of the Company not restricted to establishment of development facilities in SEZ, (ii) establishment of development facilities (iii) procuring software and (iv) other general corporate purposes including but not limited to inorganic initiatives, in addition to the Objects of the Issue stated in the Prospectus of the IPO of the Company. The Board of Directors also seeks approval of members for varying the allocation of the unutilized part of the IPO proceeds for the above stated objects.

The Board of Directors accordingly recommends the Resolution at Item No. 12 for your approval.

None of the Directors of the Company is concerned or interested in this Resolution.

Details of the Director seeking re-appointment at this Annual General Meeting

Mr. Prabhakar Bhagwant Kulkarni

Mr. P. B. Kulkarni is Director on Board since year 2001. He earned Bachelor's Degrees in Commerce and Arts in 1955 and 1956, respectively, and a Post Graduate Degree in Commerce from Pune University in 1957. He is also a Certified Associate of the Indian Institute of Bankers and is a Fellow of the Economic Development Institute of the World Bank, Washington D.C.

He worked with the Reserve Bank of India from 1957 to 1993 in various positions including as an Executive Director. He has over fifty years of experience in the fields of banking and finance.

During this time, he served on deputation with the Asian Development Bank, Manila from 1967 to 1970 as operations officer, the Bangladesh Shilpa Bank intermittently for the period 1974 to 1977 as a consultant, the Myanmar Economic Bank, Yangon from 1978 to 1979 as chief of mission. He was the Chairman and Managing Director of the Bank of Maharashtra from 1993 to 1995. He has also served as the Chairman of the local advisory board for the Bank of Bahrain & Kuwait, B.S.C from 1997 to 2005. He has been a Director on the boards of the Punjab and Sind Bank, Bank of India and Central Bank of India, and was an alternate Director on the Board of Asian Clearing Union.

He has served as a Chairman of the finance sector sub-committee of the Mahratta Chamber of Commerce, Industries and Agriculture from 1996 to 2003 and is a past member of the editorial board of the journal of the National Institute of Bank Management.

He is a member of the Centre for Advanced Strategic Studies, Pune and the English Speaking Union, Pune. He was a member of the Vision Committee of Pune University. He is the Chief Trustee of the Suparn Charitable Trust and a Founder Trustee of Persistent Foundation.

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Details of Mr. Prabhakar Kulkarni, Director, seeking re-appointment

Item No. 3 in the Notice:

Sr. No.	Particulars	Description
A	Name of the Director	Mr. Prabhakar Bhagwant Kulkarni
B	Father's Name	Mr. Bhagwant Govind Kulkarni
C	Date of Birth	June 15, 1935
D	Date of Appointment	June 14, 2001
E	Expertise in specific functional areas	Banking and Finance
F	Qualifications	Bachelor's degrees in Commerce and Arts Post Graduate degree in Commerce Certified Associate of Indian Institute of Bankers
G	List of outside directorships held@	GDA Trustee and Consultancy Limited
H	Member of the Committees of the Board of the Company@	i. Audit Committee# ii. Shareholders' / Investors' Grievance Committee# iii. Compensation Committee iv. Executive Committee# v. Nomination and Governance Committee#
I	Member of the Committees in other companies in India@	NIL*
J	Shareholding in the Company@	12,550 Equity Shares of ₹ 10 each
K	Relationship with other Directors	No

Chairman of the Committee

* Disclosure of the membership in other companies in India includes Chairmanship / Membership of Audit Committee and Shareholders' / Investors' Grievance Committee in all Indian Public Companies excluding Persistent Systems Limited.

@ As on May 31, 2011

Attendance record of Directors seeking appointment / re-appointment for Board Meetings of the Company held during the year 2010-11

Board Meetings held during the year - 4 (Four)

Name of the Director	No. of Board Meetings Attended
Dr. Anand Deshpande	4 (Four)
Mr. S. K. Bhattacharyya@	NA
Dr. Dinesh Keskar@@	1 (One)
Mr. P. B. Kulkarni*	4 (Four)
Mr. Prakash Telang@@@	2 (Two)
Mr. Kiran Umrootkar@@@	2 (Two)

* Out of four meetings one meeting was attended through teleconferencing

@ Appointed as an additional director with effect from May 12, 2011

@@ Appointed as an additional director with effect from October 29, 2010

@@@ Appointed as an additional director with effect from August 19, 2010

By the order of the Board of Directors

Pune, June 13, 2011

Vivek Sadhale
Company Secretary and Head - Legal