RP - Sanjiv Goenka Group
Growing Legacies

firstsource

May 05, 2015

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: Clause 41: Declaration of Audited Standalone and Consolidated financial results for the quarter ended March 31, 2015 (Q4 FY 2014-15)

We wish to inform you that the Board of Directors of the Company have, at their meeting held today i.e. May 05, 2015, approved the Audited Standalone and Consolidated financial Results for the quarter ended March 31, 2015, copies of which are enclosed herewith alongwith copies of Auditors' Reports 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 Ltd.,
Registered & Corporate Office: Paradigm B, 5th Floor, Mindspace, New Link Road, Malad (W), Mumbai - 400 064, India.
Tel: +91 22 6666 0888 | Fax: +91 22 6666 0887 | Web: www.firstsource.com
(CIN: L64202MH2001PLC134147)

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2015

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 and per equity data)

Particulars	Quarter ended			Year ended	
	March 31 2015 (Audited)	December 31 2014 (Audited)	March 31 2014 (Audited)	March 31 2015 (Audited)	March 31 2014 (Audited)
Income from operations					
Income from operations	7,343.85	7,372.59	8,063.43	30,033.78	31,270.23
Other operating income, net	196.56	137.63	(101.39)	312.74	(211.47)
Total income from operations	**7,540.41**	**7,510.22**	**7,962.04**	**30,346.52**	**31,058.76**
Expenses					
Employee benefit expense	4,888.26	5,019.77	5,395.38	20,171.50	21,294.05
Depreciation and amortisation	179.82	189.28	181.01	721.82	757.02
Other expenses	1,659.24	1,554.89	1,577.58	6,367.40	6,143.46
Total expenses	**6,727.32**	**6,763.94**	**7,153.97**	**27,260.72**	**28,194.53**
Profit from operations before other income and finance costs	**813.09**	**746.28**	**808.07**	**3,085.80**	**2,864.23**
Other income	3.77	24.73	(10.15)	65.23	20.04
Profit from ordinary activities before finance costs	**816.86**	**771.01**	**797.92**	**3,151.03**	**2,884.27**
Finance costs	173.69	172.74	197.83	710.86	851.47
Profit from ordinary activities before tax	**643.17**	**598.27**	**600.09**	**2,440.17**	**2,032.80**
Tax expense	21.68	21.16	10.37	95.40	100.89
Net profit from ordinary activities after tax	**621.49**	**577.11**	**589.72**	**2,344.77**	**1,931.91**
Minority Interest	(1.66)	1.98	1.25	1.59	2.29
Net profit after tax and minority interest	**623.15**	**575.13**	**588.47**	**2,343.18**	**1,929.62**
Paid-up equity share capital (Face value of share Rs 10)	6,662.91	6,651.40	6,597.35	6,662.91	6,597.35
Reserves excluding revaluation Reserve	-	-	-	14,223.26	14,316.86
Earning Per Share (Rs.) : (Not Annualized)					
- Basic	0.94	0.87	0.89	3.53	2.93
- Diluted	0.89	0.81	0.86	3.34	2.82
Particulars of shareholding					
Public shareholding					
- Number of shares of Rs 10	292,314,786	291,163,261	285,758,203	292,314,786	285,758,203
- Percentage of shareholding	43.87%	43.77%	43.31%	43.87%	43.31%
Promoters` and promoter group shareholding					
a) Pledged/ Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	56.13%	56.23%	56.69%	56.13%	56.69%

Notes to financials results :

1. The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on May 5, 2015. The standalone financial results for the quarter and year ended March 31, 2015 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 (AS) 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 March 31,			Year ended March 31,	
	March 31, 2015	December 31, 2014	March 31, 2014	2015	2014
Total income from operations	2,207.03	2,337.03	2,188.93	9,141.39	9,173.28
Net profit before taxation	266.17	449.95	373.13	1,599.18	1,344.70
Net profit after taxation	285.23	458.82	373.13	1,637.54	1,344.70

5. During the quarter ended March 31, 2015, 1,151,000 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

6. During the year, Medassist Holding Inc. and Medassist Acquisition LLC, subsidiaries of FG-US, merged effective 31 March 2015. As a result of the merger and as specified in the Scheme approved by the State of Delaware, the excess of investment over the value of net assets and reserves amounting to Rs 19,393.99 has been considered as Goodwill which when compared to the goodwill appearing in these consolidated financial accounts prior to the merger has resulted in a decrease of Goodwill by Rs.3,691.34.

7. During the quarter, 4 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.

8. Other expenses include Rs 17.13 towards contribution made to CSR.

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

BSR & Co. LLP
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

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

Particulars	As at March 31, 2015	2014
Shareholders' funds		
Share capital	6,662.91	6,597.35
Reserves and surplus	14,223.26	14,316.86
Total Shareholders' funds	**20,886.17**	**20,914.21**
Share application money received under ESOP scheme	**0.20**	0.66
Minority interest	**16.31**	**14.35**
Non-current liabilities		
Long-term borrowings	4,142.98	6,641.50
Deferred tax liabilities, net	344.72	317.17
Other long-term liabilities	-	199.53
Long-term provisions	177.53	239.83
Total Non-current liabilities	**4,665.23**	**7,398.03**
Current liabilities		
Short-term borrowings	3,160.30	2,458.83
Trade payables	932.26	1,129.31
Other current liabilities	4,465.08	4,786.88
Short-term provisions	139.82	192.25
Total Current liabilities	**8,697.46**	**8,567.27**
Total - EQUITY AND LIABILITIES	**34,265.37**	**36,894.52**
ASSETS		
Non-current assets		
Goodwill on consolidation	**23,336.35**	**25,940.39**
Fixed assets		
- Tangible assets	770.73	855.45
- Intangible assets	332.19	508.44
- Capital work-in-progress	84.68	4.01
	1,187.60	**1,367.90**
Non-current investments	57.55	26.39
Long-term loans and advances	1,169.29	1,160.19
Other non-current assets	1,078.51	918.42
Total Non-current assets	**26,829.30**	**29,413.29**
Current assets		
Current investments	676.11	26.00
Trade receivables	2,889.51	3,019.26
Cash and bank balances	802.29	1,863.21
Short-term loans and advances	290.20	410.28
Other current assets	2,777.96	2,162.48
Total Current assets	**7,436.07**	**7,481.23**
TOTAL ASSETS	**34,265.37**	**36,894.52**

Segment Reporting

Particulars	Quarter ended March 31 2015 (Audited)	Quarter ended December 31 2014 (Audited)	Quarter ended March 31 2014 (Audited)	Year ended March 31 2015 (Audited)	Year ended March 31 2014 (Audited)
Segment revenue					
a) UK	2,639.01	2,621.03	2,868.12	10,778.35	11,135.07
b) USA and Canada	3,952.89	3,616.13	3,884.13	14,795.40	14,583.73
c) India	579.70	626.23	632.55	2,462.05	2,784.20
d) Rest of the world	172.25	509.20	678.63	1,997.98	2,767.23
Total	**7,343.85**	**7,372.59**	**8,063.43**	**30,033.78**	**31,270.23**
Less: Inter segment revenue	-	-	-	-	-
Net segment revenue	**7,343.85**	**7,372.59**	**8,063.43**	**30,033.78**	**31,270.23**
Segment results before tax and finance costs					
a) UK	644.11	613.43	580.65	2,236.95	1,905.51
b) USA and Canada	539.64	398.08	469.38	1,944.56	1,804.27
c) India	60.76	55.24	80.97	263.42	369.13
d) Rest of the World	19.02	75.60	16.02	225.86	266.36
Total	**1,263.53**	**1,142.35**	**1,147.02**	**4,670.79**	**4,345.27**
i) Finance costs	(173.69)	(172.74)	(197.83)	(710.86)	(851.47)
ii) Other un-allocable expenditure net of un-allocable Income	(446.67)	(371.34)	(349.10)	(1,519.76)	(1,461.00)
Profit before tax and minority interest	**643.17**	**598.27**	**600.09**	**2,440.17**	**2,032.80**
Capital Employed					
a) UK	1,136.45	1,303.42	1,475.99	1,136.45	1,475.99
b) USA and Canada	25,849.63	29,484.65	27,207.95	25,849.63	27,207.95
c) India	465.03	486.57	771.28	465.03	771.28
d) Rest of the World	81.30	759.31	881.29	81.30	881.29
e) Unallocated	2,325.22	1,780.24	1,559.41	2,325.22	1,559.41
	29,857.63	**33,814.19**	**31,895.92**	**29,857.63**	**31,895.92**

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, 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 5, 2015

BSR & Co. LLP
1st 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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India

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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 of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement

We have audited the consolidated quarterly financial results of Firstsource Solutions Limited ('the Company') and its subsidiaries for the quarter ended 31 March 2015 and year to date financial results for the period from 1 April 2014 to 31 March 2015 attached herewith, being submitted by the Company pursuant to the requirements 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.

Management's Responsibility for the Consolidated Financial Results

These consolidated quarterly financial results as well as year to date consolidated financial results have been prepared on the basis of the consolidated financial statements and in compliance with Clause 41 of the Listing Agreement, which is the responsibility of the Company's management. These consolidated financial statements have been prepared in accordance with Accounting Standards notified 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. 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 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

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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 year to date consolidated financial result 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. MedAssist Holding, Inc
   h. Firstsource Solutions USA LLC
   i. Firstsource Transaction Services LLC
   j. Firstsource Dialog Solutions (Private) Limited
   k. Anunta Tech Infrastructure Services Limited
   l. Firstsource BPO Ireland Limited
   m. One Advantage LLC
   n. MedAssist Holding, LLC

ii. are presented in accordance with the requirements of Clause 41 of the Listing Agreement 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 2015 and year to date results for the period from 1 April 2014 to 31 March 2015.

Independent Auditors' Report *(Continued)*

Firstsource Solutions Limited

Emphasis of Matter

1. Without qualifying our opinion, we draw attention to Note 3 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, issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee on Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 which continues to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Consequent to early adoption of AS 30 and the related limited revisions, consolidated profit after taxation for the quarter ended 31 March 2015 and for the year 1 April 2014 to 31 March 2015 is higher by Rs 13.73 million and Rs 86.21 million respectively.

2. Without qualifying our opinion, we draw attention to Note 6 to the consolidated financial results regarding the merger during the year of Medassist Holding Inc. and Medassist Acquisition LLC, subsidiaries of FG-US, effective 31 March 2015 under the Pooling of Interests Method. As a result of the merger and as specified in the Scheme, the excess of investment over the value of net assets and reserves taken over amounting to Rs 19,393.99 million has been considered as Goodwill in these consolidated financial results.

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

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

Rajesh Mehra
Partner
Membership No: 103145

Kolkata
5 May 2015

Firstsource Solutions Limited

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2015

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 2015 (Audited)	December 31 2014 (Audited)	March 31 2014 (Audited)	March 31 2015 (Audited)	March 31 2014 (Audited)
Income from operations					
Income from operations	2,045.75	2,220.02	2,311.46	8,895.21	9,541.72
Other operating income, net	161.28	117.01	(122.53)	246.18	(368.44)
Total income from operations	**2,207.03**	**2,337.03**	**2,188.93**	**9,141.39**	**9,173.28**
Expenses					
Employee benefits expense	1,088.02	1,109.20	1,036.61	4,377.19	4,607.91
Depreciation and amortisation	113.13	115.09	121.45	464.30	527.19
Other expenses	666.23	666.25	672.64	2,685.16	2,668.42
Total expeneses	**1,867.38**	**1,890.54**	**1,830.70**	**7,526.65**	**7,803.52**
Profit from operations before other income and finance costs	**339.65**	**446.49**	**358.23**	**1,614.74**	**1,369.76**
Other income	(37.04)	67.72	64.92	186.67	152.13
Profit from ordinary activities before finance costs	**302.61**	**514.21**	**423.15**	**1,801.41**	**1,521.89**
Finance costs	36.44	64.26	50.02	202.23	177.19
Profit from ordinary activities before tax	**266.17**	**449.95**	**373.13**	**1,599.18**	**1,344.70**
Tax expense	(19.06)	(8.87)	-	(38.36)	-
Net profit from ordinary activities after tax	**285.23**	**458.82**	**373.13**	**1,637.54**	**1,344.70**
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	6,662.91	6,651.40	6,597.35	6,662.91	6,597.35
Reserves excluding Revaluation Reserve				9,620.16	7,204.60
Earning Per Share (Rs.) (not annualised)					
-Basic	0.43	0.69	0.57	2.47	2.04
-Diluted	0.41	0.65	0.54	2.33	1.96
Particulars of shareholding					
Public shareholding					
- Number of shares of Rs. 10	292,314,786	291,163,261	285,758,203	292,314,786	285,758,203
- Percentage of shareholding	43.87%	43.77%	43.31%	43.87%	43.31%
Promoters' and promoter group shareholding					
a) Pledged / Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	56.13%	56.23%	56.69%	56.13%	56.69%

Notes to financials results :

1. The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on May 5, 2015.
2. Effective year ended March 31, 2009, the Company has early adopted Accounting Standard (AS) 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, 2015, 1,151,000 Equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
4. During the quarter ended March 31, 2015, 4 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.
5. Other expenses include Rs 17.13 towards contribution made to CSR.
6. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

BSR & Co. LLP
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
Chartered Accountants

7. Statement of Assets and liabilities (Audited)

Particulars	As at March, 31 2015	As at March, 31 2014
EQUITIES AND LIABILITIES		
Shareholders' funds		
Share capital	6,662.91	6,597.35
Reserves and surplus	9,620.16	7,204.60
Total Shareholders' funds	**16,283.07**	**13,801.95**
Share application money received under ESOP scheme	0.20	0.66
Non-current liabilities		
Long-term borrowings	1,218.08	1,217.72
Long-term provisions	73.41	62.57
Total Non-current liabilities	**1,291.49**	**1,280.29**
Current liabilities		
Short-term borrowings	1,007.07	661.26
Trade payables	254.00	305.94
Other current liabilities	755.44	1,599.69
Short-term provisions	38.11	41.66
Total Current liabilities	**2,054.62**	**2,608.55**
TOTAL - EQUITY AND LIABILITIES	**19,629.38**	**17,691.45**
ASSETS		
Non current assets		
Fixed assets		
- Tangible assets	322.27	447.13
- Intangible assets	262.50	408.90
- Capital work-in-progress	0.50	0.50
	585.27	**856.53**
Non-current investments	11,813.71	11,731.28
Deferred tax assets (net)	454.44	406.64
Long-term loans and advances	984.56	932.65
Other non-current assets	1,077.71	918.29
Total Non-current assets	**14,915.69**	**14,845.39**
Current Assets		
Current investments	649.11	-
Trade receivables	2,335.48	1,852.43
Cash and bank balances	260.98	287.79
Short-term loans and advances	337.85	399.30
Other current assets	1,130.27	306.54
Total Current assets	**4,713.69**	**2,846.06**
TOTAL - ASSETS	**19,629.38**	**17,691.45**

By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

Kolkata, India
May 05, 2015

B S R & Co. LLP
1st Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400 011. India.
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 of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement

We have audited the financial results of Firstsource Solutions Limited ('the Company') for the quarter ended 31 March 2015 and year to date financial results for the period from 1 April 2014 to 31 March 2015 attached herewith, being submitted by the Company pursuant to the requirements 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.

Management's Responsibility for the Financial Results

These quarterly financial results as well as year to date financial results have been prepared on the basis of the standalone financial statements and in compliance with Clause 41 of the Listing Agreement, which is the responsibility of the Company's management. These financial statements have been prepared in accordance with Accounting Standards notified 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. 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.

Auditors' 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 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

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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 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 31 March 2015 and year to date results for the period from 1 April 2014 to 31 March 2015.

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 issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee for Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 which continues to apply under Section 133 of the Companies Act, 2013 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 2015 and for the year 1 April 2014 to 31 March 2015 is higher by Rs 9.89 million and lower by Rs 27.45 million respectively.

Independent Auditors' Report *(Continued)*

Firstsource Solutions Limited

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

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

Rajesh Mehra
Partner
Membership No: 103145

Kolkata
5 May 2015

Firstsource reports Fiscal 2015 revenues of Rs 30,347 million

Y-o-Y de-growth of 2.3%

Operating EBIT of Rs 3,086 million

Up Y-o-Y by 7.7%

PAT (profit after tax) of Rs 2,343 million

Up Y-o-Y by 21.4%

EBIT and PAT margins expanded by 95 bps and 150 bps respectively during the year

Kolkata/Mumbai, May 05, 2015: 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 2015 according to Indian GAAP.

Financial Highlights for Year ended March 2015:

- Revenues at Rs 30,347 million for the year ended March 2015, a de-growth of 2.3% over corresponding period of the previous year.
- Operating EBIT of Rs 3,086 million for the year ended March 2015, up 7.7% over corresponding period of the previous year.
- Profit after tax Rs 2,343 million for the year ended March 2015, up 21.4% over corresponding period of the previous year.
- EPS for the year is Rs 3.53 (basic) and Rs 3.34 (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 25,285 as of March 31, 2015. Reduction of 2,381 employees during the year
- As of March 31, 2015, Firstsource derived 49% revenues from the US, 36% from UK and 15% from Rest of World, including India.

- As of March 31, 2015, Firstsource derived 43% revenues from Telecom & Media, 36% from Healthcare and 21% from BFSI.
- As of March 31, 2015, Firstsource has 47 centers, compared to 46 as on March 31, 2014.
    - Added 1 delivery center in US

Firstsource fourth quarter revenues at Rs 7,540 million (Y-o-Y de-growth of 5.3%, flat Q-o-Q),

Operating EBIT at Rs 813 million (Y-o-Y growth of 0.6%, Q-o-Q growth of 8.9%)

PAT at Rs 623 million (Y-o-Y growth of 5.9%, Q-o-Q growth of 8.3%)

Highlights for the Quarter ended March 31, 2015:

- Revenues of Rs 7,540 million, up 0.4% Q-o-Q compared to Rs 7,510 million for the quarter ended December 2014 and down 5.3% Y-o-Y compared to Rs 7,962 million for the quarter ended March 2014.
- Operating EBIT (earnings before interest and tax) of Rs 813 million, up 8.9% Q-o-Q compared to Rs 746 million for the quarter ended December 2014 and up 0.6% Y-o-Y compared to Rs 808 million for the quarter ended March 2014.
- PAT (profit after tax) of Rs 623 million, up 8.3% Q-o-Q compared to Rs 575 million for the quarter ended December 2014 and up 5.9% Y-o-Y compared to Rs 588 million for the quarter ended March 2014.
- Cash position is at Rs 1,478 million.
- Employee strength at 25,285 as of March 31, 2015. Reduction of 1,336 employees in the quarter.
- Q4 annualized attrition (post 180 days) :
    - Offshore (India and Philippines) – 52.7% compared to 47.1% in Q3 FY2015
    - Onshore (US and Europe) – 40.0% compared to 37.4% in Q3 FY2015
    - Domestic (India and Sri Lanka) – 91.0% compared to 80.6% in Q3 FY2015

Business Highlights for FY 2014-15:

Debt repayment

- In FY15, Firstsource Group USA made four equal quarterly installments of USD11.25M each, totaling up-to USD45M towards repayment on its outstanding long term debt.

Key highlights

- Firstsource made a strategic investment in NanoBI, Bangalore based analytic company.
- Innovative Productized Services: Firstsource launched WF Suite, the fifth productized solution that encompasses Consulting, Managed Services and Capability Development and launched new productized services in the US Healthcare market to address end-to-end Revenue Cycle Management for hospitals.
- Increased capacity in the US as a result of a significant contract expansion with a leading US telecommunications company.

Awards & Accolades

- Awarded the 'Outsourcing Partnership of the Year' in the European Call Centre and Customer Service Awards 2014 (ECCCSA) for our longstanding relationship with giffgaff.
- Won the "Outsourcing Excellence Award 2014" for the "Best Business Process" category in partnership with BSkyB, one of our flagship clients.
- Received the "Innovator of the Year" for Excellence in Voice of Customer Analytics by Verint Technologies. This award is in recognition for the First Customer Intelligence (FCI) solution.
- Received two awards for: "Best Outsourced Customer Service Team" and "Best Business Process Outsourcing" at National Outsourcing Association's Outsourcing Professional Awards (Global) in partnership with giffgaff in 2014.
- Awarded the "Telecommunications Utilities and High-Tech Outsourcing Project of the Year Award 2014" for its partnership with giffgaff at the National Outsourcing Association's (NOA) awards 2014.
- First Customer Intelligence, the company's flagship product, won the "2014 Technology Leadership Award" at the 2014 Ventana Research Summit. The award recognizes Firstsource for the development of First Customer Intelligence (FCI) solution, using Verint technology.
- Received 3 awards at the Welsh Contact Centre Awards 2015 in the categories of : HR/Comms/Engagement Support Manager of the Year, Most Diverse Workplace and Outsourced Contact Centre of The Year.

Industry Rankings & Recognitions

- Ranked #12 by The International Association of Outsourcing Professionals (IAOP) in the 2014 Global Outsourcing 100® rankings.
- Retained 7th position in the Top 15 BPM Exporters rankings released by NASSCOM for 2014.
- Ranked #16 in Business World's biggest employers List.

Commenting on the performance, **Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group and Firstsource Solutions Limited** said, "In FY15 our focus was on consolidating the bottom line which we have been able to successfully achieve. Going forward the focus will be on profitable growth. Additionally, we added significant brands to our portfolio across healthcare, media and telecom verticals. Our productized services approach has also witnessed strong client interest and industry recognition which we expect to continue through FY16."

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, Philippines, Sri Lanka, UK and U.S. (www.firstsource.com)

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