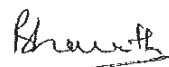


**Auditor's Report on Quarterly Standalone Financial Results of the
Company Pursuant to the Clause 41 of the Listing Agreement**

To
Board of Directors of Polaris Consulting & Services Limited,

1. We have audited the quarterly standalone financial results of Polaris Consulting & Services Limited ("the Company") for the quarter ended September 30, 2015 and the year to date standalone results for the period April 1, 2015 to September 30, 2015, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly standalone financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these standalone financial results based on our audit of such interim financial statements, prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date standalone results:
 - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended September 30, 2015, as well as year to date results for the period April 1, 2015 to September 30, 2015.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W



per Bharath N S
Partner
Membership No.: 210934
Place: Chennai
Date: October 29, 2015



Polaris' Q2 FY16 revenues up by 9%

Chennai (India), October 29, 2015: Polaris Consulting & Services Ltd (NSE and BSE: POLARIS), a leader in digital transformation solutions and services, announced its results for the second quarter of FY16 today.

Polaris Quarter revenues stood at Rs. 517.68 crore, registering 9% YoY growth as compared to Rs. 476.90 crore in the same quarter last year and 4% QoQ growth from Rs. 495.83 crore in Q1 FY 16. In dollar terms, revenues stood at \$77.63 Mn growing sequentially by 2% QoQ as compared to \$75.90Mn in previous quarter.

EBITDA stood at Rs. 70 crore registering 16% YoY growth as compared to Rs. 60.57 crore in the same quarter last year and 10% QoQ growth from Rs. 63.79 crore in Q1 FY 16. Profit After Tax (PAT) grew by 24% QoQ to Rs.47 crore from Rs.38 crore. Cash and cash equivalents stood at Rs. 294 crore at the end of the quarter. Quarter revenues were distributed across all geographies with Americas contributing 52%, Europe 21%, India 8% and Rest of the World 19%.

Business Highlights

- Continuing the traction on digital-led wins, 4 new clients were added in the last quarter
- Polaris rated as a "Major Contender in Capital Markets AO Delivery Capability" By Everest Group
- Polaris ranked amongst the Global Top 100 vendors by IDC in their Fintech Ranking
- Talent strength of 7648 (Excluding BPO division)
- DSO has further reduced from 85 days to 83 days.

Management Statement

Jitin Goyal, CEO and Executive Director, Polaris Consulting & Services Limited said, "Our strategic focus on Digital is beginning to pay off with strong digital led wins in this quarter. We continue investing in the core areas of Digital, Data, Payments and Risk & Compliance and we are gaining good traction in the market in these areas, reflected in the steady build-up in the deal pipeline. Revenue and EBITDA are both trending in the right direction, and this is a good sign".

NM Vaidyanathan, Chief Financial Officer, Polaris Consulting & Services Limited, said, "Our focused approach towards growth plans & cost plans has resulted in 9% growth in Revenues and a PAT of Rs 47 Cr. We are balancing the levers of investments in key accounts along with cost optimisation efforts. We expect this momentum to continue"

Financial Results for the Second Quarter Ended September 30, 2015

POLARIS CONSULTING & SERVICES LIMITED (Formerly known as Polaris Financial Technology Ltd)

Unaudited consolidated financial results for the second quarter ended September 30, 2015 prepared as per Indian GAAP

Rs. Lakhs

Particulars	QUARTER ENDED			YEAR ENDED
	September 30, 2015	June 30, 2015	September 30, 2014	March 31, 2015
INCOME				
Income from Software development, Support & BPO services	51,767.88	49,583.48	47,689.79	189,334.54
EXPENDITURE				
Software development expenses	36,514.04	35,153.44	35,103.42	139,964.80
Selling & Marketing and General & Administrative expenses	8,253.45	8,050.64	6,529.16	26,860.97
Total Expenditure	44,767.49	43,204.08	41,632.58	166,825.77
Profit before interest, depreciation & amortisation other Income, foreign exchange gain/ (loss), exceptional items & tax	7,000.39	6,379.40	6,057.21	22,508.77
Depreciation and Amortisation expenses	687.49	674.59	690.46	2,790.87
Profit before other Income, foreign exchange gain/ (loss), exceptional items & tax	6,312.90	5,704.81	5,366.75	19,717.90
Foreign exchange gain/ (loss)	233.34	(445.04)	389.74	1,182.81
Other Income including exceptional items	153.68	450.27	968.41	2,242.24
Profit before tax	6,699.92	5,710.04	6,724.90	23,142.95
Provision for taxation	1,967.23	1,902.95	1,809.67	6,422.28
Profit after tax	4,732.69	3,807.09	4,915.23	16,720.67
Minority Interest/ Share of profit/(loss) of Associate Companies	1.74	1.48	-	6.31
Profit for the period	4,734.43	3,808.57	4,915.23	16,726.98

For Media related info, please contact:

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POLARIS CONSULTING & SERVICES LIMITED (Group)

(Formerly known as Polaris Financial Technology Limited)

CIN:465993TN1993PC024142

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2015
PREPARED AS PER INDIAN GAAP

Table with columns: PARTICULARS, QUARTER ENDED (September 30, 2015, June 30, 2015, September 30, 2014), HALF YEAR ENDED (September 30, 2015, September 30, 2014), YEAR ENDED (March 31, 2015). Rows include Income, Expenditure, Profit before tax, Net Profit after tax, Earnings Per Share (EPS) of Rs.5 each (Rs.).

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 SEPTEMBER 30, 2015 PREPARED AS PER INDIAN GAAP

Table with columns: PARTICULARS, QUARTER ENDED (September 30, 2015, June 30, 2015, September 30, 2014), HALF YEAR ENDED (September 30, 2015, September 30, 2014), YEAR ENDED (March 31, 2015). Rows include Income, Expenditure, Profit before tax, Net Profit after tax, Earnings Per Share (EPS) of Rs.5 each (Rs.), Public Shareholding, Promoters and Promoter group shareholding.

STATEMENT OF ASSETS AND LIABILITIES

Table with columns: EQUITY AND LIABILITIES, SHAREHOLDERS' FUNDS, MINORITY INTEREST, NON-CURRENT LIABILITIES, CURRENT LIABILITIES, ASSETS, NON-CURRENT ASSETS, CURRENT ASSETS. Rows include Share capital, Reserves and surplus, Deferred tax assets (net), Long-term provisions, Trade payables, Other current liabilities, Short-term provisions, Fixed assets, Intangible assets, Non-current investments, Deferred tax assets (net), Long-term loans and advances, Other non-current assets, Current investments, Trade receivables, Cash and bank balance, Short-term loans and advances, Other current assets.

NOTES:

- a) The above results were reviewed by the Audit committee and approved by the Board of Directors at its meeting held on October 29, 2015.
b) The Stand-alone results for the quarter ended and six months period ended September 30, 2015 were audited by the Statutory Auditors of the Company.
c) Tax expenses include current tax, deferred tax and MAT, wherever applicable.
d) No. of Complaints pending at the beginning of the quarter: Nil
No. of Complaints received during the quarter: 18
No. of Complaints disposed off during the quarter: Nil
No. of Complaints lying unresolved at the end of the quarter: 18
e) The Company has allotted 121,300 shares under Associate Stock Option Plan 2008 & 2011 of the Company during the quarter ended September 30, 2015.
f) The Company uses foreign exchange contracts to hedge its exposure to movements in foreign currency rates and accounted in accordance with the Accounting Standard - 30 (Financial Instruments: Recognition and Measurement). Income from operations includes foreign exchange gain / (loss) of Rs.1,378.07 lakhs, Rs.1,111.49 lakhs respectively for the period ending September 30, 2015, September 30, 2014 & (Rs. 34.13 lakhs) for the year ended March 31, 2015.
g) 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.
h) Figures of the earlier period, wherever necessary, have been regrouped to conform with those of the current periods.
i) Function wise classification of statement of Profit and Loss for the Group (Unaudited)

Table with columns: PARTICULARS, QUARTER ENDED (September 30, 2015, June 30, 2015, September 30, 2014), HALF YEAR ENDED (September 30, 2015, September 30, 2014), YEAR ENDED (March 31, 2015). Rows include INCOME, EXPENDITURE, Profit before tax, Net Profit after tax, Earnings Per Share (EPS) of Rs.5 each (Rs.).

Place : Chennai

Date : October 29, 2015

For Polaris Consulting & Services Limited
Hrith Goyal
Executive Director

Vaidyanathan N.M
Chief Financial Officer

