

Polaris Software Lab Limited - Group
Consolidated Balance Sheet as at

Rs. in Lacs

	December 31, 2009	March 31, 2009
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS		
Share capital	4,942.80	4,933.81
Share application money pending allotment	3.45	-
Reserves and surplus	80,653.29	72,333.38
	<u>85,599.54</u>	<u>77,267.19</u>
LOAN FUNDS		
Secured loans	310.27	35.71
DEFERRED TAX LIABILITY		
	673.75	664.74
	<u>86,583.56</u>	<u>77,967.64</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
Cost	55,738.20	52,834.86
Less: Depreciation and amortisation	34,188.34	31,374.21
Net book value	21,549.86	21,460.65
Capital-work-in progress	679.31	1,430.28
	<u>22,229.17</u>	<u>22,890.93</u>
GOOD WILL	5,006.90	1,987.62
INVESTMENTS	39,661.74	24,424.70
DEFERRED TAX ASSET	1,046.55	969.63
CURRENT ASSETS, LOANS AND ADVANCES		
Sundry debtors	15,588.13	20,312.66
Cash and bank balances	12,229.36	10,539.21
Other current assets, loans and advances	18,807.78	21,935.36
	<u>46,625.27</u>	<u>52,787.23</u>
CURRENT LIABILITIES AND PROVISIONS		
Current liabilities	22,562.30	20,431.16
Provisions	5,423.77	4,661.31
	<u>27,986.07</u>	<u>25,092.47</u>
NET CURRENT ASSETS	<u>18,639.20</u>	<u>27,694.76</u>
	<u>86,583.56</u>	<u>77,967.64</u>

Polaris Software Lab Limited - Group
Consolidated Profit and Loss Account for the period

Rs. in Lacs except per share data

	Quarter ended		Nine months ended	
	Dec 31, 2009	Dec 31, 2008	Dec 31, 2009	Dec 31, 2008
INCOME				
Software development services and products				
- Overseas	30,234.85	33,467.03	90,402.04	92,328.62
- Domestic	3,013.67	2,356.24	7,250.53	6,841.26
Income from Business Process Management (BPM)				
- Overseas	114.71	26.29	388.84	65.65
- Domestic	525.32	1,408.24	2,230.51	4,834.40
	33,888.55	37,257.80	100,271.92	104,069.93
EXPENDITURE				
Software development and BPM expenses	21,846.50	23,234.77	64,697.61	67,618.93
Selling, administrative and other general expenses	6,564.43	6,482.80	19,186.20	19,278.15
	28,410.93	29,717.57	83,883.81	86,897.08
OPERATING PROFIT BEFORE INTEREST, DEPRECIATION AND AMORTISATION	5,477.62	7,540.23	16,388.11	17,172.85
Finance charges	21.62	17.77	56.12	54.99
Depreciation and amortisation	864.57	880.01	2,582.37	4,196.17
	886.19	897.78	2,638.49	4,251.16
OPERATING PROFIT AFTER INTEREST, DEPRECIATION AND AMORTISATION	4,591.43	6,642.45	13,749.62	12,921.69
Other income, net	499.56	466.09	1,333.56	2,047.55
Foreign exchange gains / (losses), net	(420.38)	(2,854.15)	(2,608.98)	(3,679.58)
PROFIT BEFORE TAX	4,670.61	4,254.39	12,474.20	11,289.66
Income taxes - Current tax	955.03	454.54	2,213.58	1,481.32
- Deferred tax	(15.27)	35.45	(62.62)	(156.11)
- Fringe benefit tax	-	71.30	-	204.95
- MAT credit entitlement	(276.54)	-	(428.90)	-
PROFIT AFTER TAX	4,007.39	3,693.10	10,752.14	9,759.50
Share of profit / (loss) of associate companies	-	23.63	(41.61)	101.11
NET PROFIT FOR THE PERIOD	4,007.39	3,716.73	10,710.53	9,860.61
Profit brought forward from previous year	42,286.82	33,701.35	35,583.68	27,557.47
Amount available for appropriation	46,294.21	37,418.08	46,294.21	37,418.08
Appropriations				
Dividend				
- Interim	1,729.98	1,480.14	1,729.98	1,480.14
- Final	-	-	-	-
Tax on dividend	294.01	251.55	294.01	251.55
Amount transferred to general reserve	936.66	758.42	936.66	758.42
Balance carried to balance sheet	43,333.56	34,927.97	43,333.56	34,927.97
	46,294.21	37,418.08	46,294.21	37,418.08
Earnings per share (equity shares par value Rs 5 each)				
Basic	4.06	3.77	10.85	9.99
Diluted	4.02	3.77	10.76	9.99
Number of shares used in computing earnings per share				
Basic	98,779,848	98,676,197	98,714,317	98,675,574
Diluted	99,578,896	98,676,595	99,507,169	98,676,322

Polaris Software Lab Limited - Group
Statement of cash flows for the Period/Year ended

	Dec 31, 2009	Dec 31, 2008
Cash flows from operating activities		
Profit before taxation	12,432.59	11,390.77
Adjustments for:		
Depreciation	2,582.37	4,196.17
Interest income	(89.51)	(141.89)
Dividend income	(1,100.65)	(607.18)
Exchange differences on translation of foreign currency cash and cash equivalents	(207.08)	(228.08)
Unrealised exchange (gain) / loss	345.76	(175.87)
Provision for doubtful debts	195.00	524.00
Bad debts written off	30.00	-
(Profit) / Loss on sale of fixed assets	(4.91)	118.22
(Profit) / Loss on sale of AIG and others	-	(1,293.98)
Lease finance charges	2.09	4.74
Share of loss/(profit) on associate companies	41.61	(101.11)
Changes in current assets and liabilities		
Decrease / (Increase) in sundry debtors	5,708.41	(1,308.85)
Decrease/ (Increase) in loans and advances	4,476.12	571.39
Increase/(Decrease) in current liabilities and provisions	(490.09)	7,807.74
Net Taxes paid/Refund received	(1,937.30)	(2,170.86)
Net cash flows from operating activities	21,984.40	18,585.21
Cash flows from investing activities		
Purchase of fixed assets and changes in capital work in progress	(1,805.40)	(6,827.64)
Acquisition of Laser Soft Infosystems Limited	(3,441.38)	-
Proceeds from sale of fixed assets	16.58	54.07
Sale proceeds / (Purchase) of other long term investments	-	2,306.15
Interest received	89.51	141.89
Dividend received	1,100.65	607.18
Net cash flows from investing activities	(4,040.05)	(3,718.35)
Cash flows from financing activities		
Proceeds from share capital issued on exercise of stock options	9.00	0.08
Proceeds from share premium on exercise of stock options	131.52	1.15
Change in secured loans	207.49	(37.13)
Lease finance charges	(2.09)	(4.74)
Dividends paid during the period	(1,445.80)	(1,725.45)
Net cash flows from financing activities	(1,099.89)	(1,766.09)
Exchange differences on translation of foreign currency cash and cash equivalents	207.08	228.08
Exchange differences on translation of foreign subsidiaries	(328.41)	975.22
Total increase / (decrease) in cash and equivalents during the period	16,723.14	14,304.07
Laser Soft cash balance on acquisition	245.31	-
Cash and cash equivalents at the beginning of the Period/Year	34,004.83	15,504.80
Cash and cash equivalents at the end of the Period/Year	50,973.28	29,808.87

Previous year/period figures have been regrouped to confirm to current year/period presentation