

Audited Unconsolidated Financial Results of Persistent Systems Limited for the Quarter ended and nine months ended December 31, 2010

₹ in Million except for Share data

Sr. No.	Particulars		Quarter ended		Nine months ended		Year ended
			December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009	March 31, 2010
1	Net sales / income from operations		1,523.82	1,297.12	4,439.30	3,662.02	5,044.13
2	Expenditure						
	- Personnel cost		912.26	738.97	2,750.12	2,103.79	2,913.20
	- Depreciation and Amortisation		99.78	86.42	285.83	241.79	324.95
	- Other expenditure		190.96	175.41	571.83	572.58	682.31
	Total -		1,203.00	1,000.80	3,607.78	2,918.16	3,920.46
3	Profit from operations before other income, interest and exceptional / prior period item	(1-2)	320.82	296.32	831.52	743.86	1,123.67
4	Other income		73.91	32.54	262.57	59.41	117.01
5	Profit before interest and exceptional / prior period item	(3+4)	394.73	328.86	1,094.09	803.27	1,240.68
6	Interest		-	-	-	-	-
7	Profit after interest but before exceptional / prior period Item	(5-6)	394.73	328.86	1,094.09	803.27	1,240.68
8	Exceptional Items		-	-	-	-	-
9	Profit (+)/Loss (-) from operating activities before tax	(7+8)	394.73	328.86	1,094.09	803.27	1,240.68
10	Tax expenses		24.68	26.14	81.63	55.98	70.16
11	Net Profit (+)/Loss (-) from operating activities after tax	(9-10)	370.05	302.72	1,012.46	747.29	1,170.52
12	Prior period item (net of tax expenses)		-	-	-	-	-
13	Net Profit (+)/Loss (-) for the period	(11+12)	370.05	302.72	1,012.46	747.29	1,170.52
	Paid-up Equity Share Capital (Face Value of Share ₹10)		400.00	358.61	400.00	358.61	400.00
	Reserves excluding Revaluation Reserves (As per Balance Sheet of previous accounting year)		5,991.56	3,567.43	5,991.56	3,567.43	3,567.43
	Earnings per share (EPS) ₹						
	Before exceptional / prior period item (Not annualised)						
	- Basic		9.79	8.95	26.89	22.87	36.37
	- Diluted		9.25	7.98	25.31	20.37	32.62
	After exceptional / prior period item (Not annualised)						
	- Basic		9.79	8.95	26.89	22.87	36.37
	- Diluted		9.25	7.98	25.31	20.37	32.62
	Dividend per share						
	Interim dividend		4.00	-	4.00	0.50	2.00
	Final dividend		-	-	-	-	0.50
	Total dividend		4.00	-	4.00	0.50	2.50
	Public Shareholding						
	- Number of shares		24,446,100	20,329,306	24,446,100	20,329,306	24,458,576
	- Percentage of shareholding		61.12	56.69	61.12	56.69	61.15
	Promoters and promoter group shareholding						
	Pledged / encumbered						
	- Number of shares		-	-	-	-	-
	- Percentage of shares		-	-	-	-	-
	(as a % of the total share holding of promoter and promoter group)						
	- Percentage of shares		-	-	-	-	-
	(as a % of the total share capital of the Company)						
	Non-encumbered						
	- Number of shares		15,553,900	15,531,694	15,553,900	15,531,694	15,541,424
	- Percentage of shares		100.00	100.00	100.00	100.00	100.00
	(as a % of the total share holding of promoter and promoter group)						
	- Percentage of shares		38.88	43.31	38.88	43.31	38.85
	(as a % of the total share capital of the Company)						

Note: The audited consolidated results of the Persistent Systems Limited for quarter and nine months ended December 31, 2010 is available on our website www.persistentsys.com

Audited Unconsolidated Statement of Assets and Liabilities

₹ in Million

Particulars	As at		As at
	December 31, 2010	December 31, 2009	March 31, 2010
Shareholders' Funds:			
- Capital	400.00	358.61	400.00
- Stock options outstanding	36.38	32.23	32.02
- Reserves and surplus	6,723.72	4,376.81	5,991.56
- Deferred payment liabilities	35.97	51.59	45.11
Loan funds			-
Total	7,196.07	4,819.24	6,468.69
Fixed assets	2,450.02	2,293.12	2,266.25
Investments	2,690.03	1,367.51	1,757.65
Deferred tax assets	12.37	7.65	8.00
Current assets, loans and advances			
- Inventories	-	-	-
- Sundry debtors	1,236.42	970.70	1,045.09
- Cash and bank balances	788.70	174.31	1,771.87
- Other current assets	171.36	175.46	302.47
- Loans and advances	941.07	648.56	761.62
Less: Current liabilities and provisions			
- Liabilities	677.42	638.97	1,149.83
- Provisions	416.48	179.10	294.43
Net current assets	2,043.65	1,150.96	2,436.79
Total	7,196.07	4,819.24	6,468.69

Notes:

- The audited financial statements have been taken on record by the Board of Directors at its meeting held on January 20, 2011. The statutory auditors have expressed an unqualified audit opinion. The information presented above is extracted from the audited financial statements as stated. The financial statements are prepared in accordance with the Companies (Accounting Standards) Rules, 2006, (as amended).
- The Company appointed Dr. Dinesh Keskar as an Independent Director on the Board with effect from October 29, 2010. Dr. Promod Haque resigned from the directorship of the Company with effect from November 1, 2010. The Board of Directors at its meeting held on January 20, 2011 reconstituted the Compensation Committee, Shareholders' / Investors' Grievance Committee and Nomination and Governance Committee of the Board of Directors.
- The Company's wholly owned subsidiary Persistent Systems and Solutions Limited has launched a SEZ unit in Pune.
- The Board of Directors at its meeting held on January 20, 2011 approved an interim dividend of ₹ 2.00 per share and special one-time dividend of ₹ 2.00 per share on the occasion of completion of 20 years of the Company aggregating a total dividend of ₹ 4.00 per share for the financial year 2010-11.

5. Utilisation of IPO proceeds

₹ in Million

Particulars	Amount
Public Issue Offering [Fresh issue + Offer for sale]	1,680.11
Less: Offer for sale by selling shareholders	397.02
Net proceeds to the Company from fresh issue	1,283.09
Less: Company's share of expenses incurred towards IPO	82.49
Net proceeds to the Company from IPO	1,200.60

The Company has utilised an amount of ₹ 228.54 Million as per the "Object of the Issue" and the unutilised amount of ₹ 972.06 Million has been appropriately invested as stated in the Prospectus. The status of utilisation of IPO proceeds amount up to December 31, 2010 is as under:

₹ in Million

Activity	Funds allocated for the activity as per Prospectus	Actual utilization as on December 31, 2010	Unutilised funds as on December 31, 2010
Establishment of development facilities			
Hinjawadi facility	505.67	71.03	434.64
Nagpur facility	254.53	47.94	206.59
Capital Expenditure through subsidiaries for establishing development facilities in SEZ	29.59	25.42	4.17
Procuring hardware	204.50	73.01	131.49
Expenses for general corporate purposes	206.31	11.14	195.17
Total	1,200.60	228.54	972.06

6. Figures for the previous period have been regrouped wherever necessary to conform to current period presentation.

7. Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended December 31, 2010.

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
IPO Related				
Non Receipt of refund	-	4	4	-
Total -	-	4	4	-

Notice is hereby given pursuant to Section 154 of the Companies Act, 1956 and the Listing Agreement requirements that the Register of Members and Share Transfer Books of the Company will remain closed on Wednesday, February 2, 2011 for the purpose of payment of interim dividend for the financial year 2010 - 11.

By order of Board of Directors of Persistent Systems Limited

Pune
January 20, 2011

Dr. Anand Deshpande
Chairman and Managing Director

P. B. Kulkarni
Director

"For risks and uncertainties relating to forward-looking statements, please visit our website www.persistentsys.com"