

**Polaris Consulting & Services Limited**  
(Formerly known as Polaris Financial Technology Limited)  
**Consolidated Balance Sheet as at Sep 30, 2014**  
(All amounts are in Rupees in lakhs unless otherwise stated)

<b>Particulars</b>	<b>Sep 30, 2014</b>	<b>March 31, 2014</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share capital	4,987.20	4,977.51
Reserves and surplus	89,598.82	149,763.58
	<b>94,586.02</b>	<b>154,741.09</b>
<b>Share application money pending allotment</b>	157.26	-
<b>Non-Current Liabilities</b>		
Deferred tax liabilities (Net)	80.67	1,070.99
Long - term provisions	323.65	544.24
<b>Current Liabilities</b>		
Short -term borrowings	-	403.15
Trade payables	16,947.74	24,208.47
Other Current liabilities	11,568.05	14,042.22
Short-term provisions	1,970.40	12,181.66
<b>TOTAL</b>	<b>125,633.79</b>	<b>207,191.82</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed assets		
- Tangible assets	20,193.33	32,580.17
- Intangible assets	570.23	825.39
- Capital work-in-progress	2.28	3,493.50
- Intangible assets under development	-	973.93
	<b>20,765.83</b>	<b>37,872.99</b>
Goodwill on Consolidation	-	7,530.02
Non-current investments	9,774.18	8,799.72
Deferred tax assets (Net)	626.05	649.45
Long-term loans and advances	9,132.07	15,215.48
Other non-current assets	1,854.79	4,729.71
<b>Current Assets</b>		
Current investments	-	37,102.45
Trade receivables	24,970.98	36,220.67
Cash and bank balance	24,330.46	23,132.93
Short-term loans and advances	9,716.83	4,374.33
Other current assets	24,462.59	31,564.07
<b>TOTAL</b>	<b>125,633.79</b>	<b>207,191.82</b>

**Note: The current period financials are not comparable with the previous period/year financials , consequent to the demerger of Product business during the current year.**

**Polaris Consulting & Services Limited**

( Formerly known as Polaris Financial Tecnology Limited)

**Consolidated Statement of Profit and Loss for the period ended Sep 30, 2014**

(All amounts are in Rupees in lakhs unless otherwise stated)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	Sep 30, 2014	June30,2014	Sep 30, 2013	Sep 30, 2014	Sep 30, 2013	Mar 31, 2014
<b>Revenue</b>						
Income from software services and products	47,689.79	47,467.58	61,007.91	95,157.37	116,103.21	242,369.65
Other income	2,047.40	457.41	805.63	2,342.35	1,993.75	3,235.24
<b>Total Revenue</b>	<b>49,737.19</b>	<b>47,924.99</b>	<b>61,813.54</b>	<b>97,499.72</b>	<b>118,096.96</b>	<b>245,604.89</b>
<b>Expenses</b>						
Employee benefit expenses	36,177.30	36,539.76	45,517.43	72,717.06	87,826.25	184,276.32
Other expenses	5,455.28	5,048.00	9,398.89	10,340.82	16,352.71	33,947.41
Finance costs	-	-	41.69	-	80.36	197.72
Depreciation and amortization expenses	690.46	763.94	1,355.40	1,454.40	2,653.09	5,444.03
<b>Total Expenses</b>	<b>42,323.04</b>	<b>42,351.70</b>	<b>56,313.41</b>	<b>84,512.28</b>	<b>106,912.41</b>	<b>223,865.48</b>
<b>Profit before exceptional &amp; extraordinary items and tax</b>	<b>7,414.15</b>	<b>5,573.29</b>	<b>5,500.13</b>	<b>12,987.44</b>	<b>11,184.55</b>	<b>21,739.41</b>
Exceptional Items	(689.25)	-	-	(689.25)	-	(301.12)
<b>Profit before tax</b>	<b>6,724.90</b>	<b>5,573.29</b>	<b>5,500.13</b>	<b>12,298.19</b>	<b>11,184.55</b>	<b>21,438.29</b>
<b>TAX EXPENSES</b>						
Income taxes - Current tax	1,824.06	1,665.94	1,378.88	3,490.00	2,508.47	5,080.17
- Adjustment of tax relating to earlier periods	-	(167.00)	(441.04)	(167.00)	(441.04)	(1,328.30)
- Deferred tax	(14.39)	(103.04)	(52.15)	(117.43)	84.04	216.91
<b>Profit/(Loss) for the period from Continuing Operations</b>	<b>4,915.23</b>	<b>4,177.39</b>	<b>4,614.44</b>	<b>9,092.62</b>	<b>9,033.08</b>	<b>17,469.51</b>
<b>Discontinuing operations</b>						
Profit for the period from discontinuing operations	-	-	1,425.75	-	1,407.71	2,438.14
Tax expenses	-	-	-	-	-	-
<b>Profit for the period from discontinuing operations after tax</b>	<b>-</b>	<b>-</b>	<b>1,425.75</b>	<b>-</b>	<b>1,407.71</b>	<b>2,438.14</b>
<b>Profit/(Loss) for the period / year before minority interest adjustment</b>	<b>4,915.23</b>	<b>4,177.39</b>	<b>6,040.19</b>	<b>9,092.62</b>	<b>10,440.79</b>	<b>19,907.65</b>
Add/(Less): Share of Profit/(loss) on Associate Companies	-	-	(58.80)	-	(138.99)	11.55
<b>Profit for the year</b>	<b>4,915.23</b>	<b>4,177.39</b>	<b>5,981.39</b>	<b>9,092.62</b>	<b>10,301.80</b>	<b>19,919.20</b>
<b>Net loss attributable to discontinuing operations</b>						
<b>Earnings per share (In Rs.) - (equity shares par value Rs 5 each)</b>						
Basic	4.93	4.19	6.01	9.12	10.35	20.01
Diluted	4.85	4.15	6.00	8.98	10.34	19.97
Number of shares used in computing earnings per share						
Basic	99,701,098	99,621,142	99,509,785	99,661,340	99,508,561	99,526,385
Diluted	101,316,443	100,541,073	99,651,687	101,267,018	99,648,754	99,747,254

**Note: The current period financials are not comparable with the previous period / year financials , consequent to the demerger of Product business during the current year.**

## Polaris Consulting & Services Limited

### Consolidated cash flow statement for the period ended Sep 30, 2014

(All amounts are in Rupees in lakhs unless otherwise stated)

Particulars	Sep 30, 2014	March 31, 2014
<b>Cash flows from operating activities</b>		
Profit before tax from continuing operations	12,298.19	23,876.43
Adjustments for:		
Depreciation and amortisation	1,454.40	5,444.03
Interest income	(402.19)	(1,173.40)
Dividend income	(1,304.11)	(1,663.73)
Unrealised exchange (gain) / loss	(173.33)	817.83
Exchange difference on translation of foreign operations	68.03	16,595.67
( Profit) / Loss on sale of fixed assets	(18.03)	(18.81)
( Profit) / Loss on sale of Investments	(276.99)	(95.85)
Provision for doubtful debts	57.80	(1,007.07)
Bad debts written off	2.20	1,734.00
Interest expenses	-	197.72
<b>Changes in assets and liabilities</b>		
Decrease / (Increase) in trade receivable	(1,940.80)	3,539.86
Decrease / (Increase) in loans and advances and other assets	(6,947.34)	(2,637.74)
Increase / (Decrease) in liabilities and provisions	4,497.54	(1,715.41)
Net Taxes paid	(2,827.67)	(6,740.25)
<b>Net cash from operating activities</b>	<b>4,487.70</b>	<b>37,143.28</b>
<b>Cash flows from Investing activities</b>		
Purchase of fixed assets, changes in capital work in progress and capital	(3,219.16)	(3,585.57)
Proceeds from sale of fixed assets	54.88	530.99
Acquisition of subsidiaries & Investment in Associates	-	6,959.49
(Purchase) / Divestment proceeds of other long term investments	(2,500.00)	-
Net decrease/(Increase) in in non-trade investments	12,309.03	(22,643.16)
Investment in long-term term deposits	-	(1,802.00)
Interest received	402.19	1,173.40
Dividend received	1,304.11	1,663.73
<b>Net cash used in investing activities</b>	<b>8,351.05</b>	<b>(17,703.12)</b>
<b>Cash flows from financing activities</b>		
Proceeds from share capital issued on exercise of stock options	9.69	2.21
Proceeds from share premium on exercise of stock options	212.67	22.88
Proceeds / (Repayment) of loans	-	(11,208.90)
Interest paid	-	(197.72)
Dividends paid during the year	(6,216.66)	(4,965.22)
Dividend tax paid during the year	(1,057.41)	(845.58)
<b>Net cash (used in) / from financing activities</b>	<b>(7,051.71)</b>	<b>(17,192.33)</b>
Exchange differences on translation of foreign currency cash and cash equivalents	20.84	319.00
<b>Net increase / (decrease) in cash and equivalents during the year</b>	<b>5,807.88</b>	<b>2,566.83</b>
Cash balance of subsidiaries on acquisitions	-	-
Cash and cash equivalents at the beginning of the year / period	18,522.58	20,566.10
<b>Cash and cash equivalents at the end of the year</b>	<b>24,330.46</b>	<b>23,132.93</b>
<b>Components of Cash and cash equivalents</b>		
Cash on hand	3.12	6.38
Balance with banks		
- On current account	11,084.97	15,850.03
- On deposit account	6,384.99	7,187.76
- On unpaid dividend account *	101.50	88.76
- On Mutual Funds	6,755.88	-
	<b>24,330.46</b>	<b>23,132.93</b>

\* The balance in unpaid dividend account was Rs 101.50 lakhs (March 31, 2014: Rs 88.76 lakhs) which are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

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