

**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011**

(Rs.in lakhs, except per share data)

Particulars	Quarter ended March 31,		Year ended March 31,	
	2011 (Audited)	2010 (Audited)	2011 (Audited)	2010 (Audited)
Income from services	5,40,30.46	5,00,79.49	20,11,01.83	19,53,91.04
Other operating income	6,10.01	5,94.17	44,25.95	16,87.74
<b>Total income from operations</b>	<b>5,46,40.47</b>	<b>5,06,73.66</b>	<b>20,55,27.78</b>	<b>19,70,78.78</b>
Total Expenditure				
Personnel costs	3,40,68.80	3,10,79.20	12,72,99.42	12,02,97.44
Operating costs	1,26,47.73	1,24,72.71	4,99,08.99	4,95,69.50
Depreciation and amortisation	23,33.25	20,45.39	89,07.64	87,26.32
<b>Profit before other income, finance charges, taxation and minority interest</b>	<b>55,90.69</b>	<b>50,76.36</b>	<b>1,94,11.73</b>	<b>1,84,85.52</b>
Other income	41.85	82.59	14,18.97	13,62.02
Gain on FCCB buyback, net	-	-	-	7,39.09
<b>Profit before finance charges, taxation and minority interest</b>	<b>56,32.54</b>	<b>51,58.95</b>	<b>2,08,30.70</b>	<b>2,05,86.63</b>
Finance charges, net	7,34.17	10,86.61	33,00.54	45,58.42
<b>Profit before taxation and minority interest</b>	<b>48,98.37</b>	<b>40,72.34</b>	<b>1,75,30.16</b>	<b>1,60,28.21</b>
Provision for taxation				
a) Current tax expenses including foreign taxes	6,93.75	5,22.60	32,51.78	26,08.54
b) Deferred tax charge	4,67.80	5,28.11	11,97.29	10,85.04
c) Minimum alternate tax credit entitlement	(90.94)	(5,45.15)	(9,55.61)	(13,17.47)
<b>Profit after taxation and before minority interest</b>	<b>38,27.76</b>	<b>35,66.78</b>	<b>1,40,36.70</b>	<b>1,36,52.10</b>
Minority interest	1.75	5.37	185.77	45.00
<b>Net profit after taxation and minority interest</b>	<b>38,26.01</b>	<b>35,61.41</b>	<b>1,38,50.93</b>	<b>1,36,07.10</b>
Paid-up Equity Share Capital ( Face Value of Share Rs. 10)	-	-	4,30,63.82	4,29,20.97
Reserves excluding Revaluation Reserve	-	-	9,92,08.17	9,94,81.59
Earning Per Share (Rs.) : (not annualised)				
- Basic	0.89	0.83	3.22	3.17
- Diluted	0.80	0.74	2.91	2.84
Aggregate of non-promoter shareholding (unaudited)				
- Number of shares of Rs. 10	345,098,462	337,316,385	345,098,462	337,316,385
- Percentage of shareholding	80.14%	78.59%	80.14%	78.59%
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	85,539,720	91,893,297	85,539,720	91,893,297
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	19.86%	21.41%	19.86%	21.41%

**Notes to financials results :**

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on April 27, 2011. The standalone financial results for the quarter and year ended March 31, 2011 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 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. Unrealised losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.
- 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).
- Standalone Information (Audited)

	Quarter ended March 31,		Year ended March 31,	
	2011	2010	2011	2010
Total income from operations	1,82,95.75	1,75,50.07	7,02,96.86	6,61,72.33
Net profit before taxation	14,97.47	14,60.89	69,56.00	62,16.79
Net profit after taxation	14,60.97	16,73.55	66,28.69	67,33.28

- During the year, 1,428,500 equity shares (including 500,000 equity shares issued during the quarter) were issued pursuant to Exercise of Options under the Employee Stock Option Scheme of the Company.
- During the quarter, one complaint was received from an investor which was resolved, There were no complaints pending at the beginning and at the end of the quarter.
- Statement of assets and liabilities (Consolidated - Audited)

	As at March 31,	
	2011	2010
<b>Shareholders' funds</b>		
Share capital	4,30,63.82	4,29,20.97
Share application money	-	34.50
Reserves and surplus	9,92,08.17	9,94,81.59
<b>Minority interest</b>	10.80	4,97.53
<b>Loan funds</b>	14,93,26.73	13,57,84.63
<b>Deferred tax liability, net</b>	5,79.54	-
	<b>29,21,89.06</b>	<b>27,87,19.22</b>
<b>Goodwill on consolidation</b>	20,45,40.26	20,72,59.08
<b>Fixed assets</b>	2,28,53.24	1,83,80.28
<b>Investments</b>	1,32,93.39	1,00,53.08
<b>Deferred tax asset, net</b>	-	5,50.48
<b>Current assets, loans and advances</b>		
Sundry debtors	2,38,87.28	2,61,05.78
Unbilled receivables	1,03,66.56	67,30.41
Cash and bank balances	3,24,61.74	1,21,75.12
Loans and advances	1,68,54.11	1,77,48.97
<b>Less: Current liabilities and provisions</b>		
Current liabilities	2,74,23.58	1,69,09.99
Provisions	46,43.94	33,73.99
<b>Net current assets</b>	5,15,02.17	4,24,76.30
	<b>29,21,89.06</b>	<b>27,87,19.22</b>

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

**SEGMENT REPORTING**

Particulars	Quarter ended March 31,		Year ended March 31,	
	2011 (Audited)	2010 (Audited)	2011 (Audited)	2010 (Audited)
<b>Segment Revenue</b>				
a) UK	1,80,03.50	1,35,49.29	6,14,53.22	5,27,62.73
b) USA and Canada	2,93,92.35	3,06,32.49	11,52,91.96	11,80,88.39
c) India	60,75.93	54,93.83	2,22,54.02	2,31,71.44
d) Rest of the world	5,58.68	4,03.88	21,02.63	13,68.48
<b>Total</b>	<b>5,40,30.46</b>	<b>5,00,79.49</b>	<b>20,11,01.83</b>	<b>19,53,91.04</b>
Less: Inter Segment Revenue	-	-	-	-
<b>Net Segment Revenue</b>	<b>5,40,30.46</b>	<b>5,00,79.49</b>	<b>20,11,01.83</b>	<b>19,53,91.04</b>
<b>Segment results before taxation and interest</b>				
a) UK	52,93.45	38,87.42	1,80,65.53	1,69,40.44
b) USA and Canada	39,82.36	30,41.69	1,66,96.28	1,23,81.57
c) India	5,37.49	6,81.28	16,62.69	25,75.20
d) Rest of the world	1,89.96	1,07.47	8,46.65	4,89.95
<b>Total</b>	<b>100,03.26</b>	<b>77,17.86</b>	<b>3,72,71.15</b>	<b>3,23,87.16</b>
i) Finance charges, net	(7,34.17)	(10,86.61)	(33,00.54)	(45,58.42)
ii) Other unallocable expenditure net of unallocable Income	(43,70.72)	(25,58.91)	(1,64,40.45)	(1,18,00.53)
<b>Profit before taxation and minority interest</b>	<b>48,98.37</b>	<b>40,72.34</b>	<b>1,75,30.16</b>	<b>1,60,28.21</b>
<b>Capital Employed</b>				
a) UK			1,12,68.49	1,23,18.98
b) USA and Canada			1,81,22.72	1,61,85.72
c) India			46,37.87	40,40.94
d) Rest of the world			2,24.76	2,90.55
e) Unallocated			25,79,35.22	24,58,83.03
			<b>29,21,89.06</b>	<b>27,87,19.22</b>

**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 organised 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 of debtors and unbilled receivables, classified by 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

Mumbai , India  
April 27, 2011

**A.M.Vallance**  
Managing Director and CEO