

Polaris Financial Technology Limited
(Formerly known as Polaris Software Lab Limited)
Consolidated Balance Sheet as at December 31, 2012

Rupees in Lacs

Particulars	December 31, 2012	March 31, 2012
EQUITY AND LIABILITIES		
SHAREHOLDERS' FUNDS		
Share capital	4,973.74	4,972.10
Reserves and surplus	126,089.33	116,558.25
Share capital suspense	-	1.01
	131,063.07	121,531.36
SHARE APPLICATION MONEY PENDING ALLOTMENT	2.47	2.82
MINORITY INTEREST	-	223.03
NON-CURRENT LIABILITIES		
Long - term borrowings	102.52	233.95
Deferred tax liabilities (Net)	441.95	356.23
Long - term provisions	843.81	1,320.78
CURRENT LIABILITIES		
Short -term borrowings	11,720.59	10,181.09
Trade payables	21,313.66	19,903.48
Other current liabilities	18,404.56	18,082.74
Short-term provisions	12,588.97	6,973.22
TOTAL	196,481.60	178,808.70
ASSETS		
NON-CURRENT ASSETS		
Fixed assets		
- Tangible assets	33,178.20	32,935.27
- Intangible assets	1,477.56	1,276.74
- Capital work-in-progress	5,101.85	3,715.21
- Intangible assets under development	683.06	386.12
	40,440.67	38,313.34
Non-current investments	3,120.06	3,120.06
Deferred tax assets (Net)	483.77	479.49
Long-term loans and advances	13,066.49	10,511.15
Other non-current assets	-	1,500.00
Goodwill	18,147.09	18,147.09
CURRENT ASSETS		
Current investments	21,404.68	14,908.47
Trade receivables	41,964.09	37,224.51
Cash and bank balance	24,766.55	20,743.58
Short-term loans and advances	4,494.67	4,665.37
Other current assets	28,593.53	29,195.64
TOTAL	196,481.60	178,808.70

Polaris Financial Technology Limited

(Formerly known as Polaris Software Lab Limited)

Consolidated Statement of Profit and Loss Account for the period ended December 31, 2012

Rupees in Lacs

Particulars	Nine Months Ended		Quarter Ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Revenue from operations	171,579.14	153,245.60	56,058.14	57,253.05
Other income	2,651.70	2,471.87	966.21	779.75
Total Revenue	174,230.84	155,717.47	57,024.35	58,032.80
Expenses				
Employee benefit expenses	124,796.24	106,971.92	41,523.17	38,867.13
Other expenses	25,880.85	23,919.67	9,088.20	9,886.61
Finance costs	191.13	106.23	53.90	48.25
Depreciation and amortization expenses	3,978.63	3,380.36	1,392.02	1,305.57
Total Expenses	154,846.85	134,378.18	52,057.29	50,107.56
Profit before exceptional and extraordinary items and tax	19,383.99	21,339.29	4,967.06	7,925.24
Exceptional Items				
Profit before extraordinary items and tax	19,383.99	21,339.29	4,967.06	7,925.24
Extraordinary Items				
Profit before tax	19,383.99	21,339.29	4,967.06	7,925.24
TAX EXPENSES				
Income taxes - Current tax	3,829.27	5,293.21	1,188.10	1,833.35
- Deferred tax	81.17	110.62	(246.64)	(6.82)
- MAT credit entitlement	-	-	-	-
years)	-	-	-	-
adjustment	15,473.55	15,935.46	4,025.60	6,098.71
Minority Interest	(223.03)	(21.28)	(41.04)	(8.39)
Profit for the year	15,696.58	15,956.74	4,066.64	6,107.10
Earnings per share (In Rs.) - (equity shares par value Rs 5 each)				
Basic	15.78	16.07	4.09	6.15
Diluted	15.75	16.00	4.08	6.12
Number of shares used in computing earnings per share				
Basic	99,468,110	99,297,612	99,473,540	99,349,419
Diluted	99,691,818	99,700,112	99,700,640	99,755,903

Polaris Financial Technology Limited

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Consolidated cash flow statement for the period ended March 31, 2012*Rupees in Lacs*

Particulars	December 31, 2012	March 31, 2012
Cash flows from operating activities		
Profit before taxation	19,383.99	28,343.50
Adjustments for:		
Depreciation and amortisation	3,978.63	4,723.07
Interest income	(406.06)	(465.73)
Dividend income	(643.03)	(1,208.05)
Unrealised exchange (gain) / loss	694.21	(1,224.27)
Exchange difference on translation of foreign operations	2,209.09	1,807.31
(Profit) / Loss on sale of fixed assets	(1,107.67)	(2,397.84)
(Profit) / Loss on sale of Investments	(443.52)	(389.73)
Provision for doubtful debts	360.00	(399.06)
Bad debts written off	-	842.29
Interest expenses	191.13	170.55
Changes in assets and liabilities		
Decrease / (Increase) in trade receivable	(4,928.02)	(14,276.45)
Decrease / (Increase) in loans and advances and other assets	(1,518.17)	(14,633.37)
Increase / (Decrease) in liabilities and provisions	1,443.48	5,692.43
Net Taxes paid / Refund received	(5,380.24)	(5,845.71)
Net cash from operating activities	13,833.82	738.94
Cash flows from Investing activities		
Purchase of fixed assets, changes in capital work in progress and capital advance	(4,729.75)	(14,704.54)
Proceeds from sale of fixed assets	1,264.82	2,622.31
Acquisition of subsidiaries & Investment in Associates #	(4.99)	(10,157.18)
(Purchase) / sale proceeds of other long term investments	-	-
Net decrease/(Increase) in in non-trade investments	(6,052.72)	20,790.67
Investment in long-term term deposits	1,500.00	-
Interest received	406.06	465.73
Dividend received	643.03	1,208.05
Net cash used in investing activities	(6,973.55)	225.04
Cash flows from financing activities		
Proceeds from share capital issued on exercise of stock options	1.64	12.33
Proceeds from share premium on exercise of stock options	27.62	178.77
Proceeds / (Repayment) of loans	908.07	9,928.63
Interest expenses	(191.13)	(170.55)
Dividends paid during the year	(2,975.72)	(6,439.35)
Dividend tax paid during the year	(484.11)	(1,047.18)
Net cash used in financing activities	(2,713.63)	2,462.65

Polaris Financial Technology Limited**(Formerly known as Polaris Software Lab Limited)****Consolidated cash flow statement for the period ended March 31, 2012***Rupees in Lacs*

Particulars	December 31, 2012	March 31, 2012
Exchange differences on translation of foreign currency cash and cash equivalents	(128.67)	198.78
Net increase / (decrease) in cash and equivalents during the year	4,017.97	3,625.41
Cash balance of subsidiaries on acquisitions	5.00	2,892.73
Cash and cash equivalents at the beginning of the year	20,743.58	14,225.44
Cash and cash equivalents at the end of the year	24,766.55	20,743.58
Components of Cash and cash equivalents		
(Refer Note - 19 cash and bank balance)		
(a) Cash on hand	39.62	36.08
(b) Balance with banks		
- On current account	17,066.80	12,807.87
- On deposit account	7,573.19	7,821.15
- On unpaid dividend account *	86.94	78.48
	24,766.55	20,743.58

* The balance in unpaid dividend account was Rs 86.94 (March 31, 2012: Rs 78.48) which are not available for use by the Company as they represent corresponding unpaid dividend liabilities.