



# Unleashing Potential

32<sup>nd</sup> Annual Report  
2021-22

# 32<sup>nd</sup> Annual General Meeting

Tuesday, July 19, 2022  
16:00 IST

**Video Conferencing and e-Voting**  
[persys.co/agm2022](https://persys.co/agm2022)

Members are requested to follow the instructions provided in the Notice of 32<sup>nd</sup> Annual General Meeting in order to attend the AGM in person or via video conferencing and to e-vote.

### Remote e-Voting Period

- 1\ 12:01 AM IST on Saturday, July 16, 2022 — 05:00 PM IST on Monday, July 18, 2022
- 2\ During the AGM

Read this Annual Report online:  
[persys.co/ar2022](https://persys.co/ar2022)

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# Unleashing Potential

Over the last year, we’ve witnessed an unprecedented acceleration in the adoption of digital technologies that are transforming the world.

Today, software, combined with cloud technology, is literally the foundation of every experience in our lives, especially the experience of business. We’ve prepared ourselves for leadership in this new era over many decades and through hundreds of engagements with some of the world’s most innovative companies. Our strong and consistent performance in the past

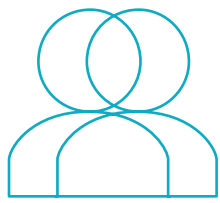
year is an outcome of our readiness for this moment in time and a testament to our team’s impeccable execution.

Today, our differentiated expertise, core values and deep partnerships are essential to our various stakeholders as we work to unleash their full potential.



## Our Expertise

Over 32 years, we’ve developed and invested in the Digital Engineering expertise that our clients now require to thrive in a software-driven, post-pandemic world. The demand for our comprehensive expertise that combines traditional software and product know-how with broader digital business and emerging-technologies acumen is as strong as ever.



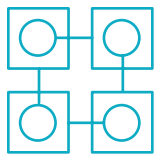
## Our Clients

As trusted collaborators in the transformation agendas of our clients, we are working to engineer, deploy and integrate differentiating technologies that are driving industry innovation and unlocking new business value. Our work is helping organizations across industries to optimize cash, reduce costs and unlock growth through enhanced customer experiences and services.



## Our People

Last year’s growth came with a significant infusion of talent and leadership across our business. It is our commitment to help each individual reach their full potential by providing world-class development programs — enabling global opportunities to work with the industry’s best and impacting the world in powerful, positive ways, using the latest technologies.



## Our Ecosystem

Our partner ecosystem has been at the core of our strategy for many years, and today it is the bedrock of our success. Through organic and inorganic investments over the last few years, we’ve bolstered our skills, enhanced our joint value propositions and fortified the relationships required for growth in a world led by the cloud hyperscalers and other innovators.



## Our Communities

We’ve always believed the world is one family. It is deeply ingrained in our values, culture and actions. We continue to help our communities emerge physically, economically and socially stronger through meaningful initiatives. We also include our employees and their families in our sustainability journey to build a healthier and stronger planet.

# Message from the Chairman

Giving back to the society has never been more important and I'd like to thank each member of the Persistent family for their active support and unshakable trust in our abilities to deliver on our promise. You have motivated us to unleash our potential for the next phase of our growth.



Dear valued Shareholders,

I am delighted to present to you our 32<sup>nd</sup> Annual Report for Financial Year (FY) 2021-22. This year has been a remarkable year for all of us here at Persistent. We emerged more resilient and reinvigorated, and our confidence in our capabilities is reflected not only in our numbers but also in the trust that our clients have placed in us. I am grateful to our clients, partners, team members, and other stakeholders for their relentless collaboration to make this happen.

Last year, we were able to steer through the challenges of the unpredictable market conditions effectively and achieve strong growth. We did this by aligning to our clients' vision, focusing relentlessly on growth, and maintaining a strong operational rigour. This is a testament to the unwavering determination of our teams to help our clients succeed in their respective industries.

During the year, we acquired SCI, Fusion 360, Sureline, Shree Partners, Data Glove and Media Agility. I welcome

these new members to the Persistent family. These teams have enhanced our capabilities and have ensured that we remain on the cutting edge of technology.

We have been growing at an incredible pace over the last four quarters. We added more than 4,900 new team members to the Persistent family and strengthened our leadership team to fuel the next wave of growth. With our strong belief in upgrading the skill quotient of our teams, Persistent University has successfully trained 11,000 team members on various skills to contribute to their career growth. Our investments in platforms, tools, and training are focused on strengthening the capabilities of our teams.

We have adopted the hybrid working model and have allowed new people engagement norms to emerge. We believe that it is not about work-life balance or work-life integration anymore. It is about Work-life Harmony. We know that one size does not fit all, and hence we are creating multiple avenues for our people to unleash their potential by taking control of their personal health and well-being — physical, emotional, social, and financial.

While the pandemic caused unprecedented disruptions, it also taught us some life-changing lessons. We learnt the importance of protecting our family, our communities, and the world at large. As a result, we embarked on extensive outreach programs and practices to connect with our clients, suppliers, and vendors, always assuring them of our unwavering support. The circumstances have pushed us to rise above and beyond our own limitations and to align our sustainability

agenda with our business and technological transitions and organizational growth. Today, our business approach includes a holistic, sustainable strategy aimed at providing long-term value for our stakeholders.

Our CSR activities, environmental initiatives, and ethical corporate governance are focused on delivering our environmental, social and governance (ESG) responsibilities. I am proud of the progress we have made so far in providing sustainable solutions for our communities around healthcare, education, and community development. However, we still have a long road ahead to ensure a better and brighter future for our next generations. As we enter our fourth decade as a sustainable business, we are thrilled to embark on this journey with our people, our families, and the communities we serve.

Giving back to the society has never been more important, and I'd like to thank each member of the Persistent family for their active support and unshakable trust in our abilities to deliver on our promise. You have motivated us to unleash our potential for the next phase of our growth.

**Anand Deshpande**  
Founder, Chairman and Managing Director



# Message from the CEO

We entered FY22 a stronger, more united, and resilient organization and we proudly ended the year as one of the top performing companies in our sector. With optimism and our values guiding us, we remain laser focused on expanding the business outcomes we deliver to our clients and look forward to the journey ahead.



## Dear Valued Shareowners,

We sincerely hope you and your loved ones are safe, healthy and happy.

We are delighted to report yet another year of growth across all of our critical business metrics. It truly was a banner year for us, delivering 35.2% year-on-year (Y-o-Y) growth with \$765.6 Million in FY revenue aided by 9% sequential quarterly growth for all four quarters in the financial year. Our ongoing operational discipline also helped us continue to improve our Earnings Before Interest and Taxes (EBIT) margin, ending +56.1% Y-o-Y. This performance resulted in a market-leading

shareholder value creation, as we delivered over 143% return and a market capitalization of \$4.3 Billion at year end. We are proud to share that based on this consistent top and bottom-line growth, Persistent was named, for the first time, to Forbes Asia's "Best Under A Billion" list.

Underpinning the growth in our business is a new digital reality that emerged for our clients during the pandemic. Today, virtually every experience in our lives is software-driven and cloud-enabled — especially the experience of business. In this new competitive environment, our differentiated Digital Engineering expertise and trusted delivery have become essential

components of our clients' success. Our work is not only driving new levels of efficiency and growth for our clients but is also helping to transform industries and people's lives for the better.

We want to thank all of our clients, entire partner ecosystem and every member of our 18,500+ Persistent family for their continued trust and support, enabling us to reach these significant milestones. We acknowledge our employees' hard work and dedication that have been the bedrock of our industry-leading growth and shareholder returns over the past several quarters.

This year, we were pleased to announce one of the most inclusive Employee Stock Option Plan (ESOP) in the global IT services industry, inviting 80% of our team members to participate in the company's success as shareholders. We are confident this gesture will further our employee commitment to the organization's success and be value-accretive in the longer term for our various stakeholders.

Our Digital Engineering expertise, industry solutions and delivery excellence continue to be recognized by the analyst and advisor community. For the ninth year in a row, we are a leader in the Zinnov Zones™ Engineering Research and Development Services ratings, and we made it to the Constellation Shortlist™ for Innovation Services and Engineering for the fourth consecutive time. We also built on our five 2020 ISG Star of Excellence Awards, with four more awards in 2021 for the Analytics, Salesforce, Intelligent Automation and Manufacturing categories. These awards represent the Voice of the Customer and are a true testimony of the value we deliver on an ongoing basis to our customers.

Expanding on our core strengths, we announced five acquisitions during the year gone by: Data Glove, SCI, Shree Partners, Sureline and

MediaAgility. These strategic investments bolstered our capabilities in key hyperscaler domains, which are an integral part of our long-term strategy. We strongly believe that the hyperscaler ecosystems across AWS, Google, IBM, Microsoft and Salesforce enable us to help our clients strengthen their industry-specific capabilities to thrive in the continuously evolving market.

Besides our recent acquisitions, we are strengthening our people strategy and have fortified our leadership team to fuel the next wave of growth. Notably, we welcomed Yogesh Patgaonkar as our new Chief People Officer and announced Sameer Bendre, a Persistent veteran, as Chief of Operations, responsible for ESG, Risk Management, Enterprise Information Systems, Administration and Internal Audit functions.

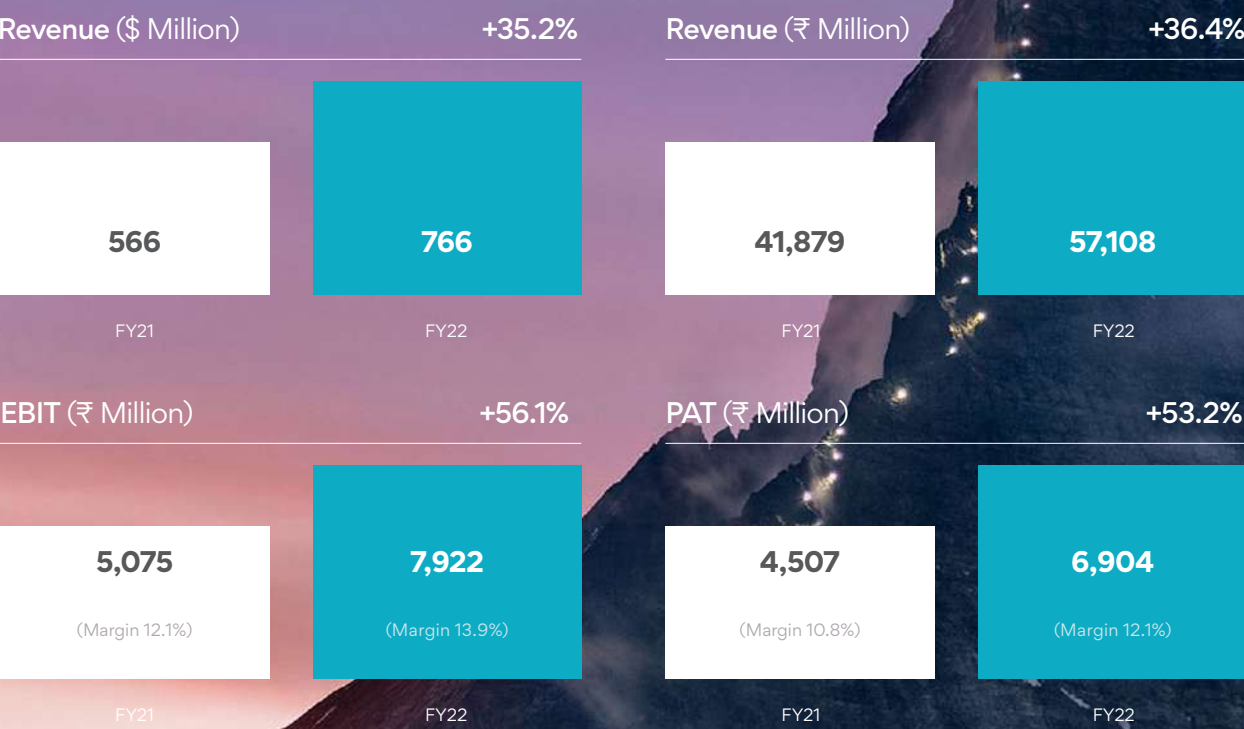
We entered FY22 a stronger, more united and resilient organization, and we were proud to end the year as one of the top-performing companies in our sector. We worked hard to future-proof our organization so that we can more effectively navigate not only the everchanging technology landscape, but also the uncertainty and complexity of the macroeconomic environment. We continued to expand on our longstanding commitment to various ESG initiatives that are not only positively impacting our environment and governance, but also numerous social programs that support community development, health, and education.

With optimism and our values guiding us, we remain laser-focused on continuing to unleash the potential of Persistent as we move forward.

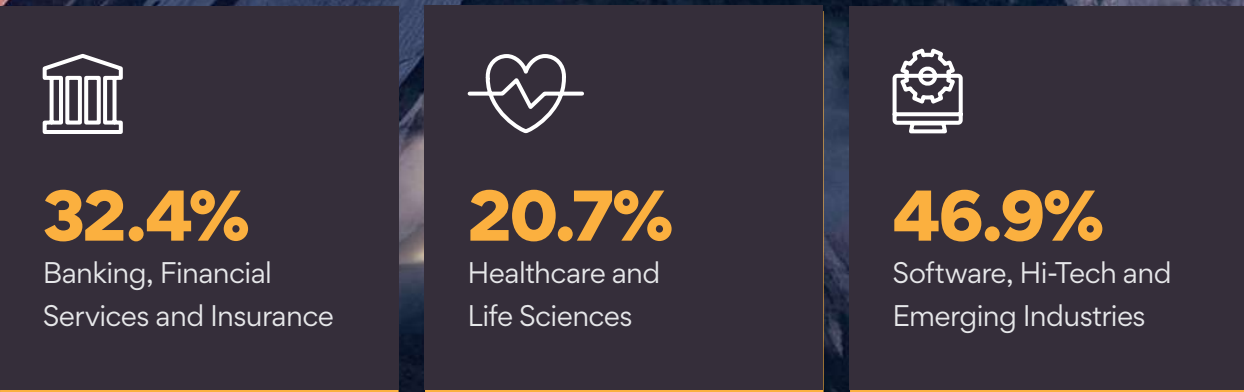
**Sandeep Kalra**  
Chief Executive Officer and Executive Director

# FY22 Performance Highlights

Our unwavering commitment towards our clients' success and ongoing operational discipline have resulted in our industry-leading growth and shareholder returns.

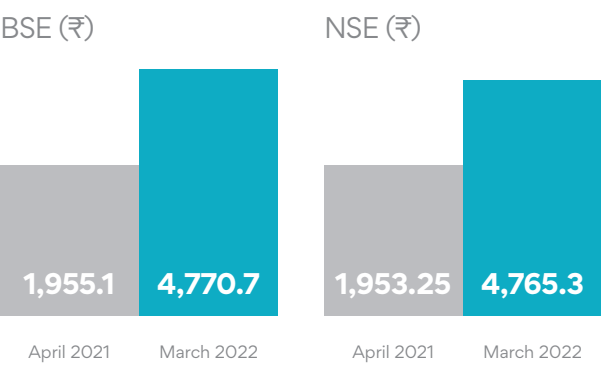


## Revenue Growth by Industry



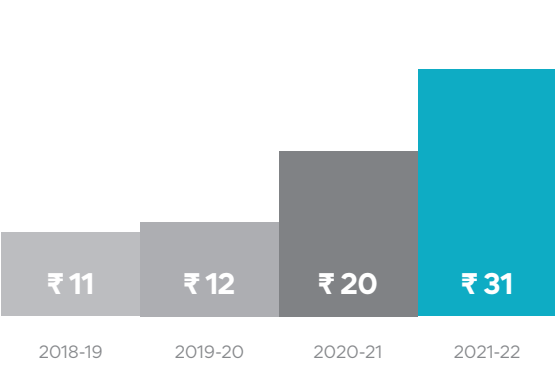
## Share Price

Our share price increased by **143%** between April 1, 2021 and March 31, 2022.

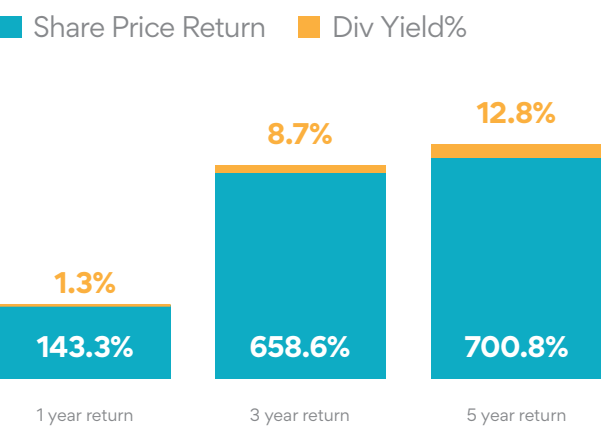


## Dividend Per Share

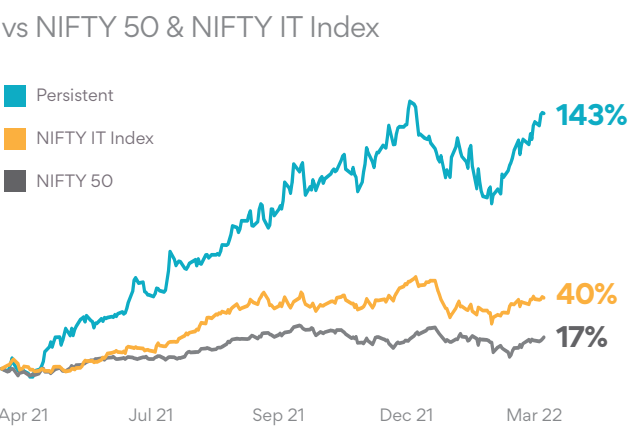
Dividend proposed for this financial year has increased by **50%** over the last year.



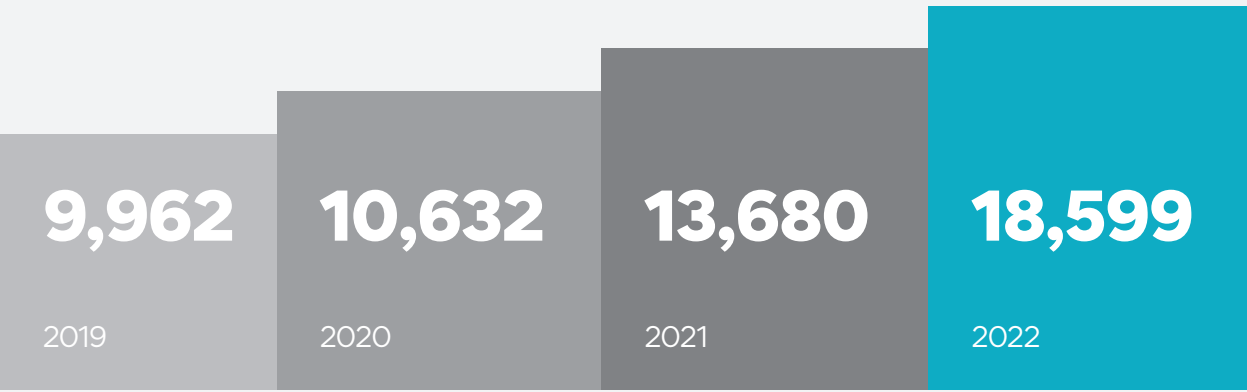
## Total Shareholder Return



## One Year Stock Performance



## Growth in Our Team







# Unleashing the Potential of Our Expertise

Over 32 years, we’ve developed and invested in the Digital Engineering expertise that our clients now require to thrive in a software-driven, post-pandemic world.

The demand for our comprehensive expertise that combines traditional software and product know-how with broader digital business and emerging technologies acumen is as strong as it has ever been.

Telehealth. Remote work. Virtual schooling. Contact-free commerce. A lot has changed in the past two years. Digital adoption has accelerated dramatically, leading to a world in which software is increasingly everywhere — not just in products, not just in services, but at the core of virtually every experience. Especially

the experience of business. Simply put, there’s no type or aspect of business today that isn’t being transformed by software. It’s why this era of digital acceleration has become synonymous with excellence in software innovation. And it’s why we’re seeing such rapid growth among businesses that are fully embracing software.

### If your business is software

You are continuously improving products and platforms to drive competitive advantage.

### If your business was born on software

You need to innovate and disrupt, or you will inevitably be disrupted.

### If your business is being transformed by software

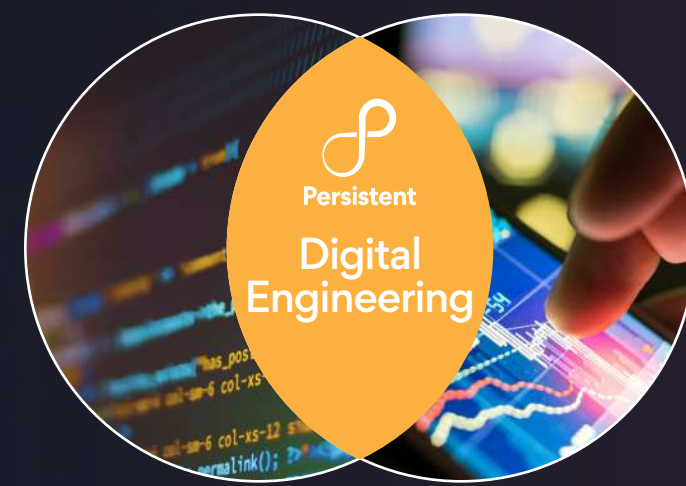
You need to reinvent your enterprise to meet new customer expectations.

To compete in this environment, organizations need access to expertise at the intersection of digital transformation and software engineering.

## Our Unique Advantage: Digital Engineering

### Software Engineering

Product & Platform Companies



### Digital Transformation

Enterprise Businesses

Our experience building software platforms and applications for some of the most innovative companies in the world, combined with our proven abilities to execute digital

transformation at scale, is allowing us to provide unique value across the industries we serve. This differentiated expertise is what we call **Digital Engineering** at Persistent.



# We are unleashing the potential of our Digital Engineering expertise to help our clients not only survive, but thrive in today's software-driven world.



Establishing digital strategies that capitalize on greater composability and the latest digital technologies while reimagining all experiences with the help of real-time data.



Designing, building and modernizing digital products, platforms and services to unlock new business models and revenue streams, taking advantage of the available ecosystems.



Developing cohesive enterprise architectures that provide the needed agility to actively respond to demands across customers, partners and competitors.



Integrating and automating enterprise applications, harmonizing data from inside and outside the organization while deploying advanced analytics and AI to drive actionable insights.



Capitalizing on the full potential of cloud technology and infrastructure as the foundation for reducing costs and delivering higher levels of innovation with greater speed of execution.



Strengthening trust and cyber-resiliency through comprehensive security and privacy capabilities.

Our business is built on decades of designed Digital Engineering excellence, along with a platform mindset and deep industry knowledge. Hundreds of proven frameworks and accelerators — plus a wealth of intellectual property strengthened by our vast partner ecosystem — have fueled the successes of many of the world's largest and most exciting organizations. We are especially proud to count among our clients 14 of the 30 most innovative U.S. companies, 8 of the 10 largest banks in the United States and India, along with numerous innovators across the healthcare ecosystem.

In all of our work, we recognize that the cloud is increasingly at the epicenter of every client's digital transformation journey. That's why we've invested significantly in bolstering our skills to build an enviable cloud portfolio that surpasses many of our peers. We've fortified our relationships with all of the leading hyperscalers and are partnering with them to build both horizontal and vertical solutions in line with their strategies.

We continue to recruit diverse, world-class talent from around the world, immerse them in a culture of innovation and grow their expertise not only in software, but also in platform development, enterprise integration and ecosystem technologies. We are proud to support our employees' ongoing development

through our award-winning Persistent University. We promote long-term employee commitment through one of the most inclusive employee stock ownership plans in the global IT services Industry, enabling all of our teams to benefit from the company's success.

Because we're a truly global company, with local presence in 18 countries, we're always right where our clients need us to be, uniting a boutique mentality with enterprise scale to ensure a bespoke experience for every organization we work with. Above all, we continue to set the standard when it comes to fast, flexible service delivery — committing to outcomes and making them happen no matter how complex the client needs or requirements. It's why over the last two years we earned nine ISG Star of Excellence Awards for "exceptional customer-centricity in the delivery of core technologies across all geographies and industries."

At the end of the day, when organizations partner with us, they are teaming with a co-innovation partner that defined, pioneered and continues to advance modern Digital Engineering at every level, across industries and areas of expertise. They're also partnering with a company that has repeatedly helped both the disruptors and the disrupted navigate sweeping transformation.

**This is the era of Digital Acceleration.**  
**This is the era powered by Digital Engineering.**  
**This is the era of Persistent.**





# Unleashing the Potential of **Our Clients**

As trusted collaborators in the transformation agendas of our clients, we are working to engineer, deploy and integrate differentiating technologies that are driving industry innovation and generating new business value.

We help organizations across industries optimize cash, reduce costs and unlock growth through enhanced customer experiences and services. Our technology expertise and partner ecosystems enable our clients to unleash new business models. We are proud to be a Digital Engineering and Enterprise Modernization partner for global market leaders, including 14 of the 30 most innovative US companies, 8 of the 10 largest banks in the US and India, and numerous healthcare innovators.



# Banking, Financial Services & Insurance

Over the past year we've worked closely with clients to lead the next wave of technology driven transformation across Banking, Financial Services, and Insurance (BFSI). We've imagined and engineered new products, platforms and digital business models that are fundamentally changing the consumer experience across BFSI. We've modernized the core systems and processes that are fueling more efficient operations in some of the

world's leading financial institutions through the application of cloud, data, automation, machine learning and artificial intelligence. With the global economy in a state of change, financial institutions are looking for partners to enable agility and innovation at scale to allow them to quickly serve evolving customer needs. In this environment, our Digital Engineering expertise has helped our clients not only survive, but thrive as well.



*As the industry pivots in response to global economic trends, we are uniquely positioned to assist financial institutions to modernize and streamline operations to reduce costs and improve customer experiences. Similarly, we continue to be at the forefront of innovation as we work with new entrants and incumbents alike to develop innovative, technology-enabled financial services.*

**Jaideep Dhok** \ SVP and General Manager, BFSI

## Digital Engineering in Action

### Modernizing for Competitive Differentiation

Incumbent institutions have large customer bases and resources to invest. Yet they are hamstrung by legacy systems, processes and complacency. Leaders implement an IT strategy that enables them not just to react to new entrants but also to use their customer data to deliver new services.

### Building a Cloud-native Business

Increasingly institutions are utilizing cloud to reduce costs, improve customer experience and build in months what previously took years. Cloud and subscription-based technologies have significantly reduced the technology barriers of entry into the financial services sector.

### Future-proofing the Digital Business Strategy

Modernization, like product innovation, is a continuous journey that enables institutions to be agile in responding to shifting customer expectations. Industry leaders are continuously modernizing systems and processes, enabling them to drive transformational innovation like open banking.

# ANZ Bank builds an innovative digital currency solution for the MAS challenge



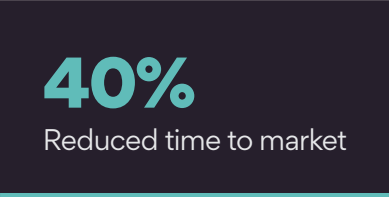
ANZ Bank and Persistent built a National Integrated CBDC Ecosystem (NICE) solution for the Monetary Authority of Singapore (MAS) Global Central Bank Digital Currency Challenge, which provides citizens access to digital currency wallets authenticated with their National Digital ID.

*We're delighted to work with Persistent on the Global CBDC challenge. The market-leading expertise of the delivery team made it possible to prototype our comprehensive National Integrated CBDC Ecosystem (NICE) in just a few weeks.*

**Balaji Natarajan** \ Head, Payments & Cash Management, Asia Transaction Banking



## Modernizing Policy Admin



Developed an insurance policy administration system that provides greater efficiency for agents, accelerates new product development and ensures regulatory compliance.

## Automated Loan Origination



We engineered an integrated loan platform that automates loan origination for over \$50 Billion in annual lending and enables the bank to launch new loan products in just eight weeks.

## The Way Forward

Financial institutions must accelerate their enterprise modernization efforts to deliver individualized omnichannel experiences at scale that enable customers to manage their financial futures with confidence. The only way this can be achieved is by using

technology to transform all functions and processes, enabling real-time bespoke customer experiences powered by machine learning and artificial intelligence. Current economic conditions only elevate the urgency.