

Polaris Financial Technology - Group
Consolidated Balance Sheet as at March 31, 2012

Rs. in Lacs

	March 31, 2012	March 31, 2011
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS		
Share capital	4,972.10	4,959.78
Share application money pending allotment	2.82	-
Reserves and surplus	120,272.21	98,294.72
	<u>125,247.13</u>	<u>103,254.50</u>
MINORITY INTEREST	223.03	254.16
LOAN FUNDS		
Secured loans	459.80	572.04
Unsecured loans	11,921.44	-
DEFERRED TAX LIABILITIES (NET)	567.57	220.84
	<u>138,418.97</u>	<u>104,301.54</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross block	79,434.74	60,774.29
Less: Accumulated depreciation and amortisation	45,222.76	37,944.84
Net block	34,211.98	22,829.45
Capital-work-in progress including capital advances	5,656.20	6,537.03
	<u>39,868.18</u>	<u>29,366.48</u>
GOODWILL	19,941.95	6,440.33
INVESTMENTS	18,028.56	38,429.51
DEFERRED TAX ASSETS (NET)	972.31	1,154.75
CURRENT ASSETS, LOANS AND ADVANCES		
Sundry debtors	37,224.51	22,718.54
Cash and bank balances	22,243.60	14,225.44
Other current assets	29,102.18	18,383.35
Loans and advances	15,765.21	11,635.80
	<u>104,335.50</u>	<u>66,963.13</u>
Less: CURRENT LIABILITIES AND PROVISIONS		
Current liabilities	39,804.15	29,168.46
Provisions	4,923.38	8,884.20
	<u>44,727.53</u>	<u>38,052.66</u>
NET CURRENT ASSETS	<u>59,607.97</u>	<u>28,910.47</u>
	<u>138,418.97</u>	<u>104,301.54</u>

Polaris Financial Technology - Group
Consolidated Profit and Loss Account for the year ended

Rs in lacs except per share data

	Year Ended		Quarter Ended	
	Mar 31, 2012	March 31, 2011	Jan to Mar' 12	Mar 31, 2011
	YTD - FY 12	YTD	Q4- FY 12	Q4- FY 11
INCOME				
Software development services and products				
- Overseas	179,896.48	139,907.94	45,341.78	38,238.99
- Domestic	24,012.30	17,057.74	6,314.75	5,189.24
Income from Business Process Management (BPM)				
- Overseas	21.00	137.31	-	18.23
- Domestic	1,343.34	1,530.15	370.99	306.82
Other income, net	4,292.17	5,906.95	1,942.99	2,298.57
	209,565.29	164,540.09	53,970.51	46,051.85
EXPENDITURE				
Software development and BPM expenses	140,227.55	107,239.25	35,668.10	30,218.02
Selling, administrative and other general expenses	35,980.73	30,004.20	9,851.47	8,266.37
	176,208.28	137,243.45	45,519.57	38,484.39
OPERATING PROFIT BEFORE INTEREST, DEPRECIATION AND AMORTISATION	33,357.01	27,296.64	8,450.94	7,567.46
Finance charges	288.55	114.87	102.13	38.01
Depreciation and amortisation	4,723.07	3,365.86	1,342.71	868.56
	5,011.62	3,480.73	1,444.84	906.57
Provision for diminution in value of investments				
PROFIT BEFORE TAX	28,345.39	23,815.91	7,006.10	6,660.89
Income taxes - Current tax	6,825.70	4,616.97	1,532.49	905.38
- Deferred tax	534.02	(441.64)	423.40	(346.42)
- Fringe benefit tax	-	-	-	-
- MAT credit entitlement	(1,057.53)	(587.23)	(1,057.53)	336.33
PROFIT AFTER TAX	22,043.20	20,227.81	6,107.74	5,765.60
Minority Interest	27.65	18.16	6.37	(7.85)
Share of profit / (loss) of associate companies	-	-	-	-
NET PROFIT FOR THE YEAR	22,070.85	20,245.97	6,114.11	5,757.75
Profit brought forward from previous year	58,673.71	45,510.39	70,909.81	60,003.89
Amount available for appropriation	80,744.56	65,756.36	77,023.92	65,761.64
APPROPRIATIONS				
Dividend				
- Interim	1,987.62	-	0.03	-
- Final	-	4,465.02	-	4,465.02
Tax on dividend	322.44	717.65	-	717.65
Residual dividend	3.70	-	-	(1.21)
Tax on Residual dividend	0.60	-	-	6.49
Amount transferred to general reserve	1,406.31	1,900.00	-	1,900.00
Balance carried to balance sheet	77,023.89	58,673.69	77,023.89	58,673.69
	80,744.56	65,756.36	77,023.92	65,761.64
EARNINGS PER SHARE (equity shares par value Rs 5 each)				
Basic	22.22	20.43	6.15	5.80
Diluted	22.15	20.28	6.13	5.76
Number of shares used in computing earnings per share				
Basic	99,323,973	99,100,729	99,403,638	99,187,192
Diluted	99,658,873	99,825,120	99,765,099	99,911,583

Polaris Financial Technology - Group
Statement of cash flows for the year ended March 31, 2012

Rs in Lacs

	March 31, 2012	March 31, 2011
Cash flows from operating activities		
Profit before taxation	28,345.39	23,815.91
Adjustments for:		
Depreciation	4,723.07	3,365.86
Interest income	(465.73)	(240.56)
Dividend income	(1,208.05)	(1,778.69)
(Profit) / Loss on sale of fixed assets	(2,397.84)	(1,061.16)
Provision for doubtful debts & Bad debts written off	443.23	367.99
Interest on borrowings	146.47	-
Exchange differences on translation of foreign currency cash and cash equivalents	(198.78)	270.41
Unrealised exchange (gain) / loss	(1,025.49)	402.51
Changes in current assets and liabilities		
Decrease / (Increase) in sundry debtors	(14,276.43)	(5,839.24)
Decrease/ (Increase) in loans and advances	(13,632.89)	(7,759.69)
Increase/(Decrease) in current liabilities and provisions	6,174.86	4,405.45
Net Taxes paid/Refund received	(5,792.93)	(5,346.27)
Net cash flows from operating activities	834.88	10,602.52
Cash flows from investing activities		
Purchase of fixed assets and changes in capital work in progress	(14,764.78)	(9,413.90)
Acquisition of Subsidiary	(10,157.18)	(2,303.47)
Sale proceeds / (Purchase) of other long term investments	-	(331.51)
Proceeds from sale of fixed assets	2,622.32	1,189.73
Interest received	465.73	240.56
Dividend received	1,208.05	1,778.69
Net cash flows used in investing activities	(20,625.86)	(8,839.90)
Cash flows from financing activities		
Proceeds from share capital issued on exercise of stock options	12.32	11.72
Proceeds from share premium on exercise of stock options	173.24	190.68
Change in secured loans	(666.46)	326.45
Proceeds / (Repayment) of other borrowings	10,822.89	-
Interest on borrowings	(146.47)	-
Dividends paid during the year	(7,486.52)	(2,022.99)
Dividend tax paid during the year	-	-
Net cash flows used in investing activities	2,709.00	(1,494.14)
Exchange differences on translation of foreign currency cash and cash equivalents	198.78	(270.41)
Exchange differences on translation of foreign subsidiaries	1,607.68	669.16
Total increase / (decrease) in cash and equivalents during the year	(15,275.52)	667.23
Cash balance of subsidiaries on acquisition	2,892.73	317.01
Cash and cash equivalents at the beginning of the Period/Year	51,405.61	50,421.37
Cash and cash equivalents at the end of the Period/Year	39,022.82	51,405.61

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