

Polaris Financial Technology Limited
(Formerly known as Polaris Software Lab Limited)
Consolidated Balance Sheet as at March 31, 2013

Rupees in Lacs

Particulars	March 31, 2013	March 31, 2012
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share capital	4,975.30	4,972.10
Reserves and surplus	129,297.15	117,009.14
Share capital suspense	-	1.01
	134,272.45	121,982.25
Share application money pending allotment	-	2.82
Minority Interest	-	223.03
Non-Current Liabilities		
Long - term borrowings	57.81	233.95
Deferred tax liabilities (Net)	793.01	356.23
Long - term provisions	915.63	1,320.78
Current Liabilities		
Short -term borrowings	11,554.24	10,181.09
Trade payables	20,625.72	19,903.48
Other current liabilities	18,425.75	18,082.74
Short-term provisions	15,312.51	6,973.22
TOTAL	201,957.12	179,259.59
ASSETS		
Non-Current Assets		
Fixed assets		
- Tangible assets	33,722.84	32,990.83
- Intangible assets	1,368.35	1,221.16
- Capital work-in-progress	4,187.52	3,715.21
- Intangible assets under development	790.12	386.12
	40,068.83	38,313.32
Goodwill on Consolidation	21,247.89	18,597.99
Non-current investments	3,572.07	3,120.06
Deferred tax assets (Net)	599.87	479.49
Long-term loans and advances	12,384.79	10,511.15
Other non-current assets	-	1,500.00
Current Assets		
Current investments	26,539.01	14,908.48
Trade receivables	40,747.06	37,224.51
Cash and bank balance	20,566.10	20,743.58
Short-term loans and advances	5,390.18	4,665.37
Other current assets	30,841.32	29,195.64
TOTAL	201,957.12	179,259.59

Polaris Financial Technology Limited
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Consolidated Statement of Profit and Loss Account for the year ended March 31, 2013

Rupees in Laacs

Particulars	Year Ended		Quarter Ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Income from software services and products	225,863.10	204,915.14	54,283.96	51,669.54
Other income	3,413.92	4,629.59	902.32	2,157.70
Total Revenue	229,277.02	209,544.73	55,186.28	53,827.24
Expenses				
Employee benefit expenses	166,311.67	144,164.60	41,515.43	37,192.65
Other expenses	33,038.23	32,143.01	7,297.45	8,223.36
Finance costs	249.08	170.55	57.94	64.32
Depreciation and amortization expenses	5,369.09	4,723.07	1,390.46	1,342.71
Total Expenses	204,968.07	181,201.23	50,261.28	46,823.04
Profit before tax	24,308.95	28,343.50	4,925.00	7,004.20
TAX EXPENSES				
Income taxes - Current tax	5,573.92	6,542.32	1,744.65	1,249.11
- Deferred tax	315.96	815.50	234.79	704.88
- MAT credit entitlement	(579.21)	-	(579.21)	-
- MAT credit entitlement (Earlier years)	(407.00)	(1,057.53)	(407.00)	(1,057.53)
Profit for the year before Minority interest/ Share of profit/(loss) of Associate companies	19,405.28	22,043.21	3,931.77	6,107.74
Add: Share of Profit/(loss) on Associate Companies	452.01	-	452.01	-
Less: Minority Interest - Share of (loss)/Profit	(223.03)	(27.65)	-	(6.37)
Profit for the year	20,080.32	22,070.86	4,383.78	6,114.11

Earnings per share (In Rs.) - (equity shares par value Rs 5 each)

Basic	20.19	22.22	4.41	6.15
Diluted	20.15	22.15	4.40	6.13
Number of shares used in computing earnings per share				
Basic	99,473,789	99,323,973	99,491,143	99,403,638
Diluted	99,669,953	99,658,873	99,689,586	99,765,099

Polaris Financial Technology Limited
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Consolidated cash flow statement for the year ended March 31, 2013

Rupees in Lacs

Particulars	March 31, 2013	March 31, 2012
Cash flows from operating activities		
Profit before taxation	24,308.95	28,343.50
Adjustments for:		
Depreciation and amortisation	5,369.09	4,723.07
Interest income	(549.54)	(465.73)
Dividend income	(1,001.19)	(1,208.05)
Unrealised exchange (gain) / loss	949.02	(1,224.27)
Exchange difference on translation of foreign operations	970.05	1,807.31
(Profit) / Loss on sale of fixed assets	(1,117.55)	(2,397.84)
(Profit) / Loss on sale of Investments	(593.90)	(389.73)
Provision for doubtful debts	145.47	(399.06)
Bad debts written off	678.09	842.29
Interest expenses	249.08	170.55
Share of loss/(profit) on associate companies	(452.01)	-
Changes in assets and liabilities		
Decrease / (Increase) in trade receivable	(4,220.70)	(14,276.45)
Decrease / (Increase) in loans and advances and other assets	(4,364.78)	(14,633.37)
Increase / (Decrease) in liabilities and provisions	851.46	5,692.43
Net Taxes paid / Refund received	(6,512.21)	(5,845.71)
Net cash from operating activities	14,709.33	738.94
Cash flows from Investing activities		
Purchase of fixed assets, changes in capital work in progress and capital advance	(5,605.29)	(14,704.54)
Proceeds from sale of fixed assets	1,330.20	2,622.31
Acquisition of subsidiaries & Investment in Associates	(5.04)	(10,157.18)
Investment in Associates company	-	-
Share of loss/(profit) on associate companies	452.01	-
Net decrease/(Increase) in in non-trade investments	(11,036.62)	20,790.67
Investment in long-term term deposits	1,500.00	-
Interest received	549.54	465.73
Dividend received	1,001.19	1,208.05
Net cash used in investing activities	(11,814.01)	225.04
Cash flows from financing activities		
Proceeds from share capital issued on exercise of stock options	3.20	12.33
Proceeds from share premium on exercise of stock options	38.49	178.77
Proceeds / (Repayment) of loans	589.00	9,928.63
Interest expenses	(249.08)	(170.55)
Dividends paid during the year	(2,982.31)	(6,439.35)
Dividend tax paid during the year	(484.11)	(1,047.18)
Net cash used in financing activities	(3,084.81)	2,462.65
Exchange differences on translation of foreign currency cash and cash equivalents	6.97	198.78
Net increase / (decrease) in cash and equivalents during the year	(182.52)	3,625.41
Cash balance of subsidiaries on acquisitions	5.04	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	20,566.10	20,743.58
Components of Cash and cash equivalents		
Cash on hand	37.63	36.08
Balance with banks	20,528.47	20,707.50
	20,566.10	20,743.58

* The balance in unpaid dividend account was Rs 80.35 (March 31, 2012: Rs 78.48) which are not available for use by the Company as they represent corresponding unpaid dividend liabilities.