

**Polaris Consulting & Services Limited**

(Formerly known as Polaris Financial Technology Limited)

**Consolidated Balance Sheet as at March 31, 2015**

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

<b>Particulars</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share capital	4,995.73	4,977.51
Reserves and surplus	80,086.74	149,763.58
	<b>85,082.47</b>	<b>154,741.09</b>
<b>Minority Interest</b>	148.23	-
<b>Non-Current Liabilities</b>		
Deferred tax liabilities (Net)	250.63	1,070.99
Long - term provisions	-	544.24
<b>Current Liabilities</b>		
Short -term borrowings	-	403.15
Trade payables	18,026.95	24,208.47
Other current liabilities	11,494.35	14,042.22
Short-term provisions	14,527.70	12,181.66
<b>TOTAL</b>	<b>129,530.33</b>	<b>207,191.82</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed assets		
- Tangible assets	22,954.64	32,580.17
- Intangible assets	513.12	825.39
- Capital work-in-progress	-	3,493.50
- Intangible assets under development	-	973.93
	<b>23,467.76</b>	<b>37,872.99</b>
Goodwill on Consolidation	-	7,530.02
Non-current investments	11,488.22	8,799.72
Deferred tax assets (Net)	807.95	649.45
Long-term loans and advances	9,128.70	15,215.48
Other non-current assets	244.26	4,729.71
<b>Current Assets</b>		
Current investments	1,050.40	37,102.45
Trade receivables	23,821.16	36,220.67
Cash and bank balance	19,161.29	23,132.93
Short-term loans and advances	10,883.37	4,374.33
Other current assets	29,477.22	31,564.07
<b>TOTAL</b>	<b>129,530.33</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 Technology Limited)

### Consolidated Statement of Profit and Loss for the year ended March 31, 2015

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

Particulars	Quarter Ended			Year Ended	
	March 31, 2015	Dec 31, 2014	March 31, 2014	March 31, 2015	Mar 31, 2014
<b>Revenue</b>					
Income from software services and products	46,701.57	47,475.61	61,939.42	189,334.54	242,369.65
Other income	874.83	897.12	1,023.96	4,114.30	3,235.24
<b>Total Revenue</b>	<b>47,576.40</b>	<b>48,372.73</b>	<b>62,963.38</b>	<b>193,448.84</b>	<b>245,604.89</b>
<b>Expenses</b>					
Employee benefit expenses	36,601.56	36,810.69	48,010.64	146,129.33	184,276.32
Other expenses	5,071.87	5,283.78	9,099.13	20,696.44	33,947.41
Finance costs	-	-	15.53	-	197.72
Depreciation and amortization expenses	670.65	665.82	1,332.81	2,790.87	5,444.03
<b>Total Expenses</b>	<b>42,344.08</b>	<b>42,760.29</b>	<b>58,458.11</b>	<b>169,616.64</b>	<b>223,865.48</b>
<b>Profit before exceptional items and tax</b>	<b>5,232.32</b>	<b>5,612.44</b>	<b>4,505.27</b>	<b>23,832.20</b>	<b>21,739.41</b>
Exceptional Items	-	-	256.42	(689.25)	2,137.02
<b>Profit before tax</b>	<b>5,232.32</b>	<b>5,612.44</b>	<b>4,761.69</b>	<b>23,142.95</b>	<b>23,876.43</b>
<b>TAX EXPENSES</b>					
Income taxes - Current tax	1,564.35	1,663.90	830.72	6,718.25	5,080.17
- Adjustment of tax relating to earlier periods	-	-	(689.91)	(167.00)	(1,328.30)
- Deferred tax	(34.23)	22.68	254.41	(128.97)	216.91
<b>Profit/(Loss) after tax</b>	<b>3,702.20</b>	<b>3,925.86</b>	<b>4,366.47</b>	<b>16,720.67</b>	<b>19,907.65</b>
Add/(Less): Share of Profit/(loss) on Associate Companies	1.19	-	175.38	1.19	11.55
Add/(Less): Minority Interest - Share of loss/(Profit)	5.12	-	-	5.12	-
<b>Profit for the year</b>	<b>3,708.51</b>	<b>3,925.86</b>	<b>4,541.85</b>	<b>16,726.98</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	3.71	3.93	4.56	16.77	20.01
Diluted	3.63	3.83	4.55	16.39	19.97
Number of shares used in computing earnings per share					
Basic	99,875,070	99,845,602	99,549,301	99,760,484	99,526,385
Diluted	102,205,233	102,483,272	99,777,975	102,064,912	99,747,254

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## Polaris Consulting & Services Limited

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### Consolidated cash flow statement for the year ended March 31, 2015

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

Particulars	March 31, 2015	March 31, 2014
<b>Cash flows from operating activities</b>		
Profit before tax from continuing operations	23,142.95	23,876.43
Adjustments for:		
Depreciation and amortisation	2,790.87	5,444.03
Interest income	(694.70)	(1,173.40)
Dividend income	(1,514.67)	(1,663.73)
Unrealised exchange (gain) / loss	(554.54)	817.83
Exchange difference on translation of foreign operations	154.65	16,595.67
( Profit) / Loss on sale of fixed assets	(13.82)	(18.81)
( Profit) / Loss on sale of Investments	(483.36)	(95.85)
Provision for doubtful debts	165.00	(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	(911.51)	3,529.86
Decrease / (Increase) in loans and advances and other assets	(25,793.42)	(2,637.74)
Increase / (Decrease) in liabilities and provisions	14,552.61	(1,715.41)
Net Taxes paid	(5,210.65)	(6,740.25)
<b>Net cash from operating activities</b>	<b>5,631.61</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 advance	(7,366.21)	(3,585.57)
Proceeds from sale of fixed assets	97.08	530.99
(Acquisition) / disposal of subsidiary	-	6,959.49
(Purchase) / Divestment proceeds of other long term investments	(2,500.00)	-
Net decrease/(Increase) in in non-trade investments	9,752.14	(22,643.16)
Investment in long-term term deposits	-	(1,802.00)
Interest received	694.70	1,173.40
Dividend received	1,514.67	1,663.73
<b>Net cash used in investing activities</b>	<b>2,192.38</b>	<b>(17,703.12)</b>
<b>Cash flows from financing activities</b>		
Proceeds from share capital issued on exercise of stock options	18.22	2.21
Proceeds from share premium on exercise of stock options	428.74	22.88
Proceeds / (Repayment) of loans	-	(11,208.90)
Interest paid	-	(197.72)
Dividends paid during the year	(6,219.89)	(4,965.22)
Dividend tax paid during the year	(1,701.14)	(845.58)
<b>Net cash (used in) / from financing activities</b>	<b>(7,474.07)</b>	<b>(17,192.33)</b>
Exchange differences on translation of foreign currency cash and cash equivalents	288.79	319.00
<b>Net increase / (decrease) in cash and equivalents during the year</b>	<b>638.71</b>	<b>2,566.83</b>
Cash and cash equivalents at the beginning of the year / period	23,132.93	20,566.10
Less: Cash and bank balances adjusted upon demerger of product business	(4,610.35)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>19,161.29</b>	<b>23,132.93</b>
<b>Components of Cash and cash equivalents</b>		
Cash on hand	2.71	6.38
Balance with banks		
- On current account	9,182.74	15,850.03
- On deposit account	4,881.84	7,187.76
- On unpaid dividend account *	5,094.00	88.76
	<b>19,161.29</b>	<b>23,132.93</b>

\* The balance in unpaid dividend account was Rs 5,094 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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