RP - Sanjiv Goenka Group
Growing Legacies

firstsource

May 12, 2016

To:
National Stock Exchange of India Limited (Scrip Code: FSL)
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (East),
Mumbai - 400 051

BSE Limited (Scrip Code: **532809**)
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Madam/ Sir,

Sub: Regulation 29: Declaration of Audited Standalone and Consolidated financial results for the quarter and financial year ended March 31, 2016 (Q4 FY 2015-16)

We wish to inform you that the Board of Directors of the Company have, at their meeting held today i.e. May 12, 2016, approved the Audited Standalone and Consolidated financial Results for the quarter and financial year ended March 31, 2016, copies of which are enclosed herewith alongwith copies of Auditors' Reports and Form A thereon.

We are also enclosing herewith copy of Press release relating to the financial results.

We request you to take the above on record.

Thanking you,

For **Firstsource Solutions Limited**

Sanjay Gupta
Senior VP- Corporate Affairs & Company Secretary

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

CIN: L64202MH2001PLC134147

Registered office: 5th Floor, Paradigm 'B' wing, Mindspace, Link Road, Malad (West), Mumbai 400 064

Tel: + 91 22 66660888 Fax: + 91 22 6666 0887 web: www.firstsource.com, email-complianceofficer@firstsource.com

(Rs. in millions, except per share data)

Particulars	Quarter ended			Year ended	
	March 31 2016 (Audited)	December 31 2015 (Audited)	March 31 2015 (Audited)	March 31 2016 (Audited)	March 31 2015 (Audited)
Income from operations					
Income from operations	8,561.28	8,008.86	7,343.85	31,746.92	30,033.78
Other operating income, net	169.09	169.45	196.56	555.97	312.74
Total income from operations	**8,730.37**	**8,178.31**	**7,540.41**	**32,302.89**	**30,346.52**
Expenses					
Employee benefit expense	5,804.13	5,579.11	4,888.26	21,721.74	20,171.50
Depreciation and amortisation	146.95	159.94	179.82	661.96	721.82
Other expenses	1,764.31	1,593.92	1,659.24	6,533.01	6,367.40
Total expenses	**7,715.39**	**7,332.97**	**6,727.32**	**28,916.71**	**27,260.72**
Profit from operations before other income and finance costs	**1,014.98**	**845.34**	**813.09**	**3,386.18**	**3,085.80**
Other income	19.28	20.57	3.77	94.44	65.23
Profit from ordinary activities before finance costs	**1,034.26**	**865.91**	**816.86**	**3,480.62**	**3,151.03**
Finance costs	128.92	123.68	173.69	524.38	710.86
Profit from ordinary activities before tax	**905.34**	**742.23**	**643.17**	**2,956.24**	**2,440.17**
Tax expense	109.02	69.99	21.68	302.17	95.40
Net profit from ordinary activities after tax	**796.32**	**672.24**	**621.49**	**2,654.07**	**2,344.77**
Minority Interest	(0.37)	1.82	(1.66)	4.38	1.59
Net profit after tax and minority interest	**796.69**	**670.42**	**623.15**	**2,649.69**	**2,343.18**
Paid-up equity share capital (Face value of share Rs 10)	6,733.15	6,727.26	6,662.91	6,733.15	6,662.91
Reserves excluding revaluation reserve	-	-	-	17,517.65	14,223.26
Earning per share (Rs.) : (not annualized)					
- Basic	1.18	1.00	0.94	3.96	3.53
- Diluted	1.14	0.96	0.89	3.78	3.34

Notes to financials results :

1. The above results were reviewed by the Audit Committee on May, 12 2016 and adopted by the Board of Directors at their meeting held on May 12, 2016. The standalone financial results for the quarter and year ended March 31, 2016 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

2. The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and resulting unrealised profits in full. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.

3. Effective year ended March 31 2009, the Company has early adopted Accounting Standard 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).

4. Standalone information (Audited)

Particulars	Quarter ended			Year ended March 31,	
	March 31, 2016	December 31, 2015	March 31, 2015	2016	2015
Total income from operations	2,089.96	2,280.43	2,207.03	8,748.78	9,141.39
Net profit before taxation	333.64	523.49	266.17	1,741.19	1,599.18
Net profit after taxation	276.94	433.13	285.23	1,497.36	1,637.54

5. During the quarter ended March 31, 2016, 589,175 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

6. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011 India.
Chartered Accountants

7. Statement of assets and liabilities (Consolidated - Audited)

Particulars	As at March 31, 2016	As at March 31, 2015
Shareholders' funds		
Share capital	6,733.15	6,662.91
Reserves and surplus	17,517.65	14,223.26
Total Shareholders' funds	**24,250.80**	**20,886.17**
Share application money received under ESOP scheme	-	0.20
Minority interest	**19.71**	**16.31**
Non-current liabilities		
Long-term borrowings	4,269.65	4,142.98
Deferred tax liabilities, net	272.20	344.72
Long-term provisions	161.31	177.53
Total Non-current liabilities	**4,703.16**	**4,665.23**
Current liabilities		
Short-term borrowings	1,525.33	3,160.30
Trade payables	890.70	832.76
Other current liabilities	5,009.74	4,564.58
Short-term provisions	272.77	139.82
Total Current liabilities	**7,698.54**	**8,697.46**
Total - EQUITY AND LIABILITIES	**36,672.21**	**34,265.37**
ASSETS		
Non-current assets		
Goodwill on consolidation	**24,692.41**	**23,336.35**
Fixed assets		
- Tangible assets	891.85	770.73
- Intangible assets	435.97	332.19
- Capital work-in-progress	78.80	84.68
	1,406.62	**1,187.60**
Non-current investments	83.80	57.55
Long-term loans and advances	2,460.79	2,220.78
Other non-current assets	144.09	27.02
Total Non-current assets	**28,787.71**	**26,829.30**
Current assets		
Current investments	767.74	676.11
Trade receivables	3,040.75	2,889.51
Cash and bank balances	689.10	802.29
Short-term loans and advances	662.16	439.25
Other current assets	2,724.75	2,628.91
Total Current assets	**7,884.50**	**7,436.07**
TOTAL ASSETS	**36,672.21**	**34,265.37**

Segment Reporting

Particulars	Quarter ended March 31 2016 (Audited)	Quarter ended December 31 2015 (Audited)	Quarter ended March 31 2015 (Audited)	Year ended March 31 2016 (Audited)	Year ended March 31 2015 (Audited)
Segment revenue					
a) UK	3,262.42	3,169.89	2,639.01	11,879.34	10,778.35
b) USA and Canada	4,663.60	4,215.42	3,952.89	17,305.69	14,795.40
c) India	499.40	491.02	579.70	1,987.93	2,462.05
d) Rest of the world	135.86	132.53	172.25	573.96	1,997.98
Total	**8,561.28**	**8,008.86**	**7,343.85**	**31,746.92**	**30,033.78**
Less: Inter segment revenue	-	-	-	-	-
Net segment revenue	**8,561.28**	**8,008.86**	**7,343.85**	**31,746.92**	**30,033.78**
Segment results before tax and finance costs					
a) UK	616.85	696.99	644.11	2,392.29	2,236.95
b) USA and Canada	628.82	381.83	539.64	1,996.56	1,944.56
c) India	26.22	31.94	19.19	151.67	221.85
d) Rest of the World	32.64	33.36	19.02	151.52	225.86
Total	**1,304.53**	**1,144.12**	**1,221.96**	**4,692.04**	**4,629.22**
i) Finance costs	(128.92)	(123.68)	(173.69)	(524.38)	(710.86)
ii) Other unallocable expenditure net of unallocable Income	(270.27)	(278.21)	(405.10)	(1,211.42)	(1,478.19)
Profit before tax and minority interest	**905.34**	**742.23**	**643.17**	**2,956.24**	**2,440.17**
Capital Employed					
a) UK	1,428.62	1,331.57	1,136.45	1,428.62	1,136.45
b) USA and Canada	27,402.57	27,104.60	25,849.63	27,402.57	25,849.63
c) India	397.52	456.71	465.03	397.52	465.03
d) Rest of the World	76.10	84.58	81.30	76.10	81.30
e) Unallocated	2,466.87	2,623.69	2,325.22	2,466.87	2,325.22
	31,771.68	**31,601.15**	**29,857.63**	**31,771.68**	**29,857.63**

Notes on segment information

Primary segments

The Primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada (USA), India and Rest of the World.

Capital employed

Capital employed comprises debtors including unbilled receivables and goodwill on consolidation directly attributable to the reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities and hence, has been included under unallocated.

By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

Kolkata, India
May 12, 2016

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011 India.
Chartered Accountants

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Chartered Accountants

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Independent Auditors' Report

To the Board of Directors of Firstsource Solutions Limited

Report on the Consolidated Quarterly and Year to Date Financial Results

We have audited the consolidated financial results of Firstsource Solutions Limited ('the Company') and its subsidiaries for the quarter ended 31 March 2016 and year to date consolidated financial results for the period from 1 April 2015 to 31 March 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management's Responsibility for the Consolidated Quarterly and Year to Date Financial Results

These consolidated quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the consolidated financial statements, which is the responsibility of the Company's management, and have been approved by the Board of Directors. These consolidated financial statements have been prepared in accordance with Accounting Standards specified under Section 133 of the Companies Act 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Additionally, the Company has early adopted Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement, read with AS 31, Financial Instruments – Presentation, along with prescribed limited revisions to other accounting standards, issued by the Institute of Chartered Accountants of India.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial results that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free from 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.

Independent Auditors' Report *(Continued)*

Firstsource Solutions Limited

Auditor's Responsibility *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated quarterly financial results as well as the year to date consolidated financial results:

i. include the consolidated quarterly financial results as well as the year to date consolidated financial results of the following entities:

   a. Firstsource Solutions Limited

   b. Firstsource Group USA, Inc.

   c. Firstsource Solutions UK Limited

   d. Firstsource Solutions S.A.

   e. Firstsource Advantage LLC

   f. Firstsource Business Process Services, LLC

   g. Firstsource Solutions USA LLC

   h. Firstsource Transaction Services LLC

   i. Firstsource Dialog Solutions (Private) Limited

   j. Firstsource Process Management Services Limited (earlier known as Anunta Tech Infrastructure Services Limited)

   k. Firstsource BPO Ireland Limited

   l. One Advantage LLC

   m. MedAssist Holding, LLC

ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

iii. give a true and fair view of the consolidated net profit and other financial information for the quarter ended 31 March 2016 and year to date results for the period from 1 April 2015 to 31 March 2016.

Independent Auditors' Report *(Continued)*

Firstsource Solutions Limited

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial results that describes the early adoption by the Company of AS 30, Financial Instruments: Recognition and Measurement, read with AS 31, Financial Instruments – Presentation along with prescribed limited revisions to other Accounting Standards prescribed under the Act, as in management's opinion, it more appropriately reflects the nature/substance of the related transactions. The Company has accounted for assets and liabilities as per requirements of AS 30 including prescribed limited revisions to other Accounting Standards. AS 30, along with limited revisions to the other Accounting Standards, has not currently been notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Consequent to early adoption of AS 30 and the related limited revisions, consolidated profit before taxation for the quarter ended 31 March 2016 and for the period from 1 April 2015 to 31 March 2016 is higher by Rs 13.89 million and Rs. 178.36 million respectively.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Kolkata
12 May 2016

Firstsource Solutions Limited

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

CIN: L64202MH2001PLC134147
Registered office: 5th Floor, Paradigm 'B' wing, Mindspace, Link Road, Malad (West), Mumbai 400 064
Tel: + 91 22 66660888 Fax: + 91 22 6666 0887 web: www.firstsource.com, email-complianceofficer@firstsource.com

(Rs. in millions, except per share data)

Particulars	Quarter ended			Year ended	
	March 31 2016 (Audited)	December 31 2015 (Audited)	March 31 2015 (Audited)	March 31 2016 (Audited)	March 31 2015 (Audited)
Income from operations					
Income from operations	1,930.26	2,121.29	2,045.75	8,262.12	8,895.21
Other operating income, net	159.70	159.14	161.28	486.66	246.18
Total income from operations	**2,089.96**	**2,280.43**	**2,207.03**	**8,748.78**	**9,141.39**
Expenses					
Employee benefits expense	1,084.27	1,092.27	1,088.02	4,248.07	4,377.19
Depreciation and amortisation	50.63	70.70	113.13	329.93	464.30
Other expenses	650.79	597.47	666.23	2,523.75	2,685.16
Total expeneses	**1,785.69**	**1,760.44**	**1,867.38**	**7,101.75**	**7,526.65**
Profit from operations before other income and finance costs	**304.27**	**519.99**	**339.65**	**1,647.03**	**1,614.74**
Other income	61.11	41.36	(37.04)	256.53	186.67
Profit from ordinary activities before finance costs	**365.38**	**561.35**	**302.61**	**1,903.56**	**1,801.41**
Finance costs	31.74	37.86	36.44	162.37	202.23
Profit from ordinary activities before tax	**333.64**	**523.49**	**266.17**	**1,741.19**	**1,599.18**
Tax expense	56.70	90.36	(19.06)	243.83	(38.36)
Net profit from ordinary activities after tax	**276.94**	**433.13**	**285.23**	**1,497.36**	**1,637.54**
Paid-up equity share capital (Face value of share Rs. 10)	6,733.15	6,727.26	6,662.91	6,733.15	6,662.91
Reserves excluding revaluation reserve				10,976.46	9,620.16
Earning per share (Rs.) (not annualised)					
-Basic	0.41	0.65	0.43	2.24	2.47
-Diluted	0.40	0.62	0.41	2.14	2.33

Notes to financials results :

1. The above results were reviewed by the Audit Committee on May 12, 2016 and adopted by the Board of Directors at their meeting held on May 12, 2016.
2. Effective year ended March 31, 2009, the Company has early adopted Accounting Standard 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
3. During the quarter ended March 31, 2016, 589,175 Equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
4. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

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Chartered Accountants

5. Statement of assets and liabilities (Audited)

Particulars	As at March, 31 2016	As at March, 31 2015
EQUITIES AND LIABILITIES		
Shareholders' funds		
Share capital	6,733.15	6,662.91
Reserves and surplus	10,976.46	9,620.16
Total Shareholders' funds	**17,709.61**	**16,283.07**
Share application money received under ESOP scheme	-	0.20
Non-current liabilities		
Long-term borrowings	1,163.22	1,218.08
Long-term provisions	111.48	73.41
Total Non-current liabilities	**1,274.70**	**1,291.49**
Current liabilities		
Short-term borrowings	584.80	1,007.07
Trade payables	255.35	254.00
Other current liabilities	700.66	755.44
Short-term provisions	33.69	38.11
Total Current liabilities	**1,574.50**	**2,054.62**
TOTAL - EQUITY AND LIABILITIES	**20,558.81**	**19,629.38**
ASSETS		
Non current assets		
Fixed assets		
- Tangible assets	265.49	322.27
- Intangible assets	132.98	262.50
- Capital work-in-progress	14.40	0.50
	412.87	**585.27**
Non-current investments	11,913.24	11,813.71
Deferred tax assets (net)	421.47	454.44
Long-term loans and advances	2,241.00	2,036.05
Other non-current assets	10.25	26.22
Total Non-current assets	**14,998.83**	**14,915.69**
Current Assets		
Current investments	740.24	649.11
Trade receivables	3,195.57	2,335.48
Cash and bank balances	366.33	260.98
Short-term loans and advances	493.43	486.90
Other current assets	764.41	981.22
Total Current assets	**5,559.98**	**4,713.69**
TOTAL - ASSETS	**20,558.81**	**19,629.38**

By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

Kolkata,India
May 12, 2016

BSR & Co. LLP
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Chartered Accountants

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Independent Auditors' Report

To the Board of Directors of Firstsource Solutions Limited

Report on the Quarterly and Year to Date Financial Results

We have audited the financial results of Firstsource Solutions Limited ('the Company') for the quarter ended 31 March 2016 and year to date financial results for the period from 1 April 2015 to 31 March 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management's Responsibility for the Quarterly and Year to Date Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the financial statements, which is the responsibility of the Company's management, and have been approved by the Board of Directors. These financial statements have been prepared in accordance with Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Additionally, the Company has early adopted Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement, read with AS-31, Financial Instruments – Presentation, along with prescribed limited revisions to other Accounting Standards, issued by the Institute of Chartered Accountants of India.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial results based on our audit of such financial statements. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free from 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.

Independent Auditors' Report *(Continued)*

Firstsource Solutions Limited

Auditor's Responsibility *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the quarterly financial results as well as the year to date financial results:

i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

ii. give a true and fair view of the net profit and other financial information for the quarter ended 31 March 2016 and year to date results for the period from 1 April 2015 to 31 March 2016.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 to the financial results that describes the early adoption by the Company of AS 30, Financial Instruments: Recognition and Measurement, read with AS 31, Financial Instruments – Presentation, along with prescribed limited revisions to other Accounting Standards prescribed under the Act, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. The Company has accounted for assets and liabilities as per requirements of AS 30 including prescribed limited revisions to other Accounting Standards. AS 30, along with limited revisions to the other Accounting Standards, has not currently been notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Consequent to early adoption of AS 30 and the related limited revisions, profit after taxation for the quarter ended 31 March 2016 and for the period from 1 April 2015 to 31 March 2016 is higher by Rs 13.89 million and Rs 177.29 million respectively.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Kolkata
12 May 2016

Firstsource reports Fiscal 2016 revenues of Rs 32,303 million

Y-o-Y growth of 6.4%

Operating EBIT of Rs 3,386 million

Up Y-o-Y by 9.7%

PAT (profit after tax) of Rs 2,650 million

Up Y-o-Y by 13.1%

EBIT and PAT margins expanded by 31 bps and 48 bps respectively during the year

Kolkata/Mumbai, May 12, 2016: At its board meeting held in Kolkata today, Firstsource Solutions Limited (NSE:FSL, BSE:532809), a global provider of customized Business Process Management (BPM) services and a RP-Sanjiv Goenka Group company, reported its consolidated financial results for the quarter and year ended March 2016 according to Indian GAAP.

Financial Highlights for Year ended March 2016:

- Revenues at Rs 32,303 million for the year ended March 2016, a growth of 6.4% over corresponding period of the previous year.
- Operating EBIT of Rs 3,386 million for the year ended March 2016, up 9.7% over corresponding period of the previous year.
- Profit after tax Rs 2,650 million for the year ended March 2016, up 13.1% over corresponding period of the previous year.
- EPS for the year is Rs 3.96 (basic) and Rs 3.78 (diluted).
- Debt repayment: Firstsource Group USA, wholly owned subsidiary of Firstsource Solutions successfully made the principal repayment of USD 45 million during the year.
- Employee strength at 23,886 as of March 31, 2016. Reduction of 1,399 employees during the year.
- As of March 31, 2016, Firstsource derived 54% revenues from the US, 37% from UK and 8% from Rest of World, including India.

- As of March 31, 2016, Firstsource derived 37% revenues from Telecom & Media, 39% from Healthcare and 24% from BFSI.
- As of March 31, 2016, Firstsource has 45 centers, compared to 47 as on March 31, 2015.
    - Reduced 2 delivery centers in India

Firstsource fourth quarter revenues at Rs 8,730 million (Y-o-Y growth of 15.8%, Q-o-Q growth of 6.8%)

Operating EBIT at Rs 1,015 million (Y-o-Y growth of 24.8%, Q-o-Q growth of 20.1%)

PAT at Rs 797 million (Y-o-Y growth of 27.9%, Q-o-Q growth of 18.8%)

Highlights for the Quarter ended March 31, 2016:

- Revenues of Rs 8,730 million, up 6.8% Q-o-Q compared to Rs 8,178 million for the quarter ended December 2015 and up 15.8% Y-o-Y compared to Rs 7,540 million for the quarter ended March 2015.
- Operating EBIT (earnings before interest and tax) of Rs 1,015 million, up 20.1% Q-o-Q compared to Rs 845 million for the quarter ended December 2015 and up 24.8% Y-o-Y compared to Rs 813 million for the quarter ended March 2015.
- PAT (profit after tax) of Rs 797 million, up 18.8% Q-o-Q compared to Rs 670 million for the quarter ended December 2015 and up 27.9% Y-o-Y compared to Rs 623 million for the quarter ended March 2015.
- Cash position is at Rs 1,457 million.
- Employee strength at 23,886 as of March 31, 2016. Reduction of 32 employees in the quarter.
- Q4 annualized attrition (post 180 days) :
    - Offshore (India and Philippines) – 56.7% compared to 44.7% in Q3 FY2016
    - Onshore (US and Europe) – 43.5% compared to 43.2% in Q3 FY2016
    - Domestic (India and Sri Lanka) – 85.1% compared to 65.2% in Q3 FY2016

Business Highlights for FY2015-16:

Acquisition: Firstsource has entered into a Definitive Agreement with ISGN in January 2016, a leading full service provider of mortgage technology and services, to acquire its BPO division. This strategic acquisition helps Firstsource penetrate into the growing US mortgage BPO market, provides Firstsource with marquee customers, and offers significant potential opportunities for cross-selling of services.

Business Wins:

- Signed a large transformational deal with one of UK's largest retail banks. The transformational nature of this deal involves significant elements of process re-engineering and automation.
- Signed a 3 year contract extension with giffgaff, the Mobile network provider in UK. The contract signifies a renewed commitment to providing excellent member management services for the network provider.
- Partnered with Synexus, world's leading Site Management Organisation (SMO) to enhance the patient experience throughout the clinical trial process. This win marks Firstsource's entry into the UK's healthcare industry.
- Firstsource forayed into the E-commerce space in India with a new contract win with one of the top e-commerce player. Firstsource will provide Inbound Customer Service for this client.

Partnerships:

- Firstsource investment into Analytics in partnership with NanoBi continues to strengthen its capabilities to provide valuable insights to clients it serves.
- Partnered with WorkFlex, the industry leader in Intelligent Intraday AutomationTM for contact centers, to boost intraday performance through real-time alerting.
- Partnered with Ulster University – the second largest university in UK - to give Firstsource employees an opportunity to earn a degree in Customer Contact Management.

Awards and Accolades:

- Won Outsource Contact Centre of the Year at the Welsh Contact Centre Awards. The win recognizes Firstsource as a top employer in the industry and reflects the unmatched career development and training opportunities it offers its people.
- Received the 'Innovation in Outsourcing' award for its partnership with giffgaff at the National Outsourcing Association's (NOA) Awards 2015.
- Won 2 awards at the UK Customer Experience Awards 2015:
    - With NOW TV, the 'Business Change or Transformation - Transformation at the Heart' category. NOW TV is an Online Television service powered and owned by Sky.
    - The Silver Award with giffgaff in the 'Technology and Telecoms - Amazing Customer Experience' category.
- Awarded 4th Runner-up for its corporate film on Diversity & Inclusion at the Learning & Organisation Development (L&OD) 2016 Corporate Film Awards.

- Won 2 awards for HR best practices in India:
  - JetSet program won the Best First Time Managers Development Program of Asia at the Best Leadership Development Practices of Asia 2015 conducted by the Learning & Organisational Development (L&OD) Roundtable.
  - Firstsource Academy won in the Corporate Best HR practices category at the NHRD HR Showcase 2015.

Debt repayment

In FY15-16, Firstsource Group USA repaid USD 45 M on its outstanding long term debt.

Commenting on the performance, **Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group and Firstsource Solutions Limited** said, "FY16 has been a great year for Firstsource. We have deepened and strengthened our relationship with our existing clients and have demonstrated steady financial performance over last year with a revenue growth of 6% and Net profit growth of 14%. The ISGN acquisition gives us an entry into the growing US mortgage market and potential opportunities to cross-sell our existing services to the marquee customers that we have acquired through this acquisition. The industry awards and recognitions received during the year reiterate our focus on keeping clients and people at the core of our business model. In FY17 and beyond, we will-continue to focus on growth and profitability becoming a true partner to our clients".

About Firstsource:

Firstsource Solutions Limited, a RP-Sanjiv Goenka Group company (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN), is a leading global provider of customized Business Process Management (BPM) services to the Healthcare, Telecom & Media and Banking & Financial Services industries. The company's clients include Fortune 500, FTSE 100 & Nifty 50 companies. Firstsource has a "rightshore" delivery model with operations in India, the Philippines, Sri Lanka, the UK and the US. (www.firstsource.com)

For More Information Please Contact:

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RP - Sanjiv Goenka Group
Growing Legacies

firstsource

FORM A

Covering letter to the annual audit report to be filed with the stock exchanges

1.	*Name of the Company*	*Firstsource Solutions Limited*
2.	*Annual financial statements for the year ended*	*March 31, 2016*
3.	*Type of Audit observation*	*Emphasis of Matter*
4.	*Frequency of observation*	*Emphasis of Matter is repetitive since Financial Year 2008-09*

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Kolkata
12 May 2016

For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

Y.H.Malegam
Chairman - Audit Committee

Dinesh Jain
President and CFO