

Patni Computer Systems LTD
Form 6-K
November 01, 2007

**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 October 31, 2007

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 Form 40-F

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.

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Yes No

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

Summary of Consolidated financial results of Patni Computer Systems Limited and its subsidiaries for the quarter and nine months ended 30 September 2007, prepared as per US GAAP

USD in thousands except share data

	Quarter ended 30 September		Nine months ended 30 September		Year ended 31
	2007	2006	2007	2006	December
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	2006
					(Audited)
Revenues	169,452	151,707	488,796	424,580	578,851
Cost of revenues	117,074	98,575	329,394	273,513	373,966
Gross profit	52,378	53,132	159,402	151,067	204,885
Selling, general and administrative expenses	31,067	26,264	85,451	80,878	106,472
Provision for doubtful debts and advances	(201)	520	973	815	1,191
Foreign exchange (gain) / loss , net	(7,455)	1,262	(18,657)	2,158	2,748
Operating income	28,967	25,086	91,635	67,216	94,474
Interest and dividend income	3,494	2,315	9,417	7,223	10,088
Interest expense	(985)	(477)	(2,627)	(4,342)	(2,840)
Gain on sale of investments, net	962	1,017	5,935	1,633	1,679
Other income/(expense), net	160	91	1,554	3,470	3,541
Income before income taxes	32,598	28,032	105,914	75,200	106,942
Income taxes	4,981	5,751	17,242	41,679	47,692
Net Income / (loss)	27,617	22,281	88,672	33,521	59,250
Earning per share					
- Basic	\$ 0.20	\$ 0.16	\$ 0.64	\$ 0.24	\$ 0.43
- Diluted	\$ 0.20	\$ 0.16	\$ 0.63	\$ 0.24	\$ 0.43
Weighted average number of common and redeemable common shares used in computing earnings per share					
- Basic	138,704,702	137,940,096	138,565,775	137,882,995	137,957,477
- Diluted	139,958,237	138,861,054	139,783,336	138,753,997	138,904,860
Total assets	832,726	598,259	832,726	598,259	640,341
Cash and cash equivalents	44,812	45,350	44,812	45,350	46,510
Investments	281,429	224,797	281,429	224,797	246,016

Notes

- The above statement of financial results were taken on record by the Board of Directors at its adjourned meeting held on 31 October 2007.
- 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

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accepted in the United States (US GAAP). All significant inter-company transactions have been eliminated on consolidation.

3 The subsidiaries considered in the consolidated financial statements as at 30 September 2007 are wholly owned subsidiaries, namely Patni Computer Systems Inc. USA, Patni Computer Systems (UK) Ltd., Patni Computer Systems GmbH, Patni Telecom Solutions Inc., Patni Telecom Solutions Private Limited, Patni Telecom Solutions (UK) Limited, Patni Life Sciences Inc. (formerly Taratec Development Corporation) and Patni Computer Systems Brasil Ltda.

4 On July 2, 2007, Patni Computer Systems (UK) Limited, a wholly owned subsidiary of the Company, acquired Logan-Orviss International (LOI), a European telecommunications consulting services company for a purchase price of \$8,614 (including direct acquisition related expenses of \$864).

5 On July 1, 2007, Patni Computer Systems Inc. USA, a wholly owned subsidiary of the Company, acquired 100% equity interest in Taratec Development Corporation, a leading consulting company in the life sciences industry providing integrated business, information technology, and regulatory compliance products and services for a purchase price of \$15,680 (including direct acquisition related expenses of \$435).

6 Executive Directors, Mr G.K.Patni and Mr A.K.Patni, under contract until October 24, 2008, ceased to be Executive Directors effective October 1, 2007 to become founder-directors. Termination benefit payments amounting to \$2,240 have been recorded as selling, general and administrative expenses in the Income Statement for the three month and nine month period ended September 30, 2007

7 During the quarter ended Sept 2007, Patni Computer Systems Ltd has, through its wholly owned subsidiary, Patni Computer Systems Inc, acquired from one of its major customer, the worldwide rights for a software Proprietary Intellectual Property Rights that enables communication service providers to offer customer management, retail point-of-sale and billing services for a variety of products and services amounting to \$20,368

8 Previous period figures have been appropriately reclassified to conform to the current period s presentations.

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

Rs. in thousands except share data

	Quarter ended 30 September		Nine months ended 30 September		Year ended 31
	2007	2006	2007	2006	December
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Exchange Rate (Rs.)	39.75	45.95	39.75	45.95	44.11
Revenues	6,735,698	6,970,944	19,429,623	19,509,451	25,533,112
Cost of revenues	4,653,695	4,529,535	13,093,408	12,567,941	16,495,639
Gross profit	2,082,003	2,441,409	6,336,215	6,941,510	9,037,473
Selling, general and administrative expenses	1,234,891	1,206,824	3,396,662	3,716,344	4,696,477
Provision for doubtful debts and advances	(7,971)	23,878	38,677	37,428	52,536
Foreign exchange (gain) / loss , net	(296,350)	57,988	(741,630)	99,148	121,211
Operating income	1,151,433	1,152,719	3,642,506	3,088,590	4,167,249
Interest and dividend income	138,906	106,363	374,322	331,871	444,978
Interest expense	(39,145)	(21,912)	(104,424)	(199,499)	(125,269)
Gain on sale of investments, net	38,233	46,717	235,922	75,048	74,065
Other income/(expense), net	6,341	4,172	61,754	159,455	156,212
Income before income taxes	1,295,768	1,288,059	4,210,080	3,455,465	4,717,235
Income taxes	198,012	264,254	685,358	1,915,162	2,103,684
Net Income / (loss)	1,097,756	1,023,805	3,524,722	1,540,303	2,613,551
Earning per share					
- Basic	7.91	7.42	25.44	11.17	18.94
- Diluted	7.84	7.37	25.22	11.10	18.82
Total assets	33,100,866	27,489,997	33,100,866	27,489,997	28,245,426
Cash and cash equivalents	1,781,290	2,083,854	1,781,290	2,083,854	2,051,557
Investments	11,186,804	10,329,409	11,186,804	10,329,409	10,851,772

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

Narendra K. Patni
Chairman and Chief Executive Officer

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Audited Consolidated financial results of Patni Computer Systems Limited and its subsidiaries for the quarter and nine months ended 30 September 2007, as per Indian GAAP.

Rs. in thousands except share data

	Quarter ended 30 September		Nine months ended 30 September		Year ended 31
	2007 (Audited)	2006 (Audited)	2007 (Audited)	2006 (Audited)	December 2006 (Audited)
Income					
Sales and service income	6,747,357	6,999,399	20,131,382	19,239,862	26,080,258
Other income	343,078	174,396	1,457,625	380,624	556,869
	7,090,435	7,173,795	21,589,007	19,620,486	26,637,127
Expenditure					
Personnel costs	4,017,333	3,976,536	11,595,564	10,738,445	14,447,266
Selling, general and administration costs	1,561,020	1,517,662	4,577,108	4,488,065	5,920,858
Depreciation (net of transfer from revaluation reserves)	241,915	202,229	719,457	600,374	842,693
Interest costs	39,851	22,103	109,103	195,748	189,635
	5,860,119	5,718,530	17,001,232	16,022,632	21,400,452
Profit for the period / year before prior period items and taxation	1,230,316	1,455,265	4,587,775	3,597,854	5,236,675
Prior period items				281,394	221,172
Profit for the period / year before taxation	1,230,316	1,455,265	4,587,775	3,316,460	5,015,503
Provision for taxation	299,980	264,582	930,913	1,911,703	2,114,356
MAT credit entitlement	(73,777)		(188,098)		(5,735)
Provision for taxation - Fringe benefits	10,549	11,075	32,557	33,343	40,085