



PERSISTENT

NSE & BSE / 2010-11 / 074

Date: January 27, 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 Sir / Madam,

**Sub.: Press Release regarding "1M/1M Announces Partnership With Persistent Systems;
CrowdEngineering First Beneficiary"**

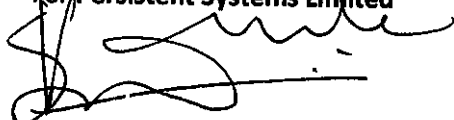
We wish to inform you that the Company has made Press Release dated January 27, 2011 titled "1M/1M Announces Partnership With Persistent Systems; CrowdEngineering First Beneficiary" with the objective to connect entrepreneurs and customers to help a million entrepreneurs to reach \$1 million in revenue.

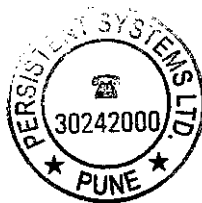
The Copy of Press Release is attached for your records.

Please acknowledge the receipt.

Thanking you.

Yours faithfully,
For Persistent Systems Limited


Vivek Sadhale
Company Secretary and Head - Legal



Encl - As above



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1M/1M Announces Partnership With Persistent Systems; CrowdEngineering First Beneficiary

Pune, India - January 27, 2011: One Million by One Million (1M/1M) initiative and Persistent Systems has announced a partnership to connect entrepreneurs to customers. The 1M/1M initiative setup by Sramana Mitra has a goal to help a million entrepreneurs reach \$1 million in revenue.

Headquartered in Pune, India, Persistent Systems is a leader in outsourced product development. Persistent works with more than 250 customers and will be reselling and also be a channel for products from select 1M/1M entrepreneurs. In addition, Persistent Systems will also provide outsourced product development services to these companies.

"The 1M/1M philosophy is to focus our entrepreneurs on customer acquisition and early validation without burning through a huge amount of cash," explains Sramana Mitra, founder of 1M/1M. "Towards that end, we introduce entrepreneurs to partnership opportunities where they can go to market efficiently by leveraging other people's channels. Our partnership with Persistent is one such big opportunity."

"We at Persistent are very excited to work with 1M/1M in helping entrepreneurs succeed by bringing new technologies to market," shares Dr. Anand Deshpande, Chairman and Managing Director, Persistent Systems. "We have been proactively investing in new technology areas such as Cloud Computing, Mobility, BI/Analytics and Collaboration and believe that technologies developed by young Companies such as CrowdEngineering when sold through right channels can have a significant impact in the market."

CrowdEngineering

The first 1M/1M company to be leveraging this partnership is CrowdEngineering, a venture based in Pisa, Italy, and Sunnyvale, California, that develops enterprise level crowdsourcing platforms and solutions to enable crowdsourced customer support.

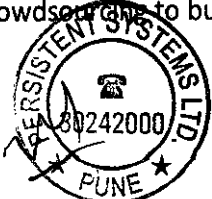
"1M/1M is a great program for entrepreneurs running businesses in the most difficult and vulnerable phase of their growth, the pre-1M\$ revenues stage," adds Gioacchino La Vecchia, CEO at CrowdEngineering. "I look forward to the leverage that this deal with Persistent Systems will bring CrowdEngineering in terms of a cost-effective go-to-market solution, and to working with Persistent's global sales team and technology experts. I recommend everyone with the entrepreneurship fever to join the 1M/1M program and follow its methodology."

About One Million by One Million (1M/1M):

Founded in 2010 by Sramana Mitra, the One Million by One Million (1M/1M) initiative is an educational and business development program that aims to help a million entrepreneurs globally to reach \$1 million in revenue and beyond, build \$1 trillion in sustainable global GDP, and create 10 million jobs.

About CrowdEngineering:

CrowdEngineering's Business Process Crowdsourcing provides comprehensive solution to apply crowdsourcing to business processes like customer support involving employees, customer base



and communities in collaborative workforces realizing the real Social CRM. Crowdsourcing can be considered an evolution of traditional outsourcing where work force is recruited among Internet users and/or companies' own customer bases. Crowdsourcing allows enterprises to involve low priced, highly available and talented work force available on demand in internal processes. Crowdsourcing applied to customer support increase the quality of the service while enabling significant cost reduction for the companies adopting it.

About Persistent Systems:

Established in 1990, Persistent Systems (BSE & NSE: PERSISTENT) is recognized as an award-winning technology company specializing in software product development services. With 5,400+ employees, innovative business models, and reusable assets and frameworks, Persistent helps customers increase revenues and margins, and enhance brand value. Persistent Systems has delivered over 3,000 software product releases in their last five years and has 290 customers. The company has developed proven processes for the entire product lifecycle which reduce time-to-market while delivering consistent quality and customer satisfaction – as evidenced by customer partnerships that span many years. For more information, please visit: www.persistentsys.com.

Forward-looking and Cautionary Statements:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, our revenues highly dependent on customers located in the United States, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, concentration of major operations of the Company in one city, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

For more information contact:

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