

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
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(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 :

- 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).
- 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.
- 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).
- 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

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

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

Particulars	As at March 31,	
	2016	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		Year ended		
	March 31	December 31	March 31	March 31	March 31
	2016	2015	2015	2016	2015
	(Audited)	(Audited)	(Audited)	(Audited)	(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

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

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(Rs. in millions, except per share data)

Particulars	Quarter ended			Year ended	
	March 31	December 31	March 31	March 31	March 31
	2016	2015	2015	2016	2015
	(Audited)	(Audited)	(Audited)	(Audited)	(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 expenses	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.

5. Statement of assets and liabilities (Audited)		
Particulars	As at	
	March, 31	March, 31
	2016	2015
<u>EQUITIES AND LIABILITIES</u>		
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
<u>ASSETS</u>		
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

Kolkata, India
May 12, 2016

Rajesh Subramaniam
Managing Director and CEO