

POLARIS CONSULTING & SERVICES LIMITED (Group)



(Formerly known as Polaris Financial Technology Limited)

CIN:L65993TN1993PLC024142

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2015
PREPARED AS PER INDIAN GAAP

Rs. In Lakhs

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015 (AUDITED)
Income						
Income from Operations	517,58.73	517,67.88	474,75.61	1,531,10.09	1,426,32.97	1,893,34.54
Expenditure						
Employee cost	392,31.86	389,79.93	368,10.69	1,160,54.09	1,095,27.76	1,461,29.33
Depreciation and amortisation expenses	6,45.70	6,87.49	6,65.82	20,07.79	21,20.22	27,90.87
Other Expenditure	53,68.75	57,87.56	52,83.78	165,18.10	156,24.56	206,96.44
Total Expenditure	452,46.31	454,54.98	427,60.29	1,345,79.98	1,272,72.54	1,696,16.64
Profit from operations before other						
Income, foreign exchange gain/ (loss), exceptional items & tax	65,12.42	63,12.90	47,15.32	185,30.11	153,60.43	197,17.90
Other Income	1,81.88	1,53.68	3,78.11	7,85.83	24,93.18	29,31.49
Foreign exchange gain / (loss)	1,31.47	2,33.34	5,19.01	(80.23)	7,46.29	11,82.81
Profit before exceptional items and tax	68,25.77	66,99.92	56,12.44	192,35.71	185,99.90	238,32.20
Exceptional items						
Restructuring & Demerger expenses	-	-	-	-	(6,89.25)	(6,89.25)
Others - refer note (g)	(10,60.00)	-	-	(10,60.00)	-	-
Profit before tax	57,65.77	66,99.92	56,12.44	181,75.71	179,10.65	231,42.95
Tax expenses	21,13.80	19,67.23	16,86.58	59,83.97	48,92.16	64,22.28
Net Profit after tax	36,51.97	47,32.69	39,25.86	121,91.74	130,18.49	167,20.67
Minority interest - Share of Loss/ (Profit)	2.10	1.74	-	5.32	-	5.12
Share of profit/(loss) of Associate companies	-	-	-	-	-	1.19
Net Profit for the period after taxes, minority interest and share of profit/(loss) of Associate Companies	36,54.07	47,34.43	39,25.86	121,97.06	130,18.49	167,26.98
Paid-up Equity share Capital						
Equity shares of Rs 5 each	50,13.33	50,11.47	49,92.45	50,13.33	49,92.45	49,95.73
Reserves excluding revaluation reserves	-	-	-	-	-	80,086.74
Earning Per Share (EPS) of Rs.5 each (Rs.)						
Basic	3.65	4.73	3.93	12.18	13.05	16.77
Diluted	3.57	4.64	3.83	11.95	12.72	16.39

POLARIS CONSULTING & SERVICES LIMITED

(Formerly known as Polaris Financial Technology Limited)

Regd Office : Carex Centre, 244 (Old no. 713) Anna Salai, Chennai 600 006

AUDITED STANDALONE FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2015 PREPARED AS PER INDIAN GAAP

Rs. In Lakhs

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
Income						
Income from Operations	464,47.35	473,96.60	423,89.86	1,385,18.54	1,249,10.19	1,678,20.54
Expenditure						
Employee cost	368,44.70	380,08.14	343,40.32	1,098,25.18	991,77.87	1,336,19.69
Depreciation and amortisation expenses	6,04.72	6,41.44	6,28.28	18,75.47	20,32.33	26,50.14
Other Expenditure	40,75.24	45,98.33	41,02.20	128,03.88	117,81.09	161,85.49
Total Expenditure	415,24.66	432,47.91	390,70.80	1,245,04.53	1,129,91.29	1,524,55.32
Profit from operations before other						
Income, foreign exchange gain/ (loss), exceptional items & tax	49,22.69	41,48.69	33,19.06	140,14.01	119,18.90	153,65.22
Other Income	1,85.03	1,47.58	1,72.17	7,73.11	21,17.97	32,14.14
Foreign exchange gain / (loss)	2,47.96	2,19.11	3,61.75	1,42.37	5,34.51	5,53.36
Profit before exceptional items and tax	53,55.68	45,15.38	38,52.98	149,29.49	145,71.38	191,32.72
Exceptional items						
Restructuring & Demerger expenses	-	-	-	-	(6,89.25)	(6,89.25)
Others - refer note (g)	(10,60.00)	-	-	(10,60.00)	-	-
Profit before tax	42,95.68	45,15.38	38,52.98	138,69.49	138,82.13	184,43.47
Tax expenses	19,06.13	15,23.66	13,19.68	51,07.51	39,99.48	53,71.72
Net Profit for the period after taxes	23,89.55	29,91.72	25,33.30	87,61.98	98,82.65	130,71.75
Paid-up Equity share Capital						
Equity shares of Rs 5 each	50,13.33	50,11.47	49,92.45	50,13.33	49,92.45	49,95.73
Reserves excluding revaluation reserves	-	-	-	-	-	543,33.08
Earning Per Share (EPS) of Rs.5 each (Rs.)						
Basic	2.38	2.99	2.54	8.75	9.91	13.10
Diluted	2.34	2.93	2.47	8.58	9.66	12.81

- NOTES:**
- The above results were reviewed by the Audit committee and approved by the Board of Directors at its meeting held on February 08, 2016.
 - The Stand-alone results for the quarter ended and nine months period ended December 31, 2015 were audited by the Statutory Auditors of the Company.
 - The above unaudited Consolidated Financial results (excluding the figures for quarter and nine months ended December 31, 2014 and quarter ended September 30, 2015) have been subjected to limited review by the Statutory auditors.
 - No. of Complaints pending at the beginning of the quarter Nil
No. of Complaints received during the quarter 9
No. of Complaints disposed off during the quarter 9
No. of Complaints lying unresolved at the end of the quarter Nil
 - The Company has allotted 37,100 shares under Associate Stock Option Plan 2003 & 2011 of the Company during the quarter ended December 31, 2015.
 - The Company uses foreign exchange contracts to hedge its exposure to movements in foreign currency rates and accounted in accordance with the Accounting Standards - 30 (Financial Instruments: Recognition and Measurement). Income from operations includes foreign exchange gain / (loss) of Rs.13,20.25, Rs.13,78.07 lakhs, (Rs.80.80 lakhs) respectively for the quarters ending December 31, 2015, September 30, 2015, December 31, 2014 and Rs.40,90.68 lakhs, Rs.30.69 lakhs respectively for the period ending December 31, 2015, December 31, 2014 & (Rs.34.13 lakhs) for the year ended March 31, 2015.
 - On November 5, 2015, Virtusa Consulting Services Private Limited ("Virtusa India"), a subsidiary of Virtusa Corporation ("Virtusa"), entered into a definitive share purchase agreement ("SPA") to purchase a controlling stake in Polaris Consulting & Services Limited ("Polaris" or the "Company") from certain shareholders of the Company. In addition, under applicable Securities and Exchange Board of India (Substantial acquisition and take over regulations) 2015, Virtusa India will make an unconditional mandatory offer to the public shareholders of the Company to purchase up to an additional 26.0% of the outstanding shares of the Company. The transaction is subject to certain conditions to close, including regulatory approvals in the United States and India, and is expected to close during the quarter ending March 31, 2016. In connection with the transaction, the company has incurred an amount of Rs.10,60 lakhs during the quarter which has been disclosed under exceptional items - others, being significant and non-recurring.
 - The Board of Directors have made a decision to divest its BPO Business vide its meeting held on October 29, 2015. The Board has appointed a committee to finalize the divestment of the BPO business and the committee is in the process of finalizing a prospective buyer and completing the transaction. Management is expecting to complete the transaction by March 31, 2016. The consolidated and standalone results of the Company includes revenue of Rs.4,78 lakhs, Rs.5,32 lakhs, Rs.4,61 lakhs for the quarters ending December 31, 2015, September 30, 2015, December 31, 2014 respectively. Revenue for the nine months ended December 31, 2015, December 31, 2014 were Rs.15,09 lakhs, Rs.12,46 lakhs respectively and Rs.17,41 lakhs for the year ended March 31, 2015. The consolidated and standalone results of the Company includes pre-tax loss of Rs.1,24 lakhs, Rs.89 lakhs, Rs.1,28 lakhs for the quarters ending December 31, 2015, September 30, 2015, December 31, 2014 respectively. Pre-tax loss for the nine months ended December 31, 2015, December 31, 2014 were Rs.3,15 lakhs, Rs.3,39 lakhs respectively and Rs.4,46 lakhs for the year ended March 31, 2015.
 - The business of the Company falls under a single primary segment i.e. "Software development, Support & BPO services" for the purpose of Accounting Standard - 17.
 - Figures of the earlier period, wherever necessary, have been regrouped to conform with those of the current periods.
 - Function wise classification of statement of Profit and Loss for the Group (Unaudited)

Rs. In Lakhs

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
INCOME						
Income from Software development, Support & BPO services	517,58.73	517,67.88	474,75.61	1,531,10.09	1,426,32.97	1,893,34.54
EXPENDITURE						
Software development expenses	364,91.62	365,14.04	351,35.67	1,081,59.12	1,052,73.18	1,399,64.80
Selling and marketing & General and administrative expenses	81,08.99	82,53.45	69,58.80	244,13.07	198,79.14	268,60.97
Total Expenditure	446,00.61	447,67.49	420,94.47	1,325,72.19	1,251,52.32	1,668,25.77
Profit before depreciation & amortisation, other Income, foreign exchange gain/ (loss), exceptional items & tax	71,58.12	70,00.39	53,81.14	205,37.90	174,80.65	225,08.77
Depreciation and amortisation expenses	6,45.70	6,87.49	6,65.82	20,07.79	21,20.22	27,90.87
Profit before other Income, foreign exchange gain/ (loss), exceptional items & tax	65,12.42	63,12.90	47,15.32	185,30.11	153,60.43	197,17.90
Other Income	1,81.88	1,53.68	3,78.11	7,85.83	24,93.18	29,31.49
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Profit before exceptional items and tax	68,25.77	66,99.92	56,12.44	192,35.71	185,99.90	238,32.20
Exceptional items	(10,60.00)	-	-	(10,60.00)	(689.25)	(689.25)
Profit before tax	57,65.77	66,99.92	56,12.44	181,75.71	179,10.65	231,42.95
Provision for taxation	21,13.80	19,67.23	16,86.58	59,83.97	48,92.16	64,22.28
Net Profit after tax	36,51.97	47,32.69	39,25.86	121,91.74	130,18.49	167,20.67
Minority Interest/ Share of profit/(loss) of Associate Companies	2.10	1.74	-	5.32	-	6.31
Net Profit for the period after taxes, minority interest and share of profit/(loss) of Associate Companies	36,54.07	47,34.43	39,25.86	121,97.06	130,18.49	167,26.98

For Polaris Consulting & Services Limited

Place : Chennai

Date : February 08, 2016

Jitin Goyal
Executive Director

Vaidyanathan N.M
Chief Financial Officer