

# Deloitte Haskins & Sells LLP

Chartered Accountants  
706, 'B' Wing, 7th Floor  
ICC Trade Tower  
International Convention Centre  
Senapati Bapat Road  
Pune - 411 016  
Maharashtra, INDIA

Tel: +91 (20) 6624 4600

Fax: +91 (20) 6624 4605

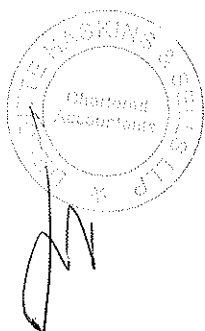
Joshi Apte & Co.  
Chartered Accountants  
"Dwarka", First Floor  
2 Phatak Baug Society  
999 Navi Peth, Pune - 411 030

## INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS TO THE BOARD OF DIRECTORS OF PERSISTENT SYSTEMS LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **PERSISTENT SYSTEMS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its share of the profit/(loss) of its associate for the Quarter and Nine Months ended December 31, 2015 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related interim consolidated financial statements in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



3. The condensed consolidated financial results includes financial statements of all the subsidiaries which reflect total assets (net) of Rs. 2,675.50 Million as at December 31, 2015, total revenue (net) of Rs. 2,809.46 Million and Rs. 7,503.01 Million and total net profit after tax of Rs. 120.28 Million and Rs. 491.31 Million respectively for the Quarter and Nine Months ended December 31, 2015, which have been audited by one of the joint auditors, M/s Joshi Apte & Co.
4. The consolidated financial results also includes the Group's share of profit/(loss) after tax of Rs. Nil and Rs. Nil for the Quarter and Nine Months ended December 31, 2015, respectively, as considered in the consolidated financial results, in respect of 1 associate, based on their unaudited interim financial information. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited interim financial information.
5. In our opinion and to the best of our information and according to the explanations given to us, and except for the possible effects of the matter described in paragraph 4 above, the Statement:
- a. includes the results of the following entities:
- |                                                                       |                                       |
|-----------------------------------------------------------------------|---------------------------------------|
| 1. Persistent Systems, Inc.                                           | 7. Akshat Corporation                 |
| 2. Persistent Systems Pte Limited                                     | 8. Aepona Holdings Limited            |
| 3. Persistent Systems France SAS                                      | 9. Aepona Group Limited               |
| 4. Persistent Telecom Solutions, Inc.                                 | 10. Valista Limited                   |
| 5. Persistent Systems Malaysia Sdn. Bhd.                              | 11. Valista Inc.                      |
| 6. CloudSquads Inc. (dissolved w.e.f. 29 <sup>th</sup> December 2015) | 12. Aepona Software (Private) Limited |
|                                                                       | 13. Aepona Limited                    |
- b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Group for the Quarter and Nine Months ended December 31, 2015.

**For Deloitte Haskins & Sells LLP**  
**ICAI Firm Registration No: 117366W/W-100018**  
**Chartered Accountants**

per Hemant M. Joshi  
Partner  
Membership No.: 038019  
Place: Pune  
Date: January 23, 2016



**For Joshi Apte & Co.**  
**ICAI Firm Registration No: 104370W**  
**Chartered Accountants**

per C. K. Joshi  
Partner  
Membership No.: 030428  
Place: Pune  
Date: January 23, 2016

