

**Polaris Consulting & Services Limited**

(Formerly known as Polaris Financial Technology Limited)

**Consolidated Balance Sheet as at June 30, 2015**

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

| <b>Particulars</b>                        | <b>June 30, 2015</b> | <b>March 31, 2015</b> |
|---|----------------------|-----------------------|
| <b>EQUITY AND LIABILITIES</b>             |                      |                       |
| <b>Shareholders' Funds</b>                |                      |                       |
| Share capital                             | 5,005.41             | 4,995.73              |
| Reserves and surplus                      | 83,571.66            | 80,086.74             |
|   | <b>88,577.07</b>     | <b>85,082.47</b>      |
| Share application money pending allotment | 62.40                | -                     |
| Minority Interest                         | 146.75               | 148.23                |
| <b>Non-Current Liabilities</b>            |                      |                       |
| Deferred tax liabilities (net)            | 255.87               | 250.63                |
| Long - term provisions                    | 29.24                | -                     |
| <b>Current Liabilities</b>                |                      |                       |
| Trade payables                            | 16,393.90            | 18,026.95             |
| Other current liabilities                 | 17,053.04            | 11,494.35             |
| Short-term provisions                     | 4,805.60             | 14,527.70             |
| <b>TOTAL</b>                              | <b>127,323.87</b>    | <b>129,530.33</b>     |
| <b>ASSETS</b>                             |                      |                       |
| <b>Non-Current Assets</b>                 |                      |                       |
| Fixed assets                              |                      |                       |
| - Tangible assets                         | 23,271.05            | 22,954.64             |
| - Intangible assets                       | 450.38               | 513.12                |
|   | 23,721.43            | 23,467.76             |
| Non-current investments                   | 5,773.57             | 11,488.22             |
| Deferred tax assets (net)                 | 787.53               | 807.95                |
| Long-term loans and advances              | 8,816.09             | 9,128.70              |
| Other non-current assets                  | -                    | 244.26                |
| <b>Current Assets</b>                     |                      |                       |
| Current investments                       | 234.59               | 1,050.40              |
| Trade receivables                         | 25,842.72            | 23,821.16             |
| Cash and bank balance                     | 26,096.59            | 19,161.29             |
| Short-term loans and advances             | 8,572.83             | 10,883.37             |
| Other current assets                      | 27,478.52            | 29,477.22             |
| <b>TOTAL</b>                              | <b>127,323.87</b>    | <b>129,530.33</b>     |

**Polaris Consulting & Services Limited**

(Formerly known as Polaris Financial Technology Limited)

**Consolidated Statement of Profit and Loss for the period ended June 30, 2015**

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

| Particulars  | Quarter Ended    |                  |                  | Year ended        |
|--|------------------|------------------|------------------|-------------------|
|  | June 30, 2015    | March 31, 2015   | June 30, 2014    | March 31, 2015    |
| <b>Revenue</b>   |                  |                  |                  |                   |
| Income from operations   | 49,583.48        | 46,701.57        | 47,467.58        | 189,334.54        |
| Other income   | 450.27           | 874.83           | 457.41           | 4,114.30          |
| <b>Total Revenue</b>   | <b>50,033.75</b> | <b>47,576.40</b> | <b>47,924.99</b> | <b>193,448.84</b> |
| <b>Expenses</b>  |                  |                  |                  |                   |
| Employee benefit expenses  | 37,842.30        | 36,601.56        | 36,539.76        | 146,129.33        |
| Depreciation and amortisation expenses   | 674.59           | 670.65           | 763.94           | 2,790.87          |
| Other expenses   | 5,806.82         | 5,071.87         | 5,048.00         | 20,696.44         |
| <b>Total Expenses</b>  | <b>44,323.71</b> | <b>42,344.08</b> | <b>42,351.70</b> | <b>169,616.64</b> |
| <b>Profit before exceptional items and tax</b>                                       | <b>5,710.04</b>  | <b>5,232.32</b>  | <b>5,573.29</b>  | <b>23,832.20</b>  |
| Exceptional Items  | -                | -                | -                | (689.25)          |
| <b>Profit before tax</b>   | <b>5,710.04</b>  | <b>5,232.32</b>  | <b>5,573.29</b>  | <b>23,142.95</b>  |
| <b>TAX EXPENSES</b>  |                  |                  |                  |                   |
| Income taxes - Current tax   | 1,881.04         | 1,564.35         | 1,665.94         | 6,718.25          |
| - Adjustment of tax relating to earlier periods                                      | -                | -                | (167.00)         | (167.00)          |
| - Deferred tax   | 21.91            | (34.23)          | (103.04)         | (128.97)          |
| <b>Profit after tax before share of results of associates and minority interests</b> | <b>3,807.09</b>  | <b>3,702.20</b>  | <b>4,177.39</b>  | <b>16,720.67</b>  |
| Add: Share of profit from Associate Company  | -                | 1.19             | -                | 1.19              |
| Add: Minority Interest   | 1.48             | 5.12             | -                | 5.12              |
| <b>Profit for the year</b>   | <b>3,808.57</b>  | <b>3,708.51</b>  | <b>4,177.39</b>  | <b>16,726.98</b>  |

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

|   |             |             |             |             |
|---|-------------|-------------|-------------|-------------|
| Basic   | 3.81        | 3.71        | 4.19        | 16.77       |
| Diluted   | 3.75        | 3.63        | 4.15        | 16.39       |
| Number of shares used in computing earnings per share |             |             |             |             |
| Basic   | 99,993,033  | 99,875,070  | 99,621,142  | 99,760,484  |
| Diluted   | 101,561,182 | 102,205,233 | 100,541,073 | 102,064,912 |

# Polaris Consulting & Services Limited

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## Consolidated cash flow statement for the period ended June 30, 2015

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

| Particulars  | June 30, 2015     | March 31, 2015    |
|--|-------------------|-------------------|
| <b>Cash flows from operating activities</b>  |                   |                   |
| Profit before tax  | 5,710.04          | 23,142.95         |
| Adjustments for:   |                   |                   |
| Depreciation and amortisation  | 674.60            | 2,790.87          |
| Interest income  | (177.47)          | (694.70)          |
| Dividend income  | (12.95)           | (1,514.67)        |
| Unrealised exchange (gain) / loss  | 410.54            | (554.53)          |
| Exchange difference on translation of foreign operations                             | 1,190.59          | (2,690.45)        |
| Profit on sale of fixed assets (net)   | (0.64)            | (13.82)           |
| Profit on sale of Investments (net)  | (212.14)          | (483.36)          |
| Provision for doubtful debts   | 30.00             | 165.00            |
| Bad debts written off  | -                 | 2.20              |
| <b>Operating profit before working capital changes</b>                               | <b>7,612.57</b>   | <b>20,149.49</b>  |
| <b>Changes in assets and liabilities</b>   |                   |                   |
| Decrease / (Increase) in trade receivable  | (2,319.46)        | (911.98)          |
| Decrease/ (Increase) in loans and advances and other assets                          | (14,304.37)       | (22,947.86)       |
| Increase / (Decrease) in liabilities and provisions                                  | 16,171.16         | 14,552.61         |
| <b>Cash generated from / (used in) operations</b>                                    | <b>7,159.90</b>   | <b>10,842.26</b>  |
| Taxes paid   | (1,416.72)        | (5,210.65)        |
| <b>Net cash from operating activities</b>  | <b>5,743.18</b>   | <b>5,631.61</b>   |
| <b>Cash flows from Investing activities</b>  |                   |                   |
| Purchase of fixed assets, changes in capital work in progress and capital advance    | (771.39)          | (7,366.21)        |
| Proceeds from sale of fixed assets   | 5.48              | 97.08             |
| Purchase of non-current investments  | -                 | (2,500.00)        |
| Redemption of current investments  | 6,742.60          | 9,752.14          |
| Interest received  | 177.47            | 694.70            |
| Dividend received  | 12.95             | 1,514.67          |
| <b>Net cash flow from/ (used in) investing activities</b>                            | <b>6,167.11</b>   | <b>2,192.38</b>   |
| <b>Cash flows from financing activities</b>  |                   |                   |
| Proceeds from share capital issued on exercise of stock options                      | 9.68              | 18.22             |
| Proceeds from share premium on exercise of stock options                             | 180.19            | 428.74            |
| Dividends paid during the period   | (5,009.92)        | (6,219.89)        |
| Dividend tax paid during the period  | -                 | (1,701.14)        |
| <b>Net cash flow from / (used in) financing activities</b>                           | <b>(4,820.05)</b> | <b>(7,474.07)</b> |
| <b>Net increase in cash and equivalents during the period</b>                        | <b>7,090.24</b>   | <b>349.92</b>     |
| Exchange differences on translation of cash and cash equivalents in foreign currency | (154.94)          | 288.79            |
| Cash and cash equivalents at the beginning of the year                               | 19,161.29         | 23,132.93         |
| Cash and cash equivalents transferred on Demerger pursuant to Scheme of arrangement  | -                 | (4,610.35)        |
| <b>Cash and cash equivalents at the end of the period</b>                            | <b>26,096.59</b>  | <b>19,161.29</b>  |
| <b>Components of Cash and cash equivalents</b>                                       |                   |                   |
| Cash on hand   | 3.29              | 2.71              |
| Balance with banks   |                   |                   |
| - On current account   | 12,866.80         | 9,182.74          |
| - On deposit account   | 3,131.61          | 4,881.84          |
| - On unpaid dividend account *   | 10,094.89         | 5,094.00          |
|  | <b>26,096.59</b>  | <b>19,161.29</b>  |

\* The balance with banks include Rs.10,094.89 lakhs (March 31, 2015:5,094 lakhs), which are not available for use by the Company as they represent unpaid dividend liabilities Rs.117.46 lakhs (March 31, 2015: Rs 98.27 lakhs) and final dividend payable Rs.9,977.43 (March 31, 2015 interim dividend payable: Rs 4,995.73).