



POLARIS CONSULTING & SERVICES LIMITED
 (Formerly known as Polaris Financial Technology Limited)
 CIN:L65993TN1993PLC024142
 Regd Office : Carex Centre, 244 (Old no. 713) Anna Salai, Chennai 600 006
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

S.No	Particulars	Rs. In Lakhs	
		3 months ended June 30, 2016 (Unaudited)	Corresponding 3 months ended June 30, 2015 (Unaudited) Refer note (c) below
1.	Income from Operations	49,550.28	49,281.04
2.	Expenses		
	(a) Employee benefits expenses	38,373.86	38,028.80
	(b) Depreciation and amortisation expense	574.97	674.60
	(c) Other expenses	5,304.87	5,513.32
	Total Expenses	44,253.70	44,216.72
3.	Profit from operations before other Income (1-2)	5,296.58	5,064.32
4.	Other Income	748.24	515.17
5.	Profit from ordinary activities before tax (3+4)	6,044.82	5,579.49
6.	Tax expenses	2,055.48	1,909.79
7.	Net Profit for the period (5-6)	3,989.34	3,669.70
8.	(a) Non Controlling Interest	-	1.48
	(b) Share of loss of Joint Venture	(16.89)	-
9.	Net Profit for the period after taxes, non-controlling interest and share of loss of Joint Venture (7+8)	3,972.45	3,671.18
10.	Other Comprehensive Income (net of taxes)	(210.25)	(383.12)
11.	Total Comprehensive Income (9+10)	3,762.20	3,288.06
12.	Paid-up Equity share Capital (Face value of Rs. 5 each)	5,076.51	5,005.41
13.	Earning Per Share (Face value of Rs. 5 each) (not annualised):		
	(a) Basic	3.92	3.67
	(b) Diluted	3.88	3.65
	See accompanying notes to the financial results		

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

S.No	Particulars	Rs. In Lakhs	
		3 months ended June 30, 2016 (Unaudited)	Corresponding 3 months ended June 30, 2015 (Unaudited) Refer note (c) below
1.	Income from Operations	43,571.60	45,491.48
2.	Expenses		
	(a) Employee benefits expenses	35,346.65	35,158.85
	(b) Depreciation and amortisation expense	554.59	629.29
	(c) Other expenses	4,251.20	4,142.55
	Total Expenses	40,152.44	39,930.69
3.	Profit from operations before other Income (1-2)	3,419.16	5,560.79
4.	Other Income	868.68	447.88
5.	Profit from ordinary activities before tax (3+4)	4,287.84	6,008.67
6.	Tax expenses	1,602.09	2,065.02
7.	Net Profit for the period (5-6)	2,685.75	3,943.65
8.	Other Comprehensive Income (net of taxes)	19.78	(1,172.20)
9.	Total Comprehensive Income (7+8)	2,705.53	2,771.45
10.	Paid-up Equity share Capital (Face value of Rs. 5 each)	5,076.51	5,005.41
11.	Earning Per Share (Face value of Rs. 5 each) (not annualised):		
	(a) Basic	2.65	3.94
	(b) Diluted	2.63	3.92
	See accompanying notes to the financial results		



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NOTES :


- a. The unaudited standalone financial results and unaudited consolidated financial results for the three month period ended 30 June 2016 in respect of Polaris Consulting & Services Limited ('the Company') have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 8 August 2016. The above results have been subjected to limited review by the statutory auditors of the Company. The reports of the statutory auditors are unqualified.
- b. Beginning 1 April 2016, the Company has for the first time adopted Indian Accounting Standards ('Ind AS') with a transition date of 1 April 2015. These financial results have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. The Company has opted to avail the relaxation provided by SEBI in respect of disclosure requirements for corresponding figures of earlier periods and accordingly, the figures for the quarter and year ended 31 March 2016 have not been presented. The reserves as per balance sheet of the previous accounting year 31 March 2016 not being mandatory has also not been presented.

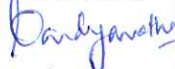
The Company has also prepared a reconciliation of the net profit for the corresponding period under the previously applicable Generally Accepted Accounting Principles ('previous GAAP') with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliation for the quarter ended 30 June 2015 for standalone and consolidated financial results are presented below:

Net Profit Reconciliation	Rs. In Lakhs	
	3 months ended 30/6/2015	
	Consolidated	Standalone
Profit after tax (PAT) as per previous GAAP	3,808.57	3,380.67
Difference on account of revenue recognition	10.32	1,129.66
Mark-to Market adjustments on Investments	41.59	3.08
Actuarial gain on employee defined benefit plans recognised in Other Comprehensive Income	(39.95)	(39.95)
Increase in cost due to fair value accounting of share based payments	(146.54)	(146.54)
Others	4.03	4.03
Income tax impact of above adjustments	(6.84)	(387.30)
PAT as per Ind AS (A)	3,671.18	3,943.65
<i>Other Comprehensive Income (OCI):</i>		
Re-measurement gains on defined benefit plans	39.95	39.95
Exchange differences on translation of foreign operations	1,111.47	322.39
Net movement on cash flow hedges	(1,591.95)	(1,591.95)
Mark-to Market adjustments on Investments	(675.95)	(675.95)
Income tax impact of above adjustments	733.36	733.36
Sub-total (B)	(383.12)	(1,172.20)
Total Comprehensive Income as reported under Ind AS (A + B)	3,288.06	2,771.45

- c. Figures for the corresponding three months ended 30 June 2015 in the consolidated financial results and Standalone financial results have been adjusted for differences in the accounting principles on transition to Ind AS. The management has exercised necessary due diligence to ensure that the financial results (including reconciliation) provide a true and fair view of the Company's affairs. These adjustments have been approved by the Board of Directors, but not subjected to review / audit.
- d. The consolidated financial results include the financial results of the parent company Polaris Consulting & Services Limited, its subsidiaries and a joint venture (referred to as Group).
- e. The Company has allotted 163,260 shares under its stock option plans during the quarter ended 30 June 2016.
- f. On 3 March 2016, Virtusa Consulting Services Private Limited ("Virtusa India"), a subsidiary of Virtusa Corporation ("Virtusa US"), completed the acquisition of 52.94% of the fully-diluted capitalization of Polaris Consulting & Services Limited from certain shareholders of the Company for approximately INR 117,281 Lakhs (USD 180 million) in cash. In addition, under applicable Securities and Exchange Board of India (Substantial acquisition and take over regulations) 2015, Virtusa India made an unconditional mandatory offer to the public shareholders of the Company to purchase up to an additional 26% of the outstanding shares of the Company. Virtusa India accepted the purchase of 26,719,942 shares of Polaris common stock for INR 220.73 per share (USD 3.25 per share) for an aggregate purchase price of INR 58,979 Lakhs (USD 86.8 million). The mandatory open offer began on 11 March 2016 and closed on 28 March 2016 and was fully subscribed.
- g. Segment Reporting in Consolidated financial results: Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance as a single business segment namely Software and Consultancy Services.
- h. Prior period figures have been reclassified wherever required to conform to the classification of the current period.

For Polaris Consulting & Services Limited
(Formerly known as Polaris Financial Technology Limited)


Hari Raju Mahadevu
Director


Vaidyanathan N.M
Chief Financial Officer

Place : Chennai
Date : August 8, 2016

