Patni Computer Systems LTD
Form 6-K
July 24, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

For July 24, 2008

PATNI COMPUTER SYSTEMS LIMITED

**Akruti Softech Park , MIDC Cross Road No 21,
Andheri (E) , Mumbai - 400 093, India**

(Exact name of registrant and address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ý Form 40-F o

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No ý

If Yes is marked, indicate below the file under assigned to the registrant in connection with Rule 12g3-2(b):

Patni Computer Systems Limited

Registered Office: S-1A Irani Market Compound, Yerawada , Pune-411006, India

Corporate Office: Akruti , MIDC Cross Road No 21, Andheri (E) , Mumbai - 400 093

Audited financial results of Patni Computer Systems Limited for the quarter and six months ended 30 June 2008, as per Indian GAAP (Standalone)

Rs. in Lakhs except share data

	Quarter ended 30 June		Six months ended 30 June		Year ended 31 December
	2008 (Audited)	2007 (Audited)	2008 (Audited)	2007 (Audited)	2007 (Audited)
Income					
Sales and service income	**36,669**	28,019	**69,218**	54,677	117,230
Other income	**4,798**	3,123	**6,433**	4,834	7,797
	41,467	31,142	**75,651**	59,511	125,027
Expenditure					
Personnel costs	**18,760**	13,568	**34,579**	25,212	56,019
Selling, general and administration costs	**10,792**	2,176	**18,439**	6,390	17,134
Depreciation	**2,146**	2,065	**4,311**	4,033	8,048
	31,698	17,809	**57,329**	35,635	81,201
Interest costs	**167**	198	**335**	308	689
Profit for the period / year before prior period items and taxation	**9,602**	13,135	**17,987**	23,568	43,137
Prior Period Items					(434)
Profit for the period / year before taxation	**9,602**	13,135	**17,987**	23,568	43,571
Provision for taxation	**959**	1,898	**2,496**	2,828	7,069
MAT credit entitlement	**(1,033)**	(930)	**(1,461)**	(1,108)	(2,653)
Provision for taxation-Fringe benefits	**81**	97	**198**	179	401
Profit for the period / year after taxation	**9,595**	12,070	**16,754**	21,669	38,754
Paid up equity share capital (Face value per equity share of Rs 2 each)	2,781	2,773	2,781	2,773	2,780
Reserves excluding revaluation reserves					253,007
Earnings per equity share of Rs 2 each					
- Basic	**6.90**	8.71	**12.05**	15.65	27.95
- Diluted	**6.89**	8.60	**12.03**	15.48	27.67

Notes

1 Investor complaints for the quarter ended 30 June 2008:

Pending as on 1 April 2008	Received during the quarter	Disposed of during the quarter	Unresolved at the end of the quarter
	8	8	

2 Statement of Utilisation of ADS Funds as of 30 June 2008

	No of shares	Price	Amount
Amount raised through ADS(6,156,250 ADSs @$20.34 per ADS)	12,312,500	466	57,393
Share issue expenses			3,694
Net proceeds			**53,699**
Deployment :			
1 Held as short term investments			16,832
2 Utilised for Capital expenditure for office facilities			35,659
3 Exchange loss			1,208
Total			**53,699**

2

3 Total Public Shareholding *

	As of 30 June		As of 31 December
	2008	2007	2007
- Number of Shares	**43,266,221**	42,952,584	44,797,263
- Percentage of Shareholding	**31.11**%	30.98%	32.23%

* Total Public Shareholding as defined under Clause 40A of the Listing Agreement (excludes shares held by founders and American Depository Receipt shareholders).

4 Paid up equity share capital does not include Rs 0.44 (2007 : Rs 18) which represents share application money received from employees, on exercise of stock options, pending allotment of shares.

5 In December 2006, the Company received a demand notice from the Indian Income Tax department of approximately Rs 6,302, including an interest demand of approximately Rs 1,869 for the assessment year 2004-05. The tax demand was mainly on account of disallowance of deduction claimed by the Company under Section 10A of the Income Tax Act, 1961, in respect of profits earned by its various eligible undertakings. Section 10A of Indian Income Tax Act exempts the profits earned by an undertaking for the export of computer software upon the fulfillment of certain conditions. One of the conditions is that the unit should not have been formed by the splitting up of an existing business. The Company had only expanded its software development business whereas the Income Tax department contended that the business of the new units comprised of business transferred from existing units by splitting them. The Company, in consultation with its tax advisers, filed an appeal in January 2007 challenging the disallowance.

One of the requirements under the Indian Income Tax Rules to proceed with an appeal is to deposit, either immediately or through monthly installments, a sum equivalent to 50% of the amount that is under appeal. Until March 31, 2008, the Company deposited a sum of Rs 3,103 . Considering the facts and nature of disallowances and based on the advice given by the Company s legal counsel, management concluded that the disallowance was not tenable and a favorable outcome was expected in appeal proceedings and hence no provision for such income tax demand was considered necessary.

Subsequently, in February 2008 the Company received an order from the Commissioner Income Tax (CIT) (Appeals) in favor of the Company by allowing the claim under Section 10A. The Company received the refund of the taxes paid after adjustment of the new demand for the assessment year 2002-03.

In December 2007, the Company received another demand, of Rs. 2,617 including an interest demand of approximately Rs 1,399 for the assessment year 2002-03. The new demand concerns the same issue of disallowance of tax benefits under Section 10A. In the opinion of management, and based on advice received, the demand was not considered tenable against the Company and the Company has already filed an appeal with the appellate authority.

Subsequently, in March 2008, the Company received an order from the CIT (Appeals) in favor of the Company by allowing the claim under Section 10A.The total amount paid till March 2008 of Rs 2,617 along with interest has been received as refund. The Indian Income tax department has the right to go in an appeal with the tribunal.

6 Pursuant to the ICAI Announcement Accounting for Derivatives the Company has adopted Accounting Standard 30 Financial Instruments : Recognition and Measurement , from 1 January 2008. Consequent to the adoption of the Standard, the resulting gain of Rs 191 has been adjusted to the shareholders funds as on 1 January 2008.

7 In February 2008, the Board of Directors the Company approved a proposal to buy back fully paid equity shares to the extent of upto 10% of the paid up capital and free reserves, at a maximum price of Rs. 325 per equity share, for an aggregate amount upto Rs. 23,700 in accordance with the provisions of Section 77A, 77AA, 77B and other applicable provisions of the Companies Act, 1956 and the provisions of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (Buy Back Regulations), for which necessary public announcements were made in April 2, 2008. The Company has commenced buy back of shares on July 10, 2008. Consequent to completion of buy back, such shares will be extinguished as per the requirements of Section 77A of the Companies Act, 1956.

8 On May 10, 2008, the Finance Minister of India announced that the Government of India has extended the availability of the 10-year income tax holiday by a period of one year such that the tax holiday will be available until the earlier of fiscal year ending March 31, 2010 or 10 years after the commencement of a Company s undertaking.

9 Mr. Louis Theodoor van den Boog was appointed as an Executive Director with effect from April 29, 2008. The appointment was subject to the approval of our shareholders at the annual general meeting and also subject to approvals of the statutory authorities including the Central Government under Section 269 of the Indian Companies Act,and other applicable provisions.The Shareholders approval has been received at the Annual General Meeting held on June 26,2008. Subsequently, the Company has applied to the Central Government on July 16, 2008 for necessary approvals in this regard. Mr. Louis Theodoor van den Boog will be an Executive Director of the Company until March 31, 2013 and can be extended by the Board with the consent of Mr. Louis Theodoor van den Boog.

10 Previous period figures have been appropriately reclassified to conform to the current period s presentation.

11 The above summary of financial results were taken on record by the Board of Directors at its adjourned meeting held on 24 July 2008.

By Order of the Board
for Patni Computer Systems Limited

Mumbai
24 July 2008

Narendra K. Patni
Chairman and Chief Executive Officer

Summary of Consolidated financial results of Patni Computer Systems Limited and its subsidiaries for the quarter and six months ended 30 June 2008, prepared as per US GAAP

USD in lakhs except share data

	Quarter ended 30 June 2008 (Unaudited)	Quarter ended 30 June 2007 (Unaudited)	Six months ended 30 June 2008 (Unaudited)	Six months ended 30 June 2007 (Unaudited)	Year ended 31 December 2007 (Audited)
Revenues	**1,826**	1,633	**3,590**	3,193	6,629
Cost of revenues	**1,272**	1,104	**2,530**	2,120	4,501
Gross profit	**554**	529	**1,060**	1,073	2,128
Selling, general and administrative expenses	**339**	291	**650**	558	1,175
Foreign exchange (gain) / loss, net	**47**	(86)	**69**	(112)	(234)
Operating income	**168**	324	**341**	627	1,187
Interest and dividend income	**27**	30	**62**	59	126
Interest expense	**(8)**	(10)	**(16)**	(16)	(36)
Gain on sale of investments, net	**93**	48	**96**	50	64
Other income, net	**1**	2	**9**	14	17
Income before income taxes	**281**	394	**492**	734	1,358
Income taxes	**39**	62	**69**	123	218
Net Income	**242**	332	**423**	611	1,140
Earning per share					
- Basic	**$ 0.17**	$ 0.24	**$ 0.30**	$ 0.44	$ 0.82
- Diluted	**$ 0.17**	$ 0.24	**$ 0.30**	$ 0.44	$ 0.82
Weighted average number of common shares used in computing earnings per share					
- Basic	**139,061,109**	138,646,132	**139,045,585**	138,495,161	138,660,785
- Diluted	**139,295,007**	139,978,442	**139,287,340**	139,695,886	139,569,933
Total assets	**8,543**	7,688	**8,543**	7,688	8,488
Cash and cash equivalents	**551**	618	**551**	618	326
Investments	**2,919**	2,722	**2,919**	2,722	3,012

Notes:

1 The consolidated financial statements of Patni Computer Systems Limited and its subsidiaries have been prepared on a consolidated basis in accordance with accounting principles generally accepted in the United States (US GAAP). All inter-company transactions have been eliminated on consolidation.

2 The subsidiaries considered in the consolidated financial statements as at 30 June 2008 are wholly owned subsidiaries, namely Patni Americas, Inc., Patni Computer Systems (UK) Limited, Patni Computer Systems GmbH, Patni Telecom Solutions Inc., Patni Telecom Solutions Private Limited, Patni Telecom Solutions (UK) Limited, Patni Life Sciences Inc., Patni Computer Systems Brasil Ltda and Patni Computer Systems (Czech) s.r.o.

3 In December 2006, the Company received a demand notice from the Indian Income Tax department of approximately Rs 6,302, including an interest demand of approximately Rs 1,869 (US $147 including an interest demand of approximately US $43) for the assessment year 2004-05. The tax demand was mainly on account of disallowance of deduction claimed by the Company under Section 10A of the Income Tax Act, 1961, in respect of profits earned by its various eligible undertakings. Section 10A of Indian Income Tax Act exempts the profits earned by an undertaking for the export of computer software upon the fulfillment of certain conditions. One of the conditions is that the unit should not have been formed by the splitting up of an existing business. The Company had only expanded its software development business whereas the Income Tax department contended that the business of the new units comprised of business transferred from existing units by splitting them. The Company, in consultation with its tax advisers, filed an appeal in January 2007 challenging the disallowance.

One of the requirements under the Indian Income Tax Rules to proceed with an appeal is to deposit, either immediately or through monthly installments, a sum equivalent to 50% of the amount that is under appeal. Until March 31, 2008, the Company deposited a sum of Rs 3,103 (US $72). Considering the facts and nature of disallowances and based on the advice given by the Company s legal counsel, management concluded that the disallowance was not tenable and a favorable outcome was expected, in appeal proceedings and hence no provision for such income tax demand was considered necessary.

Subsequently, in February 2008 the Company has received a order from the Commissioner Income Tax (CIT) (Appeals) in favor of the Company by allowing the claim under Section 10A. The Company has received the refund of the taxes paid after adjustment of the new demand for the assessment year 2002-03.

In December 2007, the Company received another demand, of Rs. 2,617 including an interest demand of approximately Rs 1,399 (US $ 61 including an interest demand of approximately US $ 33) for the assessment year 2002-03. The new demand concerns the same issue of disallowance of tax benefits under Section 10A. In the opinion of management, and based on advice received, the demand was not considered tenable against the Company and the Company had already filed an appeal with the appellate authority.

Subsequently, in March 2008 the Company has received a order from the CIT (Appeals) in favor of the Company by allowing the claim under Section 10A.The total amount paid till March 2008 of Rs 2,617 (US $ 61) alongwith interest has been received as refund. The Indian Income tax department has the right to go in an appeal with the tribunal.

4 In February 2008, the Board of Directors the Company approved a proposal to buy back fully paid equity shares to the extent of upto 10% of the paid up capital and free reserves, at a maximum price of Rs. 325 per equity share, for an aggregate amount upto Rs. 23,700 in accordance with the provisions of Section 77A, 77AA, 77B and other applicable provisions of the Companies Act, 1956 and the provisions of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (Buy Back Regulations), for which necessary public announcements were made in 2 April 2008. The Company has commenced buy back of

shares on July 10, 2008. Consequent to completion of buy back, such shares will be extinguished as per the requirements of Section 77A of the Companies Act, 1956.

5 Mr. Louis Theodoor van den Boog was appointed as an Executive Director of the Company with effect from April 29, 2008. The appointment is subject to the approval of our shareholders at the Annual General Meeting and also subject to approvals of the statutory authorities including the Central Government under Section 269 of the Indian Companies Act, and other applicable provisions. The Shareholders approval has been received at the Annual General Meeting held on June 26, 2008. Subsequently, the Company has applied to the Central Government on July 16, 2008 for necessary approvals in this regard. Mr. van den Boog will be an Executive Director of the Company until March 31, 2013 and can be extended by the Board with the consent of Mr. Louis Theodoor van den Boog.

6 On May 10, 2008, the Finance Minister of India announced that the Government of India has extended the availability of the 10-year income tax holiday by a period of one year such that the tax holiday will be available until the earlier of fiscal year ending March 31, 2010 or 10 years after the commencement of a Company s undertaking.

7 Previous period figures have been appropriately reclassified to conform to the current period s presentation.

8 The above summary of consolidated financial results were taken on record by the Board of Directors at its adjourned meeting held on 24 July 2008.

Summary of financial statements prepared as per US GAAP - Convenience translation (Unaudited)

Rs. in lakhs except share data

	Quarter ended 30 June 2008	Quarter ended 30 June 2007	Six months ended 30 June 2008	Six months ended 30 June 2007	Year ended 31 December 2007
Exchange Rate (Rs.)	**42.93**	40.58	**42.93**	40.58	39.41
Revenues	**78,371**	66,281	**154,118**	129,590	261,254
Cost of revenues	**54,595**	44,797	**108,624**	86,026	177,378
Gross profit	**23,776**	21,484	**45,494**	43,564	83,876
Selling, general and administrative expenses	**14,552**	11,828	**27,878**	22,661	46,284
Foreign exchange (gain) / loss, net	**2,016**	(3,479)	**2,971**	(4,546)	(9,203)
Operating income	**7,208**	13,135	**14,645**	25,449	46,795
Interest and dividend income	**1,136**	1,215	**2,666**	2,403	4,942
Interest expense	**(331)**	(383)	**(698)**	(666)	(1,416)
Gain on sale of investments, net	**3,996**	1,956	**4,101**	2,018	2,510
Other income, net	**61**	80	**384**	548	672
Income before income taxes	**12,070**	16,003	**21,098**	29,752	53,503
Income taxes	**1,697**	2,527	**2,955**	4,975	8,585
Net Income	**10,373**	13,476	**18,143**	24,777	44,918
Earning per share					
- Basic	**7.46**	9.72	**13.05**	17.89	32.39
- Diluted	**7.45**	9.63	**13.03**	17.74	32.18
Total assets	**366,739**	311,987	**366,739**	311,987	334,494
Cash and cash equivalents	**23,659**	25,087	**23,659**	25,087	12,858
Investments	**125,316**	110,440	**125,316**	110,440	118,684

Disclaimer:

We have translated the financial data derived from our consolidated financial statements prepared in accordance with US GAAP for each period at the noon buying rate in the City of New York on the last business day of such period for cable transfers in Rupees as certified for customs purposes by the Federal Reserve Bank of New York. The translations should not be considered as a representation that such US Dollar amounts have been, could have been or could be converted into Rupees at any particular rate, the rate stated above, or at all. Investors are cautioned to not rely on such translated amounts.

By Order of the Board
for Patni Computer Systems Limited

Mumbai
24 July 2008

Narendra K. Patni
Chairman and Chief Executive Officer

Audited consolidated financial results of Patni Computer Systems Limited and its subsidiaries for the quarter and six months ended 30 June 2008, as per Indian GAAP.

Rs. in lakhs except share data

	Quarter ended 30 June		Six months ended 30 June		Year ended 31 December
	2008 (Audited)	2007 (Audited)	2008 (Audited)	2007 (Audited)	2007 (Audited)
Income					
Sales and service income	**76,731**	65,878	**146,066**	133,840	269,115
Other income	**4,932**	3,311	**6,735**	5,216	8,649
	81,663	69,189	**152,801**	139,056	277,764
Expenditure					
Personnel costs	**44,888**	38,715	**85,615**	75,782	153,896
Selling, general and administration costs	**21,176**	10,099	**39,148**	24,232	54,101
Depreciation (net of transfer from revaluation reserves)	**2,798**	2,451	**5,578**	4,775	9,848
	68,862	51,265	**130,341**	104,789	217,845
Interest costs	**324**	387	**664**	693	1,472
Profit for the period/year before taxation	**12,477**	17,537	**21,796**	33,574	58,447
Provision for taxation	**1,653**	3,586	**3,322**	6,309	12,426
MAT credit entitlement	**(1,175)**	(965)	**(1,659)**	(1,143)	(2,784)
Provision for taxation - Fringe benefits	**86**	121	**209**	220	442
Profit for the period/year after taxation	**11,913**	14,795	**19,924**	28,188	48,363
Paid up equity share capital (Face value per equity share of Rs 2 each)	**2,781**	2,773	**2,781**	2,773	2,780
Reserves excluding revaluation reserves					270,803
Earnings per equity share of Rs.2 each					
- Basic	**8.57**	10.67	**14.33**	20.35	34.88
- Diluted	**8.55**	10.54	**14.30**	20.14	34.54

Notes:

1 The consolidated financial statements of Patni Computer Systems Limited and its subsidiaries are prepared in accordance with the principles and procedures prescribed by AS 21 - Consolidated Financial Statements issued by ICAI for the purpose of preparation and presentation of consolidated financial statements. The financial statements of Patni Computer Systems Limited and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered in full. The amounts shown in respect of accumulated reserves comprises the amount of the relevant reserves as per the balance sheet of the Parent Company and its share in the post acquisition increase/decrease in the relevant reserves/accumulated deficit of its subsidiaries. Consolidated

financial statements are prepared using uniform accounting policies across the Group.

2 Investor complaints for the quarter ended 30 June 2008:

Pending as on 1 April 2008	Received during the quarter	Disposed of during the quarter	Unresolved at the end of the quarter
	8	8	

3 Statement of Utilisation of ADS Funds as of 30 June 2008

	No of shares	Price	Amount
Amount raised through ADS (6,156,250 ADSs @ $20.34 per ADS)	12,312,500	466	57,393
Share issue expenses			3,694
Net proceeds			**53,699**
Deployment :			
1 Held as current investments			16,832
2 Utilised for Capital expenditure for office facilities			35,659
3 Exchange loss			1,208
Total			**53,699**

4 Total Public Shareholding*

	As of 30 June		As of 31 December
	2008	2007	2007
- Number of Shares	43,266,221	42,952,584	44,797,263
- Percentage of Shareholding	31.11%	30.98%	32.23%

* Total Public Shareholding as defined under Clause 40A of the Listing Agreement (excludes shares held by founders and American Depository Receipt shareholders).

5 The subsidiaries considered in the consolidated financial statements as at 30 June 2008 are wholly owned subsidiaries, namely Patni Americas, Inc., Patni Computer Systems (UK) Limited, Patni Computer Systems GmbH, Patni Telecom Solutions Inc., Patni Telecom Solutions Private Limited, Patni Telecom Solutions (UK) Limited, Patni Life Sciences Inc., Patni Computer Systems Brasil Ltda, and Patni Computer Systems (Czech) s.r.o.

6 Paid up equity share capital does not include Rs 0.44 (2007 : Rs 18) which represents share application money received from employees on exercise of stock options, pending allotment of shares.

7 In December 2006, the Company received a demand notice from the Indian Income Tax department of approximately Rs 6,302 including an interest demand of approximately Rs 1,869 for the assessment year 2004-05. The tax demand was mainly on account of disallowance of deduction claimed by the Company under Section 10A of the Income Tax Act, 1961, in respect of profits earned by its various eligible undertakings. Section 10A of Indian Income Tax Act exempts the profits earned by an undertaking for the export of computer software upon the fulfillment of certain conditions. One of the conditions is that the unit should not have been formed by the splitting up of an existing business. The Company had only expanded its software development business whereas the Income Tax department contended that the business of the new units comprised of business transferred from existing units by splitting them. The Company, in consultation with its tax advisers, filed an appeal in January 2007 challenging the disallowance.

One of the requirements under the Indian Income Tax Rules to proceed with an appeal is to deposit, either immediately or through monthly installments, a sum equivalent to 50% of the amount that is under appeal. Until March 31, 2008, the Company deposited a sum of Rs 3,103. Considering the facts and nature of disallowances and based on the advice given by the Company s legal counsel, management concluded that the disallowance was not tenable and a favorable outcome was expected, in appeal proceedings and hence no provision for such income tax demand was considered necessary.

Subsequently, in February 2008, the Company received an order from the Commissioner Income Tax (CIT) (Appeals) in favor of the Company by allowing the claim under Section 10A. The Company received the refund of the taxes paid after adjustment of the new demand for the for the assessment year 2002-03.

In December 2007, the Company received another demand, of Rs. 2,617 including an interest demand of approximately Rs 1,399 for the assessment year 2002-03. The new demand concerns the same issue of disallowance of tax benefits under Section 10A. In the opinion of management, and based on advice received, the demand was not considered tenable against the Company and the Company had already filed an appeal with the appellate authority.

Subsequently, in March 2008, the Company received an order from the CIT (Appeals) in favor of the Company by allowing the claim under Section 10A. The total amount paid till March 2008 of Rs 2,617 along with interest has been received as refund. The Indian Income tax department has the right to go in an appeal with the tribunal.

8 Pursuant to the ICAI Announcement Accounting for Derivatives the Company has adopted Accounting Standard 30 Financial Instruments : Recognition and Measurement , from 1 January 2008. Consequent to the adoption of the Standard, the resulting gain of Rs. 191 has been adjusted to the shareholders funds as on 1 January 2008.

9 In February 2008, the Board of Directors the Company approved a proposal to buy back fully paid equity shares to the extent of upto 10% of the paid up capital and free reserves, at a maximum price of Rs. 325 per equity share, for an aggregate amount upto Rs. 23,700 in accordance with the provisions of Section 77A, 77AA, 77B and other applicable provisions of the Companies Act, 1956 and the provisions of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (Buy Back Regulations), for which necessary public announcements were made in 2 April 2008. The Company has commenced buy back of shares on July 10, 2008. Consequent to completion of buy back, such shares will be extinguished as per the requirements of Section 77A of the Companies Act, 1956.

10 On May 10, 2008, the Finance Minister of India announced that the Government of India has extended the availability of the 10-year income tax holiday by a period of one year such that the tax holiday will be available until the earlier of fiscal year ending March 31, 2010 or 10 years after the commencement of a Company s undertaking.

11 Mr.Louis Theodoor van den Boog (Mr. van den Boog) was appointed as an Executive Director of the Company with effect from April 29, 2008. The appointment is subject to the approval of our shareholders at the Annual General Meeting and also subject to approvals of the statutory authorities including the Central Government under Section 269 of the Indian Companies Act, and other applicable provisions. The Shareholder approval has been received at the Annual General Meeting held on June 26, 2008. Subsequently, the Company has applied to the Central Government on 16 July, 2008 for necessary approvals in this regard. Mr. van den Boog will be an Executive Director of the Company until March 31, 2013 and can be extended by the Board with the consent of Mr. van den Boog.

12 **Segment Information**:

Particulars	Financial services	Insurance services	Manufacturing	Communications, Media & Entertainment	Product Engineering	Others	Total
For the three months ended 30 June 2008							
Sales and service income	9,886	18,008	18,772	10,899	12,023	7,143	76,731
For the six months ended 30 June 2008							
Sales and service income	18,946	34,256	35,418	20,249	23,414	13,783	146,066
Balances as at 30 June 2008							
Sundry debtors	6,670	9,839	13,488	7,845	7,511	4,768	50,121
Cost and estimated earnings in excess of billings	1,788	4,336	5,096	8,486	3,208	2,642	25,556
Billings in excess of cost and estimated earnings	(69)	(224)	(1,030)	(39)	(560)	(434)	(2,356)
Advance from customers	(23)	(36)	(80)		(44)	(24)	(207)

Particulars	Financial services	Insurance services	Manufacturing	Communications, Media & Entertainment	Product Engineering	Others	Total
For the three months ended 30 June 2007							
Sales and service income	9,664	15,715	14,605	9,177	11,285	5,432	65,878
For the six months ended 30 June 2007							
Sales and service income	19,235	32,389	29,527	19,232	22,626	10,831	133,840
Balances as at 31 December 2007							
Sundry debtors	6,807	10,729	13,832	7,766	8,483	5,548	53,165
Cost and estimated earnings in excess of billings	1,436	752	3,643	3,131	2,450	1,363	12,775
Billings in excess of cost and estimated earnings	(127)	(133)	(563)	(165)	(305)	(108)	(1,401)
Advance from customers	(75)	(158)	(53)	(32)	(114)	(55)	(487)

13 The Group evaluates segment performance and allocates resources based on revenue growth. Revenue in relation to segments is categorized based on items that are individually identifiable to that segment. Costs are not specifically allocable to individual segments as the underlying resources and services are used interchangeably. Fixed assets used in Group s business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments.

14 Previous period figures have been appropriately reclassified /regrouped to conform to the current period s presentation.

15 The above summary of consolidated financial results were taken on record by the Board of Directors at its adjourned meeting held on 24 July 2008.

Reconciliation of significant differences between Consolidated Net Income determined in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP) and Consolidated Net Income determined in accordance with US Generally Accepted Accounting Principles (US GAAP) (Unaudited)

Rs. in lakhs

Quarter Ended 30 June