Audited Unconsolidated Financial Results of Persistent Systems Limited for the Quarter ended September 30, 2010

Rs. in Million except for Share data

Sr.	Particulars		Quarter ended		Half Year Ended		Year ended
			September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009	March 31, 2010
1	Net sales / income from operations		1,460.90	1,200.94	2,915.48	2,364.90	5,044.13
2	Expenditure						
	- Personnel cost		913.27	667.72	1,837.86	1,364.82	2,913.20
	- Depreciation		94.18	79.90	186.05	155.37	324.95
	- Other expenditure		188.07	168.78	380.87	397.17	682.31
	Total -		1,195.52	916.40	2,404.78	1,917.36	3,920.46
3	**Profit from operations before other income, interest and exceptional / prior period item**	**(1-2)**	**265.38**	**284.54**	**510.70**	**447.54**	**1,123.67**
4	Other income		65.50	12.22	188.66	26.87	117.01
5	**Profit before interest and exceptional / prior period item**	**(3+4)**	**330.88**	**296.76**	**699.36**	**474.41**	**1,240.68**
6	Interest		-	-	-	-	-
7	**Profit after interest but before exceptional / prior period Item**	**(5-6)**	**330.88**	**296.76**	**699.36**	**474.41**	**1,240.68**
8	Exceptional Items		-	-	-	-	-
9	**Profit (+)/Loss (-) from operating activities before tax**	**(7+8)**	**330.88**	**296.76**	**699.36**	**474.41**	**1,240.68**
10	Tax expenses		22.62	26.02	56.95	29.84	70.16
11	**Net Profit (+)/Loss (-) from operating activities after tax**	**(9-10)**	**308.26**	**270.74**	**642.41**	**444.57**	**1,170.52**
12	Prior period item (net of tax expenses)		-	-	-	-	-
13	**Net Profit (+)/Loss (-) for the period**	**(11-12)**	**308.26**	**270.74**	**642.41**	**444.57**	**1,170.52**
	Paid-up Equity Share Capital (Face Value of Share Rs. 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) Rs.						
	Before exceptional / prior period item (Not annualised)						
	- Basic		8.19	8.47	17.09	13.91	36.37
	- Diluted		7.71	7.55	16.06	12.40	32.62
	After exceptional / prior period item (Not annualised)						
	- Basic		8.19	8.47	17.09	13.91	36.37
	- Diluted		7.71	7.55	16.06	12.40	32.62
	Dividend per share						
	Interim dividend		-	0.50	-	0.50	2.00
	Final dividend		-	-	-	-	0.50
	Total dividend		**-**	**0.50**	**-**	**0.50**	**2.50**
	Public Shareholding						
	- Number of shares		24,448,900	20,329,306	24,448,900	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)		-	-	-	-	-
	Non-encumbered						
	- Number of shares		15,551,100	15,531,694	15,551,100	15,531,694	15,541,424
	- Percentage of shares (as a % of the total share holding of promoter and promoter group)		100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)		38.88	43.31	38.88	43.31	38.85

Note: The audited unconsolidated results of the Persistent Systems Limited for quarter ended September 30, 2010 is is available on our website www.persistentsys.com

Audited Unconsolidated Statement of Assets and Liabilities

Rs. in Million

Particulars	As at		As at
	September 30, 2010	September 30, 2009	March 31, 2010
	Audited	Audited	Audited
Shareholders' Funds:			
- Capital	400.00	358.61	400.00
- Stock options outstanding	36.81	27.88	32.02
- Reserves and surplus	6,538.64	3,997.33	5,991.56
- Deferred payment liabilities	41.87	-	45.11
Loan funds			-
Total	**7,017.32**	**4,383.82**	**6,468.69**
Fixed assets	2,322.00	2,228.45	2,266.25
Investments	3,210.64	1,230.76	1,757.65
Deferred tax assets	10.87	9.60	8.00
Current assets, loans and advances			
- Inventories	-	-	-
- Sundry debtors	1,103.10	806.21	1,045.09
- Cash and bank balances	138.45	72.06	1,771.87
- Other current assets	179.84	160.18	302.47
- Loans and advances	834.88	640.81	761.62
Less: Current liabilities and provisions			
- Liabilities	566.94	592.08	1,149.83
- Provisions	215.52	172.17	294.43
Net current assets	1,473.81	915.01	2,436.79
Total	**7,017.32**	**4,383.82**	**6,468.69**

Notes:

1. The audited financial statements have been taken on record by the Board of Directors at its meeting held on October 21, 2010, as recommended by the Audit Committee at its meeting dated October 20, 2010. 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 Audit Committee meeting held on October 20, 2010 was attended by Mr. P. B. Kulkarni, Chairman of the Audit Committee through teleconference and Mr. Kiran Umrootkar, Independent Director and Mr. S. P. Deshpande, Non Executive Director in person.

2. The Company appointed Mr. Prakash Telang and Mr. Kiran Umrootkar as Independent Directors on the Board on August 19, 2010. Post appointment of new Independent Directors, the Committees of the Board have been reconstituted.

3 Utilisation of IPO proceeds

Rs. 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 ` 129.41million as per the "Object of the Issue" and the unutilised amount of ` 1,071.19 million has been appropriately invested as stated in the Prospectus. The status of utilisation of IPO proceeds amount up to September 30, 2010 is as under:

Rs. in Million

Activity	Funds allocated for the activity as per Prospectus	Actual utilization as on September 30, 2010	Unutilised funds as on September 30, 2010
Establishment of development facilities			
Hinjawadi facility	505.67	40.81	464.86
Nagpur facility	254.53	26.21	228.32
Capitalise Persistent Systems and Solutions Ltd. for establishing development facilities in SEZ	29.59	17.45	12.14
Procuring hardware	204.50	38.84	165.66
Expenses for general corporate purposes	206.31	6.10	200.21
Total	**1,200.60**	**129.41**	**1,071.19**

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

5 Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended September 30, 2010.

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Non-IPO Related				
Non Receipt of Dividend	-	1	1	-
TOTAL	-	1	1	-
IPO Related				
Non Receipt of refund	3	29	32	-
Non Receipt of refund through ECS	-	1	1	-
Non Receipt of Shares	-	7	7	-
Correction in Refund Order	-	18	18	-
TOTAL	3	55	58	-

By order of Board of Directors of Persistent Systems Limited

Pune
October 21, 2010

Dr. Anand Deshpande
Chairman and Managing Director

S.P.Deshpande
Director

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