

Persistent Systems

Refer to important disclosures at the end of this report

Targets USD1bn revenue by FY25

CMP	Target Price
Rs 1,954 as of (April 4, 2021)	Rs 2,200 (▲) 12 months
Rating	Upside
BUY (■)	12.6 %

- PSYS is on track to reach the USD1bn revenue milestone by FY25 (implies ~15.4% CAGR over FY21-25E) on the back of continued strong traction in the Technology Services business, anticipated recovery in the Alliance business and M&A.
- The Technology Services business is likely to sustain a 3.5%-5% CQGR in the medium term (4.4% in last 6 qtrs), aided by strong deal wins (2.1x book-to-bill in Q3), healthy deal pipeline, growing annuity revenue (3/4th of revenue) and cross-selling opportunities across the client base.
- PSYS has over USD250mn cash on the books and is actively pursuing M&A to augment its domain capabilities, digital offerings and expand presence in Europe. It aims to drive Europe revenue to 15%-18% of total revenue in 3-4 years from less than 10% currently.
- We raise earnings estimates by 9.8%/10.8% for FY22/FY23, considering strong revenue growth momentum and low amortization charges (430bps expansion over FY20-23E). We retain Buy with a revised TP of Rs2,200 at 24x FY23E earnings (earlier 22x), based on a ~27% earnings CAGR over FY21-23E and improving medium-term growth prospects.

Revenue growth acceleration underway: The company's revenue growth trajectory is set to accelerate further in coming quarters on the back of continued strong traction in Technology Services and anticipated recovery in the Alliance business. Inorganic initiatives would further augment revenue acceleration as the company has over USD250mn cash on the books. PSYS aims to record USD1bn revenue by FY25 or earlier (~15.4% CAGR required over FY21-25). The Technology Services business has delivered a steady performance since Sandeep Kalra joined the company as President of the unit (wef May'19). PSYS has refocused on its core strengths in the OPD/PES to accelerate revenue growth. It has also strengthened its leadership team, recalibrated the sales incentive structure to drive cross-selling (expanding services index across clients), expanded relationship with sourcing advisory firms, strengthen relationship with technology leaders like Salesforce to drive a sustainable performance. We believe that strong execution and capabilities augmentation through M&A can drive sustained superior revenue/EBIT growth for PSYS like EPAM (>25% CAGR over CY11-20).

EBITM expansion to continue in FY22: We expect PSYS to sustain its EBITDAM with an upward bias on the back of continued strong traction in the Services business, anticipated recovery in the Alliance business, focus on improving profitability in the CE/CLM business, and traditional margin levers like offshore shift, utilization, etc. PSYS reported EBITDAM of 17% in Q3FY21 (9MFY21 – 16.2%) and management is confident of maintaining 17% EBITDAM to balance growth/margin aspirations. However, gross margins would expand further (34.3%/34.0% in Q3/9M) and these savings will be invested back in S&M, capabilities, and geographic expansion. An anticipated dip in amortization charges would drive further expansion in EBITM and strong earnings CAGR (27% CAGR over FY21E-23E).

Please see our sector model portfolio (Emkay Alpha Portfolio): [Information Technology \(page 10\)](#)

Financial Snapshot (Consolidated)

(Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	33,659	35,658	41,786	49,239	57,737
EBITDA	5,988	5,171	6,769	8,251	9,868
EBITDA Margin (%)	17.8	14.5	16.2	16.8	17.1
APAT	3,517	3,403	4,316	5,816	6,964
EPS (Rs)	44.4	44.5	56.5	76.1	91.1
EPS (% chg)	10.1	0.2	26.8	34.8	19.7
ROE (%)	15.7	14.4	17.1	20.5	21.4
P/E (x)	43.9	43.9	34.6	25.7	21.4
EV/EBITDA (x)	24.2	26.6	20.0	16.1	13.1
P/BV (x)	6.6	6.3	5.6	4.9	4.3

Source: Company, Emkay Research

Change in Estimates

EPS Chg FY22E/FY23E (%)	9.8/10.8
Target Price change (%)	22
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

EPS Estimates		
	FY22E	FY23E
Emkay	56.5	76.1
Consensus	70.1	83.1
Mean Consensus TP (12M)	Rs 1,699	

Stock Details

Bloomberg Code	PSYS IN
Face Value (Rs)	10
Shares outstanding (mn)	76
52 Week H/L	1,997 / 460
M Cap (Rs bn/USD bn)	149 / 2.04
Daily Avg Volume (nos.)	180,429
Daily Avg Turnover (US\$ mn)	4.2

Shareholding Pattern Dec '20

Promoters	31.3%
FIIIs	18.7%
DIIIs	29.5%
Public and Others	20.5%

Price Performance

(%)	1M	3M	6M	12M
Absolute	16	30	50	260
Rel. to Nifty	16	23	15	100

Relative price chart



Source: Bloomberg

This report is solely produced by Emkay Global. The following person(s) are responsible for the production of the recommendation:

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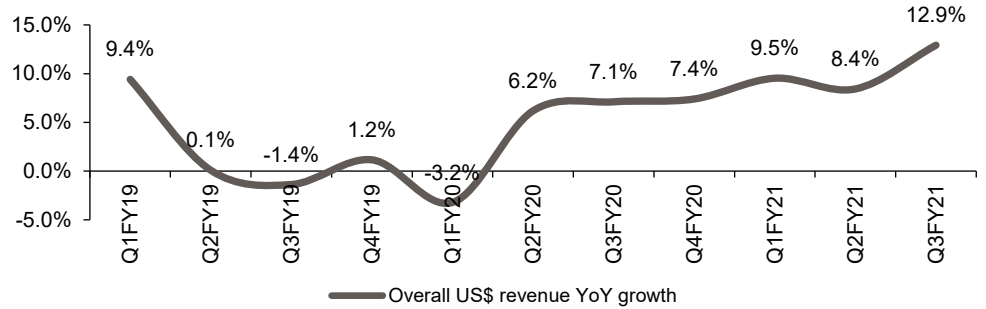
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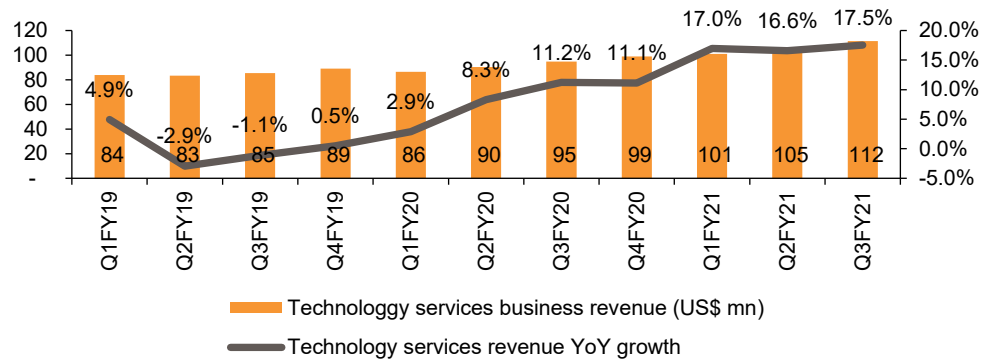
Story in Charts

Exhibit 1: Revenue growth trajectory improved in last few quarters; growth is likely to accelerate further



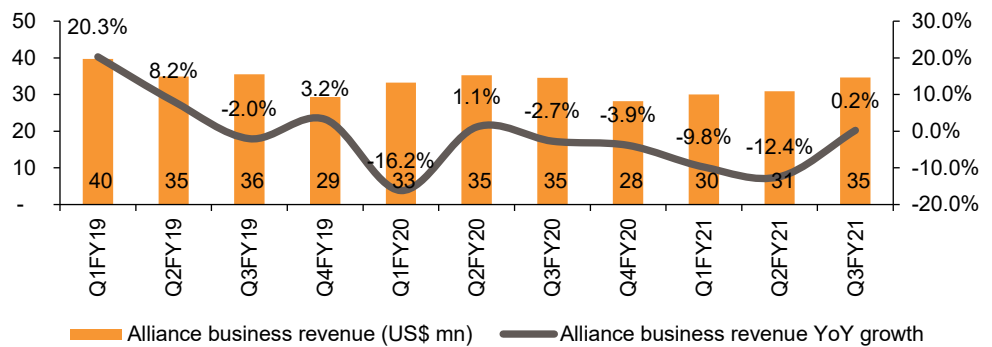
Source: Company, Emkay Research

Exhibit 2: Technology services led growth for the company in recent quarters



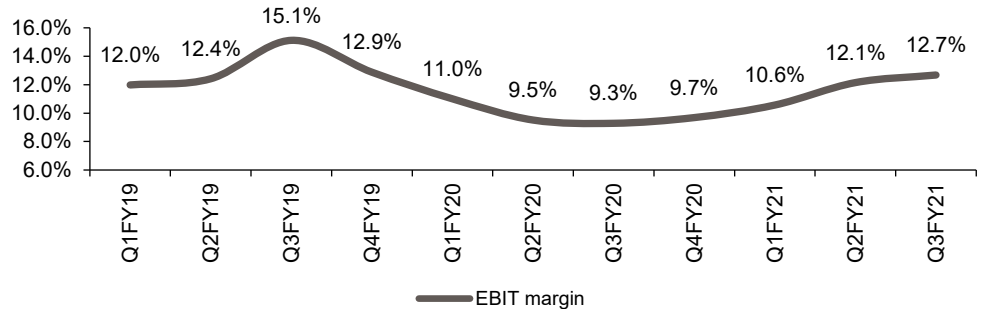
Source: Company, Emkay Research

Exhibit 3: Alliance business rebounded in Q3FY21 and would return to growth path from Q1FY22



Source: Company, Emkay Research

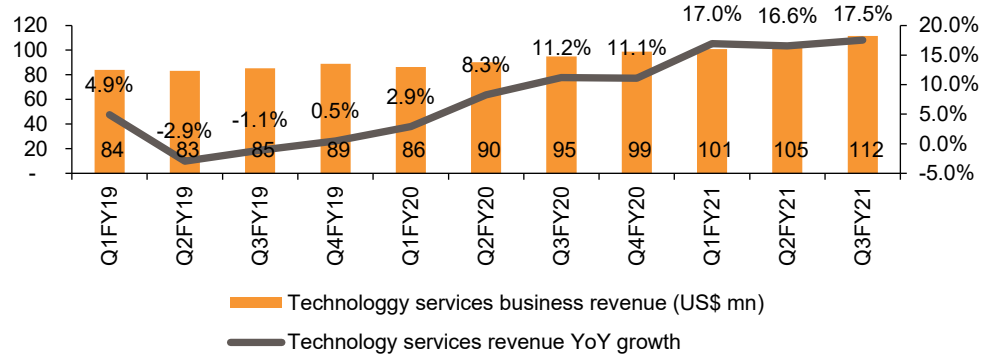
Exhibit 4: EBITM has seen a constant uptick in recent quarters



Source: Company, Emkay Research

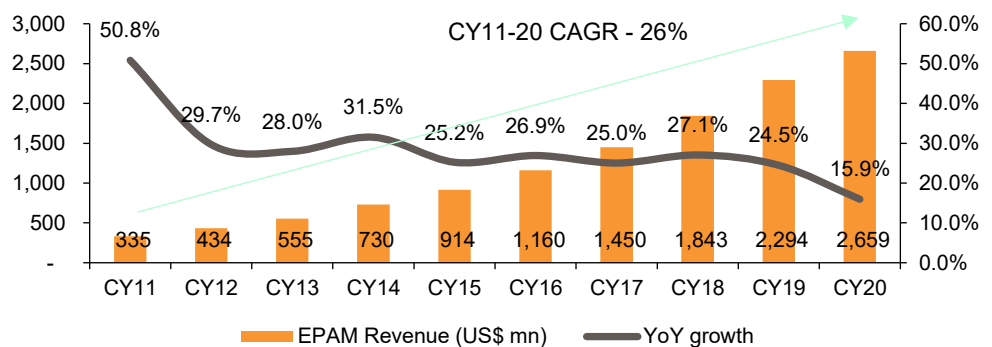
Technology Services business delivered 4.4% CQGR since Q1FY20 despite Covid-19 disruptions: The Technology Services business delivered a 4.4% CQGR since Q1FY20 despite Covid-19 disruptions, reflecting strong execution and early results from recalibrated sales incentive structure (equal emphasis on business driving annuity revenue). The company has set-up a large deal unit and invested in sales, delivery and solution capabilities to drive multi-year large annuity deals. The sales team is incentivized for winning such deals as it improves the predictability of revenue and profitability. The annuity revenue mix was increased to 3/4th of revenue currently vs. less than 2/3rd a year ago. PSYS has refocused on its core strengths in the OPD/PES over the last few quarters, which helped accelerate revenue growth. It has also strengthened its leadership team, recalibrated the sales incentive structure to drive cross-selling (expanding services index across clients), expanded relationship with sourcing advisory firms like ISG, Zinnov, Everest, Wavestone, etc., strengthen relationship with digital technology vendors like Salesforce, Microsoft, Saviynt, Outsystems, etc. to drive sustainable operating performance. Management remains confident to sustain top quartile revenue growth (in absolute term, similar to what it delivered in last 6 quarters) on the back of strong deal wins (started sharing data from Q3FY21 – 2.1x book-to-bill; USD141mn new ACV deal wins), healthy deal pipeline, growing annuity revenue mix, cross-selling opportunities across the client base, traction in partnership with Salesforce, Appian, AWS, etc., and new logo additions across BFSI and Healthcare. We believe that strong execution and capabilities augmentation through M&A can drive sustained superior revenue/EBIT growth for PSYS like EPAM (>25% CAGR over CY11-20).

Exhibit 5: Technology services led growth for the company in recent quarters



Source: Company, Emkay Research

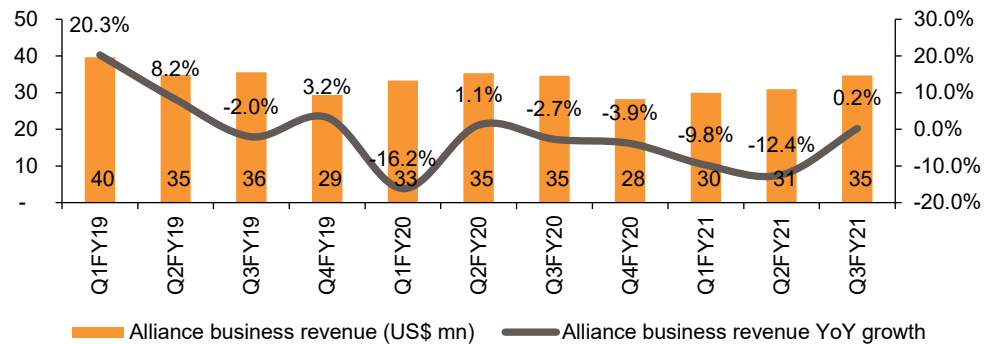
Exhibit 6: EPAM has delivered >25% revenue CAGR over CY11-20 through strong execution and capabilities augmentation through M&A



Source: Company, Emkay Research

Alliance business to return to growth path from Q1FY22: Revenue growth of the Alliance business remained weak for the last few years (muted growth over FY17-21E); however, PSYS is looking to turn around the business and expects growth from Q1FY22. It has aligned its offerings with IBM’s focus areas – Red Hat, Hybrid cloud and AI. PSYS has strengthened its partnership with Red Hat in 2020 and is currently an advanced solution partner compared to a ready partner a year ago. It has started taking IBM’s existing products onto the OpenShift/hybrid cloud platform. PSYS has won and started executing deals in healthcare with IBM in the last couple of quarters. Improving deal pipeline and traction in Sell-to and Sell-with IBM opportunities impart confidence on sustainable growth revival in the Alliance business. It expects the Alliance business to return to a sequential revenue growth trajectory (like Technology Services business) by FY22-end.

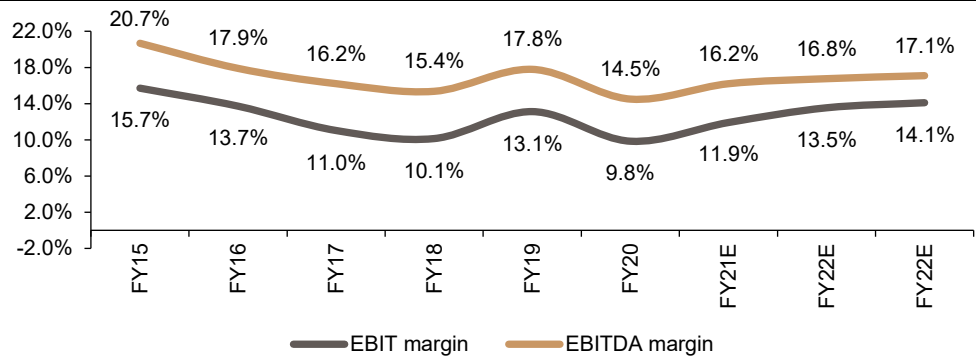
Exhibit 7: Alliance business rebounded in Q3FY21 and would return to growth path from Q1FY22



Source: Company, Emkay Research

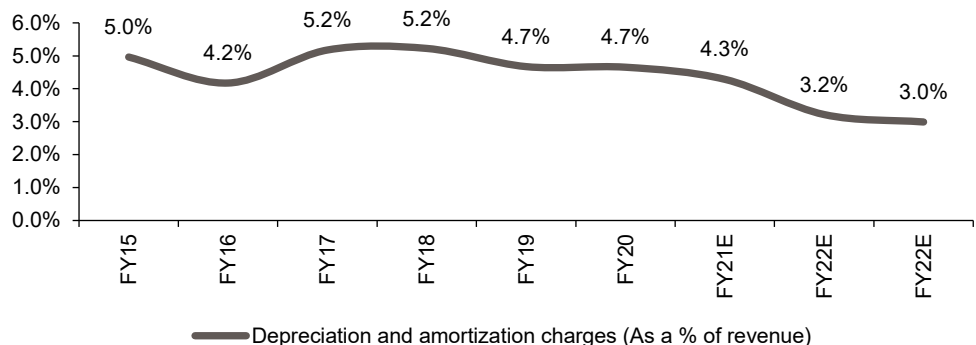
EBITM expansion to continue in FY22: We expect PSYS to sustain its EBITDAM with an upward bias on the back of continued strong traction in the Services business, anticipated recovery in the Alliance business, focus on improving profitability in CE/CLM business, and traditional margin levers like offshore shift, utilization, etc. The company reported EBITDAM of 17% in Q3FY21 (9MFY21 - 16.2%) and management looked confident of sustaining 17% EBITDAM to balance growth/margin aspirations. However, gross margins would expand further (34.3%/34.0% in Q3/9M) and these savings will be invested back in S&M, capabilities, and geographic expansion. An anticipated dip in amortization charges would drive further expansion in EBITM.

Exhibit 8: EBITDAM is expected to improve over FY20-23E; lower amortization charges would drive further expansion in EBITM



Source: Company, Emkay Research

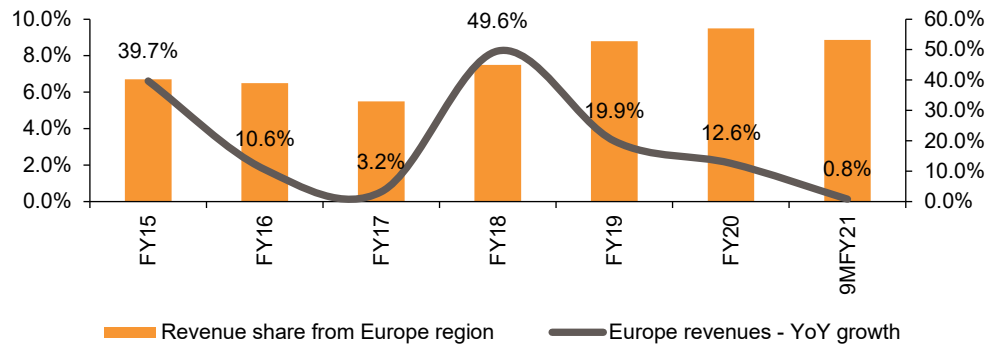
Exhibit 9: D&A expenses may dip in coming years, driving further expansion in EBITM



Source: Company, Emkay Research

Actively scouting for M&A to augment capabilities: PSYS has over USD250mn cash on the books and is also generating a healthy cash flow. It is actively scouting for M&A to deepen its domain capabilities, strengthen its digital service offerings and expand geographical footprint (particularly in Europe). In addition to tuck-in small niche capabilities driven acquisitions, PSYS is comfortable with acquisition targets with a revenue size of USD15-50mn. It expects Europe to reach 15-18% of revenue in next 3-4 years from current <10% of revenue and is actively looking for M&A in the region to build and augment capabilities. The company is focusing on UK, Germany, Switzerland and Benelux markets to expand its presence in Europe.

Exhibit 10: Europe revenue share is expected to continue rising steadily further



Source: Company, Emkay Research

Leadership augmentation to sustain revenue growth: PSYS has been strengthening its leadership team for the last few quarters to sustain and improve revenue growth momentum. It has augmented leadership bandwidth with senior hiring across sales and delivery organization. It expects the new head of Europe to join the company by the end of Apr'21.

Exhibit 11: Recent key leadership hires

Name	Designation	Earlier Stints
Vikas Gupta	SVP (Sales Operations)	Prior to Persistent Systems, Vikas had leadership stints at Mu Sigma, Infosys and HCL Technologies.
Apoorva Singh	Chief Delivery Officer	He worked earlier with Mu Sigma, Capgemini/iGate, and Infosys.
Rahul Shrivastava	SVP (CEO Office)	He leads Transformation and Growth Initiatives at Persistent. He worked earlier at Harman, Wipro, HCL Technologies.
Charles Owen	SVP (Corporate Development)	He brings a wealth of experience in M&A and Corporate Development, having worked in related finance, legal, and operational roles. Prior to joining Persistent, Charles spent over 12 years at HARMAN International and led M&A practice. After the acquisition of HARMAN by Samsung, Charles founded an investment firm, Ev2 Ventures, investing in early stage start-ups in the Smart Mobility sector in India.
Karthik Balasubramanian	Head - Technology, Hi Tech & ISV	Worked at NITEC (2 years), MTCL (7 years) and Wipro (11 years), He was the Senior Client Partner for MFST in MTCL.
Nitha Puthran	SVP (Cloud and Infrastructure)	Nitha Puthran is an industry veteran with nearly 30 years of experience. Her last stint was as regional sales leader/Infra business Head at Harman Connected Services where she set up and developed the Infra Services BU at the company. Earlier, she worked at Wipro, Avanade, Microland, etc.
Keith Landis	Chief Marketing Officer	Previously, Keith served as VP - Strategy and Operations at Conduent, where he helped to launch a new digital consulting unit within the organization. Prior to Conduent, Keith spent over 16 years at IBM, spanning multiple roles within marketing.
Ramesh Ravindranathan	SVP (Engineering & Delivery)	He has over 25 years of experience in software technology, data and analytics. He worked with ReNi Analytics, Symphony Teleca, i2 Technologies, Stratus and Informix earlier.

Source: Company, Emkay Research

Strengthening partnership status with global technology leaders

PSYS is steadily expanding its relationship with technology leaders across identified growth areas and plans to augment it further through M&As. PSYS has strengthened its partnership status with global leaders across cloud, data, IoT, and Security areas. The improving partnership status would help the company accelerate its growth trajectory further by cross-selling and acquiring new clients through direct and sell-with opportunities. PSYS has achieved the highest level of relationship status with Salesforce, Microsoft, Saviynt and Mambu.

Exhibit 12: Partnership status with global technology leaders

Partner	2019 Status	2020 Status	Highest Status Allocated
Salesforce	Platinum	Global Systems Integrator (GSI)	GSI
Microsoft		Gold	Gold
AWS	Advanced	Advanced	Premier
GCP		Partner	Premier
OutSystems	Global Partner	Sales & Delivery	GSI
Appian	Reseller	Reseller	Global Reseller
Unqork		Silver	Gold
Mendix		Silver	Gold
RedHat	Ready	Advanced	Premier
Saviynt		Diamond	Diamond
Mambu	Partner	Partner	Partner
Snowflake	Select	Select	Elite

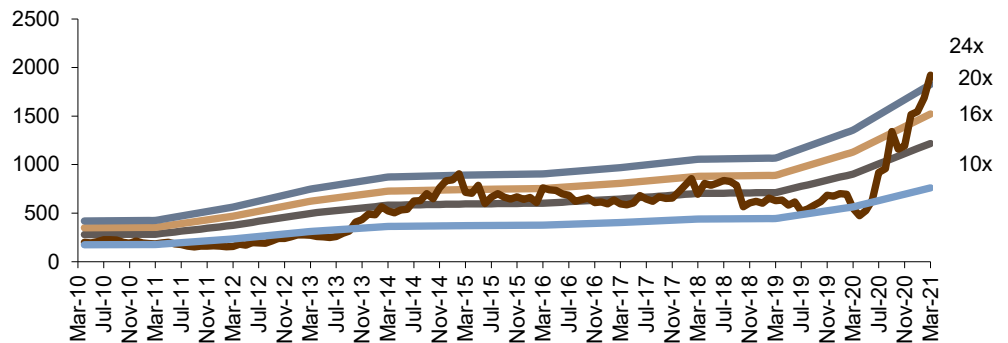
Source: Company

Exhibit 13: Changes in estimates

(Rs mn)	FY21E			FY22E			FY23E		
	Old	New	% change	Old	New	% change	Old	New	% change
Revenues(US\$ mn)	562.9	564.7	0.3%	641.8	660.6	2.9%	725.4	759.7	4.7%
YoY growth, %	12%	13%		14%	17%		13%	15%	
Revenues	41,744	41,786	0.1%	48,135	49,239	2.3%	55,130	57,737	4.7%
EBIT	5,025	4,978	-0.9%	6,101	6,667	9.3%	7,235	8,141	12.5%
EBIT margins, %	12.0	11.9		12.7	13.5		13.1	14.1	
Net profits	4,367	4,316	-1.2%	5,299	5,816	9.8%	6,286	6,964	10.8%
EPS (Rs)	57.1	56.5	-1.2%	69.3	76.1	9.8%	82.2	91.1	10.8%

Source: Company, Emkay Research

Exhibit 14: PSYS 1-year forward P/E chart



Source: Company, Emkay Research

Key Financials (Consolidated)**Income Statement**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	33,659	35,658	41,786	49,239	57,737
Expenditure	27,671	30,487	35,017	40,989	47,868
EBITDA	5,988	5,171	6,769	8,251	9,868
Depreciation	1,573	1,660	1,791	1,584	1,727
EBIT	4,415	3,511	4,978	6,667	8,141
Other Income	448	1,012	871	1,193	1,269
Interest expenses	0	0	0	0	0
PBT	4,863	4,523	5,850	7,860	9,410
Tax	1,347	1,121	1,534	2,043	2,447
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	3,517	3,403	4,316	5,816	6,964
Adjusted PAT	3,517	3,403	4,316	5,816	6,964

Balance Sheet

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Equity share capital	791	764	764	764	764
Reserves & surplus	22,656	23,093	25,728	29,481	33,922
Net worth	23,447	23,858	26,492	30,245	34,687
Minority Interest	0	0	0	0	0
Loan Funds	12	46	46	46	46
Net deferred tax liability	(405)	(960)	(960)	(960)	(960)
Total Liabilities	23,054	22,944	25,578	29,331	33,773
Net block	4,242	4,619	4,478	4,076	3,701
Investment	7,641	9,786	11,121	12,621	16,621
Current Assets	16,186	15,557	16,934	20,286	21,919
Cash & bank balance	1,742	1,904	2,531	4,210	3,917
Other Current Assets	2,716	2,935	3,157	3,586	4,081
Current liabilities & Provision	5,097	7,018	6,955	7,651	8,468
Net current assets	11,089	8,539	9,980	12,634	13,451
Misc. exp	0	0	0	0	0
Total Assets	23,054	22,944	25,578	29,331	33,773

Cash Flow

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
PBT (Ex-Other income) (NI+Dep)	4,442	3,511	4,978	6,667	8,141
Other Non-Cash items	(418)	(258)	(609)	(991)	(1,215)
Chg in working cap	(290)	(1,369)	(814)	(975)	(1,110)
Operating Cashflow	4,323	3,228	4,684	5,435	6,366
Capital expenditure	(522)	(1,181)	(1,650)	(1,182)	(1,352)
Free Cash Flow	3,801	2,047	3,034	4,253	5,014
Investments	(2,245)	515	(1,335)	(1,500)	(4,000)
Other Investing Cash Flow	0	0	0	0	0
Investing Cashflow	(2,259)	(148)	(2,376)	(1,691)	(4,137)
Equity Capital Raised	(571)	(1,677)	0	0	0
Loans Taken / (Repaid)	(8)	(68)	0	0	0
Dividend paid (incl tax)	(1,017)	(1,301)	(1,681)	(2,063)	(2,522)
Other Financing Cash Flow	0	42	0	0	0
Financing Cashflow	(1,596)	(3,003)	(1,681)	(2,063)	(2,522)
Net chg in cash	468	76	627	1,680	(293)
Opening cash position	1,345	1,742	1,904	2,531	4,210
Closing cash position	1,742	1,904	2,531	4,210	3,917

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY19	FY20	FY21E	FY22E	FY23E
EBITDA Margin	17.8	14.5	16.2	16.8	17.1
EBIT Margin	13.1	9.8	11.9	13.5	14.1
Effective Tax Rate	27.7	24.8	26.2	26.0	26.0
Net Margin	10.4	9.5	10.3	11.8	12.1
ROCE	22.1	19.7	24.1	28.6	29.8
ROE	15.7	14.4	17.1	20.5	21.4
RoIC	36.4	28.3	43.0	54.6	63.3

Per Share Data (Rs)	FY19	FY20	FY21E	FY22E	FY23E
EPS	44.4	44.5	56.5	76.1	91.1
CEPS	64.3	66.2	79.9	96.8	113.7
BVPS	296.3	312.2	346.6	395.7	453.9
DPS	11.0	12.0	22.0	27.0	33.0

Valuations (x)	FY19	FY20	FY21E	FY22E	FY23E
PER	43.9	43.9	34.6	25.7	21.4
P/CEPS	30.4	29.5	24.4	20.2	17.2
P/BV	6.6	6.3	5.6	4.9	4.3
EV / Sales	4.3	3.9	3.2	2.7	2.2
EV / EBITDA	24.2	26.6	20.0	16.1	13.1
Dividend Yield (%)	0.6	0.6	1.1	1.4	1.7

Gearing Ratio (x)	FY19	FY20	FY21E	FY22E	FY23E
Net Debt/ Equity	(0.4)	(0.5)	(0.5)	(0.6)	(0.6)
Net Debt/EBIDTA	(1.6)	(2.3)	(2.0)	(2.0)	(2.1)
Working Cap Cycle (days)	101.4	67.9	65.1	62.4	60.3

Growth (%)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	11.0	5.9	17.2	17.8	17.3
EBITDA	28.5	(13.6)	30.9	21.9	19.6
EBIT	43.6	(20.5)	41.8	33.9	22.1
PAT	8.8	(3.2)	26.8	34.8	19.7

Quarterly (Rs mn)	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21
Revenue	9,227	9,264	9,914	10,077	10,754
EBITDA	1,285	1,318	1,483	1,664	1,825
EBITDA Margin (%)	13.9	14.2	15.0	16.5	17.0
PAT	879	838	900	1,020	1,209
EPS (Rs)	11.5	11.0	11.8	13.3	15.8

Source: Company, Emkay Research

Shareholding Pattern (%)	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
Promoters	31.9	31.4	31.5	31.3	31.3
FIIIs	19.5	20.0	19.2	18.7	18.7
DIIIs	23.5	24.8	27.2	28.9	29.5
Public and Others	25.1	23.8	22.1	21.1	20.5

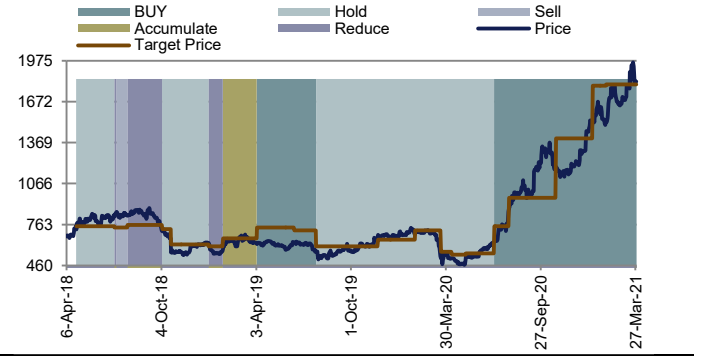
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
18-Mar-21	1,849	1,800	12m	Buy	Dipeshkumar Mehta
30-Jan-21	1,524	1,800	12m	Buy	Dipeshkumar Mehta
4-Jan-21	1,520	1,790	12m	Buy	Dipeshkumar Mehta
18-Dec-20	1,306	1,400	12m	Buy	Dipeshkumar Mehta
26-Oct-20	1,189	1,400	12m	Buy	Dipeshkumar Mehta
28-Jul-20	887	960	12m	Buy	Manik Taneja
5-Jul-20	641	750	12m	Buy	Manik Taneja
30-Jun-20	635	750	12m	Buy	Manik Taneja
25-Jun-20	610	550	12m	Hold	Manik Taneja
7-May-20	530	550	12m	Hold	Manik Taneja
10-Apr-20	514	540	12m	Hold	Manik Taneja
20-Mar-20	511	560	12m	Hold	Manik Taneja
31-Jan-20	701	720	12m	Hold	Manik Taneja
1-Jan-20	706	650	12m	Hold	Manik Taneja
21-Nov-19	687	650	12m	Hold	Manik Taneja
4-Nov-19	598	600	12m	Hold	Manik Taneja
1-Oct-19	561	600	12m	Hold	Manik Taneja
26-Jul-19	564	600	12m	Hold	Manik Taneja
3-Jul-19	616	720	12m	Buy	Manik Taneja
14-Jun-19	630	720	12m	Buy	Rahul Jain
30-Apr-19	636	740	12m	Buy	Rahul Jain
4-Apr-19	618	740	12m	Buy	Rahul Jain
29-Jan-19	583	660	12m	Accumulate	Rahul Jain
2-Jan-19	625	600	12m	Reduce	Rahul Jain
22-Oct-18	560	615	12m	Hold	Rahul Jain
5-Oct-18	713	730	12m	Hold	Rahul Jain
31-Jul-18	835	760	12m	Reduce	Rahul Jain
10-Jul-18	857	740	12m	Sell	Rahul Jain
6-Jul-18	837	740	12m	Reduce	Rahul Jain
24-Apr-18	726	750	12m	Hold	Rahul Jain
5-Apr-18	675	690	12m	Reduce	Rahul Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Information Technology



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Sector

IT Services, ITeS and Software

Analyst bio

Dipesh is a seasoned Equities professional who has covered Technology sector for over 15 years. Dipesh has completed his B.E. in Information Technology from Sardar Patel University and MMS in Finance from Mumbai University.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Information Technology	13.26	13.01	-2%	-25	100.00
BirlaSoft*	0.00	0.11	NA	11	0.81
Coforge	0.00	0.00	NA	0	0.00
eClerx Services*	0.00	0.00	NA	0	0.00
Firstsource Solutions	0.00	0.09	NA	9	0.66
HCL Tech	1.30	1.39	7%	9	10.45
Infosys	6.05	6.08	1%	4	45.88
Intellect Design*	0.00	0.00	NA	0	0.00
L&T Infotech*	0.21	0.00	-100%	-21	0.00
Majesco*	0.00	0.00	NA	0	0.00
Mindtree	0.11	0.00	-100%	-11	0.00
Mphasis	0.17	0.14	-16%	-3	1.08
MPS*	0.00	0.00	NA	0	0.00
NIIT*	0.00	0.00	NA	0	0.00
Nucleus Software*	0.00	0.00	NA	0	0.00
Oracle Financial Services*	0.09	0.00	-100%	-9	0.00
Persistent Systems	0.00	0.50	NA	50	3.75
Ramco Systems*	0.00	0.00	NA	0	0.00
TCS	3.91	3.31	-15%	-60	24.98
Tech Mahindra	0.73	0.74	1%	1	5.59
Wipro	0.71	0.65	-8%	-5	4.92
Cash	0.00	0.25	NA	25	1.88

Source: Emkay Research

* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

Sector portfolio NAV

	Base					Latest
	1-Apr-19	1-Apr-20	1-Oct-20	30-Dec-20	2-Mar-21	1-Apr-21
EAP - Information Technology	100.0	81.0	137.7	163.9	170.6	179.7
BSE200 Neutral Weighted Portfolio (ETF)	100.0	79.1	129.5	154.7	160.9	169.1

*Performance measurement base date 1st April 2019

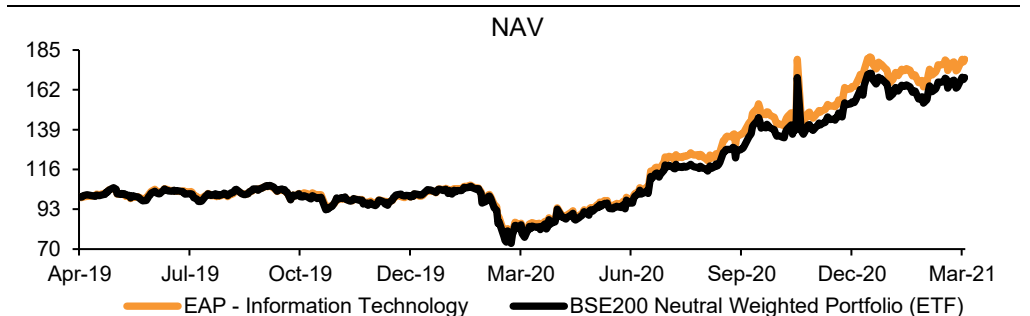
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Information Technology	5.3%	9.6%	30.4%	121.9%
BSE200 Neutral Weighted Portfolio (ETF)	5.1%	9.3%	30.6%	113.8%

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

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