

4<sup>th</sup> May 2023

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: Declaration of Audited Standalone and Consolidated financial results for the quarter and financial year ended 31<sup>st</sup> March 2023 (Q4 FY2022-23) and Outcome of the Board Meeting**

We wish to inform you that the Board of Directors of the Company at their meeting held today i.e. 4<sup>th</sup> May 2023, inter-alia approved the Audited Standalone and Consolidated Financial Results for the quarter and Financial year ended 31<sup>st</sup> March 2023, copies of which are enclosed herewith along with the Auditors' Reports thereon and the Press release relating to the financial results.

The Meeting commenced at 11.00 a.m. and concluded at 12.30 p.m.

We request you to take the above on record.

Thanking you,

For **Firstsource Solutions Limited**

**Pooja Nambiar**  
**Company Secretary**  
**Encl.: A/a**

~~Firstsource Solutions Ltd.~~

~~5th Floor, Paradigm 'B' Wing, Mindspace, Link Road, Malad (West), Mumbai - 400 064 India.  
Tel: +91 (22) 6666 0888 | Fax: +91 (22) 6666 08887 | Web: www.firstsource.com~~

(CIN: L64202MH2001PLC134147)

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF QUARTERLY AND ANNUAL  
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
FIRSTSOURCE SOLUTIONS LIMITED**

**Opinion**

We have audited the Consolidated Financial Results for the quarter and year ended 31 March 2023 included in the accompanying 'Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2023 of **FIRSTSOURCE SOLUTIONS LIMITED** (the 'Company') and its subsidiaries (the Company and its subsidiaries together referred to as the 'Group'), and its share of the net profit after tax and total comprehensive income of its associate for the quarter and year ended 31 March 2023 (the 'Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the unaudited financial information of the associate referred to in Other Matters section below, the Consolidated Financial Results for the quarter and year ended 31 March 2023:

(i) includes the results of the following entities:

**Subsidiaries:**

1. Firstsource Group USA, Inc.
2. Firstsource Solutions UK Limited
3. Firstsource Solutions S.A.
4. Firstsource Advantage LLC
5. Firstsource Business Process Services, LLC
6. Firstsource Health Plans and Healthcare Services, LLC (formerly Firstsource Transaction Services LLC ('FTS'))
7. Firstsource Process Management Services Limited
8. Firstsource BPO Ireland Limited
9. Firstsource Dialog Solutions (Private) Limited
10. One Advantage LLC
11. MedAssist Holdings LLC
12. Firstsource Solutions USA, LLC
13. Sourcepoint, Inc.
14. Sourcepoint Fulfillment Services, Inc.
15. PatientMatters LLC

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16. Kramer Technologies, LLC
17. Medical Advocacy Services for Healthcare, Inc.
18. Firstsource Employee Benefit Trust
19. The Stonehill Group, Inc.
20. Firstsource Solutions Mexico, S. de R.L. de C.V
21. American Recovery Services, Inc.
22. Firstsource Solutions Jamaica Limited

### **Associate:**

23. Nanobi Data and Analytics Private Limited

- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, 2015; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ('Ind AS') and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended 31 March 2023.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ('SA's) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in Auditor's Responsibilities for audit of the Consolidated Financial Results for the quarter and year ended 31 March 2023 section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended 31 March 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

### **Management's Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Company's Board of Directors and has been approved by it for the issuance. The Statement has been compiled from the related audited consolidated financial statements for the year ended 31 March 2023. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended 31 March 2023 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associate in accordance with the recognition and measurement principles laid down in the Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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The respective Boards of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Boards of Directors of the companies included in the Group and of its associate, are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associates.

### **Auditor's Responsibilities for audit of the Consolidated Financial Results for the quarter and year ended 31 March 2023**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the quarter and year ended 31 March 2023 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results, entities within the Group and its associate to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the Consolidated Financial Results of which we are the independent auditors. For entities included in the Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

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relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

**Other Matters**

1. The Statement includes the results for the quarter ended 31 March 2023 being the balancing figure between audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the current financial year. Our opinion on the Statement is not modified in respect of this matter.
2. The consolidated financial results also includes the Group's share of profit after tax of ₹Nil million (less than ₹0.01 million) and ₹Nil million (less than ₹0.01 million) for the quarter and year ended 31 March 2023 respectively and total comprehensive income of ₹Nil million (less than ₹0.01 million) and ₹0.01 million (less than ₹0.01 million) for the quarter and year ended 31 March 2023 respectively, as considered in the Statement, in respect of an associate, whose financial information has not been audited by us. The financial information is unaudited and has been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors of the Company, this financial information is not material to the Group.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of Directors of the Company.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**SANJIV V. PILGAONKAR**  
Partner  
(Membership No. 39826)  
(UDIN:23039826BGXRZH2729)

Place: Mumbai  
Date: 4 May 2023

## Firstsource Solutions Limited

### AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

CIN: L64202MH2001PLC134147

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

Tel: + 91 22 66660888, 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	December 31	March 31	March 31	March 31
	2023	2022	2022	2023	2022
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>Income</b>					
Revenue from operations	15,566.30	15,033.11	15,238.78	59,859.27	58,657.40
Other operating income, net	1.94	15.94	200.50	363.91	554.13
Other income, net	126.60	624.67	(3.85)	1,308.50	5.55
<b>Total income</b>	<b>15,694.84</b>	<b>15,673.72</b>	<b>15,435.43</b>	<b>61,531.68</b>	<b>59,217.08</b>
<b>Expenses</b>					
Employee benefits expense	9,690.15	9,860.52	9,844.80	38,674.81	39,467.57
Depreciation and amortization	642.42	687.38	696.75	2,631.70	2,493.73
Finance costs	206.70	197.47	187.61	789.70	639.39
Other expenses	3,436.87	3,091.68	3,146.25	13,283.32	10,145.38
<b>Total expenses</b>	<b>13,976.14</b>	<b>13,837.05</b>	<b>13,875.41</b>	<b>55,379.53</b>	<b>52,746.07</b>
<b>Profit before tax and share in net profit / (loss) of associate</b>	<b>1,718.70</b>	<b>1,836.67</b>	<b>1,560.02</b>	<b>6,152.15</b>	<b>6,471.01</b>
Share in net profit of associate	-	-	-	-	-
<b>Profit before tax</b>	<b>1,718.70</b>	<b>1,836.67</b>	<b>1,560.02</b>	<b>6,152.15</b>	<b>6,471.01</b>
<b>Tax expense</b>					
Current tax	259.35	103.96	137.18	657.63	741.55
Deferred tax	46.33	153.49	98.96	357.40	364.16
<b>Net profit after tax</b>	<b>1,413.02</b>	<b>1,579.22</b>	<b>1,323.88</b>	<b>5,137.12</b>	<b>5,365.30</b>
Other comprehensive income, net of taxes	(108.53)	142.31	291.56	1,281.22	812.24
<b>Total comprehensive income</b>	<b>1,304.49</b>	<b>1,721.53</b>	<b>1,615.44</b>	<b>6,418.34</b>	<b>6,177.54</b>
<b>Profit attributable to:</b>					
Owners of the equity	1,413.04	1,579.23	1,323.94	5,137.20	5,373.74
Non - controlling interest	(0.02)	(0.01)	(0.06)	(0.08)	(8.44)
<b>Total comprehensive income attributable to:</b>	<b>1,413.02</b>	<b>1,579.22</b>	<b>1,323.88</b>	<b>5,137.12</b>	<b>5,365.30</b>
<b>Owners of the equity</b>	<b>1,304.18</b>	<b>1,721.66</b>	<b>1,616.94</b>	<b>6,418.53</b>	<b>6,187.58</b>
Non - controlling interest	0.31	(0.13)	(1.50)	(0.19)	(10.04)
<b>Total comprehensive income attributable to:</b>	<b>1,304.49</b>	<b>1,721.53</b>	<b>1,615.44</b>	<b>6,418.34</b>	<b>6,177.54</b>
Paid-up equity share capital (Face value per share of Rs 10)	6,969.91	6,969.91	6,969.91	6,969.91	6,969.91
Other Equity				26,698.54	23,359.53
Earning per share (Rs) : (Face value per share of Rs 10)					
-Basic	2.07	2.32	1.95	7.55	7.90
-Diluted	2.02	2.25	1.88	7.32	7.62

#### Notes to financial results :

1. Figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited consolidated financial statements in respect of the full years and the audited consolidated condensed interim financial statements for nine months ended December 31, 2022 and December 31, 2021 respectively, which are prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 4, 2023. The statutory auditors have expressed an unmodified audit opinion on these results.

2. Other Income for the quarter ended March 31, 2023 includes Rs 65.82 on account of changes in the fair value of the liabilities for purchase of non-controlling interest.

3. Consolidated statement of cash flows is attached in Annexure I.

#### 4. Standalone Information (Audited)

(Rs in millions)

Particulars	Quarter ended			Year ended	
	March 31	December 31	March 31	March 31	March 31
	2023	2022	2022	2023	2022
Total income	3,507.35	3,363.81	3,869.25	14,094.44	16,227.56
Net profit before taxation	803.81	716.42	919.49	3,110.55	4,533.58
Net profit after taxation and before other comprehensive income	593.61	568.58	805.06	2,483.42	3,875.89

## Firstsource Solutions Limited

**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023**

### 5. Statement of assets and liabilities (Audited)

(Rs in millions)

Particulars	As at	As at
	March 31	March 31
	2023	2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,739.26	2,284.73
Capital work-in-progress	34.24	-
Right-of-use assets	4,958.29	6,757.79
Goodwill on consolidation	29,449.76	27,207.95
Other Intangible assets	1,015.09	1,185.94
Intangible assets under development	-	29.34
Investment in associates accounted for using the equity method	0.07	0.07
<b>Financial assets</b>		
Investments	115.59	114.58
Other financial assets	488.40	529.01
Deferred tax assets	2,948.06	2,817.84
Income tax assets (net)	786.49	794.10
Others non-current assets	1,025.95	1,153.86
<b>Total non-current assets</b>	<b>42,561.20</b>	<b>42,875.21</b>
<b>Current assets</b>		
<b>Financial assets</b>		
Investments	595.50	1,185.38
Trade receivables		
- Billed	6,800.47	6,446.25
- Unbilled	3,584.40	3,159.06
Cash and cash equivalents	1,515.40	828.20
Other balances with banks	40.14	70.14
Other financial assets	39.80	536.21
Other current assets	1,506.78	1,986.46
<b>Total current assets</b>	<b>14,082.49</b>	<b>14,211.70</b>
<b>Total assets</b>	<b>56,643.69</b>	<b>57,086.91</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	6,969.91	6,969.91
Other equity	26,698.54	23,359.53
<b>Total equity attributable to equity holders of the Company</b>	<b>33,668.45</b>	<b>30,329.44</b>
Non - controlling interest	3.50	3.69
<b>Total equity</b>	<b>33,671.95</b>	<b>30,333.13</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Long term borrowings	1,393.66	2,733.02
Lease liabilities	4,467.15	6,253.53
Other financial liabilities	181.38	1,321.54
Provisions	137.03	137.46
Deferred tax liabilities	1,195.98	959.02
<b>Total non-current liabilities</b>	<b>7,375.20</b>	<b>11,404.57</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	6,876.10	7,363.60
Trade payables	2,314.46	1,780.59
Lease liabilities	1,194.69	1,486.89
Other financial liabilities	3,555.99	3,346.45
Other current liabilities	828.87	838.31
Provisions	826.43	527.47
Provision for income tax (net)	-	5.90
<b>Total current liabilities</b>	<b>15,596.54</b>	<b>15,349.21</b>
<b>Total equity and liabilities</b>	<b>56,643.69</b>	<b>57,086.91</b>



## Firstsource Solutions Limited

### AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

#### 6. Segment Reporting - Consolidated audited

(Rs in millions)

Particulars	Quarter ended			Year ended	
	March 31	December 31	March 31	March 31	March 31
	2023	2022	2022	2023	2022
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>Segment revenue</b>					
a) Banking and Financial Services	6,275.08	6,259.64	7,462.51	25,652.81	29,020.16
b) Healthcare	5,174.70	5,137.51	4,614.27	20,063.14	17,141.46
c) Communication, Media and Technology	3,470.23	3,286.87	2,904.93	12,644.53	11,406.94
d) Diverse Industries	646.29	349.09	257.07	1,498.79	1,088.84
<b>Total</b>	<b>15,566.30</b>	<b>15,033.11</b>	<b>15,238.78</b>	<b>59,859.27</b>	<b>58,657.40</b>
Less: Inter-segment revenue	-	-	-	-	-
<b>Net segment revenue</b>	<b>15,566.30</b>	<b>15,033.11</b>	<b>15,238.78</b>	<b>59,859.27</b>	<b>58,657.40</b>
<b>Segment results before tax and finance costs</b>					
a) Banking and Financial Services	665.18	476.24	1,000.23	2,477.39	5,074.52
b) Healthcare	983.29	928.62	1,070.41	3,537.03	3,060.93
c) Communication, Media and Technology	711.15	604.79	516.18	2,312.97	1,850.96
d) Diverse Industries	128.46	61.63	8.57	253.97	43.79
<b>Total</b>	<b>2,488.08</b>	<b>2,071.28</b>	<b>2,595.39</b>	<b>8,581.36</b>	<b>10,030.20</b>
i) Finance costs	(206.70)	(197.47)	(187.61)	(789.70)	(639.39)
ii) Other unallocable expenditure net of unallocable income	(562.68)	(37.14)	(847.76)	(1,639.51)	(2,919.80)
iii) Share in net profit / (loss) of associate	-	-	-	-	-
<b>Profit before tax and other comprehensive income</b>	<b>1,718.70</b>	<b>1,836.67</b>	<b>1,560.02</b>	<b>6,152.15</b>	<b>6,471.01</b>

#### Note on segment information

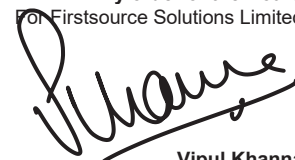
##### Business segments

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker ('CODM'), in deciding how to allocate resources and in assessing performance. Operating segments are identified based on the internal organization at the Balance Sheet date. With the objective of internal financial reporting and decision making of the Group, the CODM has reviewed the manner in which the Group views the business risks and returns and monitors its operations. Accordingly, the group has identified business segment which comprises of Banking and Financial Services, Healthcare, Communication, Media and Technology and Diverse Industries.

Revenues and expenses directly attributable to the segments are reported under each reportable segment. The accounting principles used in the preparation of the segment information are consistently applied to record revenue and expenditure in individual business segments.

Assets and liabilities used in the Group's business are not directly identified to any of the operating segments, as these are used interchangeably between segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence assets and liabilities have not been identified to any of the reportable segments by the Group.

By order of the Board  
of Firstsource Solutions Limited



**Vipul Khanna**

Managing Director and CEO

Mumbai, India  
May 4, 2023

# Firstsource Solutions Limited

## Consolidated statement of cash flows (Audited)

Annexure I

(Rs in millions)

Particulars	Year ended	
	March 31 2023	March 31 2022
<b><u>Cash flow from operating activities</u></b>		
Net profit before taxation and non controlling interest	6,152.15	6,471.01
Adjustments for		
Depreciation and amortization	2,631.70	2,493.73
Allowance for expected credit loss/ bad debts written-off, net	185.36	77.95
Loss on sale of property, plant and equipment, net	7.20	3.10
Foreign exchange (gain), net unrealized	(51.44)	(105.16)
Finance costs	789.70	639.39
Interest income	(10.34)	(4.74)
Adoption of amendment to Ind AS 37	(758.51)	-
Profit on sale/redemption of investments	(47.54)	(30.37)
Fair value and other adjustments, net	(1,285.03)	-
Employee stock compensation expense	227.92	320.00
<b>Operating cash flow before changes in working capital</b>	<b>7,841.17</b>	<b>9,864.91</b>
<b>Changes in working capital</b>		
Decrease in trade receivables	(964.92)	(457.28)
Decrease / (increase) in loans and advances and other assets	708.07	(22.39)
Increase / (decrease) in liabilities and provisions	1,021.83	(1,404.80)
<b>Net changes in working capital</b>	<b>764.98</b>	<b>(1,884.47)</b>
Income taxes paid	(655.92)	(944.86)
<b>Net cash generated from operating activities (A)</b>	<b>7,950.23</b>	<b>7,035.58</b>
<b><u>Cash flow from investing activities</u></b>		
Purchase of current investments	(14,556.92)	(16,021.71)
Proceeds from sale of current investments	15,194.34	15,694.40
Payment towards acquisition of business	-	(5,067.14)
Interest income received	10.34	4.74
Purchase of property, plant and equipment	(536.22)	(850.30)
Proceeds from sale of property, plant and equipment	21.99	121.27
Capital advance refunded	-	185.92
Earmarked balances with banks	30.00	(12.96)
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>163.53</b>	<b>(5,945.78)</b>
<b><u>Cash flow from financing activities</u></b>		
(Repayment) / Proceeds from short term borrowings	(1,976.69)	2,442.74
Proceeds from long term borrowings	50.49	3,008.05
Repayment of long term borrowings	(424.96)	(1,546.16)
Interest paid	(787.42)	(580.44)
Purchase of treasury shares, net	(139.58)	(462.66)
Purchase of Non-controlling Interest in a subsidiary	(276.40)	(887.28)
Repayment of lease liabilities	(1,494.81)	(1,169.90)
Dividend paid, net	(2,384.45)	(2,383.96)
<b>Net cash used in financing activities (C)</b>	<b>(7,433.82)</b>	<b>(1,579.61)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>679.94</b>	<b>(489.81)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>828.20</b>	<b>1,316.16</b>
<b>Foreign exchange gain on translating Cash and cash equivalents</b>	<b>7.26</b>	<b>1.85</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,515.40</b>	<b>828.20</b>

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF QUARTERLY AND ANNUAL  
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
FIRSTSOURCE SOLUTIONS LIMITED**

**Opinion**

We have audited the Standalone Financial Results for the quarter and year ended 31 March 2023 ('Standalone Financial Results') included in the accompanying 'Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023 of **FIRSTSOURCE SOLUTIONS LIMITED** (the 'Company'), (the 'Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the quarter and year ended 31 March 2023:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year ended 31 March 2023.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ('SA's) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in Auditor's Responsibilities for Audit of the Standalone Financial Results for the quarter and year ended 31 March 2023 section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended 31 March 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities for the Statement**

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by it for the issuance. The Statement

## **Deloitte Haskins & Sells LLP**

has been compiled from the related audited standalone financial statements for the year ended 31 March 2023. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended 31 March 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for audit of the Standalone Financial Results for the quarter and year ended 31 March 2023**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the quarter and year ended 31 March 2023 as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

## **Deloitte Haskins & Sells LLP**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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**Deloitte  
Haskins & Sells LLP**

**Other Matters**

The Statement includes the results for the Quarter ended 31 March 2023 being the balancing figure between audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the current financial year. Our opinion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**SANJIV V. PILGAONKAR**  
Partner  
(Membership No. 39826)  
(UDIN:23039826BGXRZI1401)

Place: Mumbai  
Date: 4 May 2023

## Firstsource Solutions Limited

### AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

CIN: L64202MH2001PLC134147

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

Tel: + 91 22 66660888 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	December 31	March 31	March 31	March 31
	2023	2022	2022	2023	2022
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>Income</b>					
Revenue from operations	3,414.54	3,298.81	3,576.62	13,424.77	15,356.00
Other operating income, net	(30.30)	(25.73)	212.92	332.23	564.06
Other income, net	123.11	90.73	79.71	337.44	307.50
<b>Total income</b>	<b>3,507.35</b>	<b>3,363.81</b>	<b>3,869.25</b>	<b>14,094.44</b>	<b>16,227.56</b>
<b>Expenses</b>					
Employee benefits expense	1,730.19	1,732.25	1,993.97	7,121.33	8,000.45
Depreciation and amortization	210.73	220.65	217.01	888.38	881.98
Finance costs	28.26	35.05	43.88	149.41	200.68
Other expenses	734.36	659.44	694.90	2,824.77	2,610.87
<b>Total expenses</b>	<b>2,703.54</b>	<b>2,647.39</b>	<b>2,949.76</b>	<b>10,983.89</b>	<b>11,693.98</b>
<b>Profit before tax</b>	<b>803.81</b>	<b>716.42</b>	<b>919.49</b>	<b>3,110.55</b>	<b>4,533.58</b>
<b>Tax expense</b>					
Current tax	175.84	135.05	170.18	564.66	747.86
Deferred tax	34.36	12.79	(55.75)	62.47	(90.17)
<b>Net profit after tax</b>	<b>593.61</b>	<b>568.58</b>	<b>805.06</b>	<b>2,483.42</b>	<b>3,875.89</b>
Other comprehensive income, net of taxes	72.04	(134.05)	(65.75)	(342.04)	128.26
<b>Total comprehensive income</b>	<b>665.65</b>	<b>434.53</b>	<b>739.31</b>	<b>2,141.38</b>	<b>4,004.15</b>
<b>Paid-up equity share capital (Face value per share of Rs 10)</b>	<b>6,969.91</b>	<b>6,969.91</b>	<b>6,969.91</b>	<b>6,969.91</b>	<b>6,969.91</b>
<b>Other equity</b>				<b>16,073.61</b>	<b>16,228.34</b>
<b>Earning per share (Rs): (Face value per share of Rs 10)</b>					
-Basic	0.87	0.84	1.18	3.65	5.70
-Diluted	0.85	0.81	1.14	3.54	5.49

#### Notes to financial results :

1. Figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited standalone financial statements in respect of the full years and the audited standalone condensed interim financial statements for nine months ended December 31, 2022 and December 31, 2021 respectively, which are prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 4, 2023. The statutory auditors have expressed an unmodified audit opinion on these results.

2. As per Ind AS 108 - Operating Segment ('Ind AS 108'), if a financial report contains both consolidated financial statements of a parent that is within the scope of this Ind AS as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS 108 - Operating Segment has been given in the consolidated financial results.

3. Standalone statement of cash flows is attached in Annexure I.

## Firstsource Solutions Limited

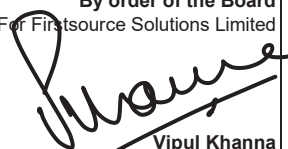
AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

### 4. Statement of Assets and liabilities (Audited)

(Rs in millions)

Particulars	As at	As at
	March 31	March 31
	2023	2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	713.75	907.44
Capital work-in-progress	34.24	-
Right-of-use assets	1,221.98	2,072.98
Goodwill	40.14	40.14
Other Intangible assets	104.57	106.31
<b>Financial assets</b>		
Investments	12,323.62	12,208.50
Other financial assets	335.17	436.72
Other non-current assets	40.04	113.41
Deferred tax assets (net)	2,804.66	2,791.57
Income tax assets (net)	762.10	739.11
<b>Total non-current assets</b>	<b>18,380.27</b>	<b>19,416.18</b>
<b>Current assets</b>		
<b>Financial assets</b>		
Investments	560.48	1,151.86
Trade receivables		
- Billed	6,177.26	5,172.44
- Unbilled	197.33	196.30
Cash and cash equivalents	174.61	189.23
Other balances with banks	40.14	70.14
Other financial assets	38.07	527.55
Other current assets	623.82	757.91
<b>Total current assets</b>	<b>7,811.71</b>	<b>8,065.43</b>
<b>Total assets</b>	<b>26,191.98</b>	<b>27,481.61</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	6,969.91	6,969.91
Other equity	16,073.61	16,228.34
<b>Total equity</b>	<b>23,043.52</b>	<b>23,198.25</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Long term borrowings	37.85	42.39
Lease liabilities	1,127.36	1,998.69
Other financial liabilities	32.32	-
Provisions for employee benefits	137.03	137.46
<b>Total non-current liabilities</b>	<b>1,334.56</b>	<b>2,178.54</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	43.85	72.72
Trade payables	528.30	465.99
Lease liabilities	369.79	538.92
Other financial liabilities	640.03	775.13
Provisions for employee benefits	116.25	136.92
Other current liabilities	115.68	109.24
Provision for income tax (net)	-	5.90
<b>Total current liabilities</b>	<b>1,813.90</b>	<b>2,104.82</b>
<b>Total equity and liabilities</b>	<b>26,191.98</b>	<b>27,481.61</b>

By order of the Board  
For Firstsource Solutions Limited

  
Vipul Khanna  
Managing Director and CEO

Mumbai, India  
May 4, 2023



# Firstsource Solutions Limited

Standalone Statement of cash flows (Audited)

Annexure I

(Rs in millions)

Particulars	For the year ended	
	March 31	March 31
	2023	2022
<b><u>Cash flow from operating activities</u></b>		
<b>Net Profit before taxation</b>	<b>3,110.55</b>	<b>4,533.58</b>
<b>Adjustments for</b>		
Depreciation and amortization	888.38	881.98
Allowance for expected credit loss / bad debt written off, net	5.12	-
Loss on sale of Property Plant and Equipment	(3.12)	2.64
Foreign exchange gain, net unrealised	(183.11)	(27.13)
Finance costs	149.41	200.68
Interest income	(10.18)	(4.42)
Profit on sale / redemption of investments	(45.63)	(29.26)
Employee stock compensation expense	59.07	130.69
<b>Operating cash flow before changes in working capital</b>	<b>3,970.49</b>	<b>5,688.76</b>
<b>Changes in working capital</b>		
(Increase) / decrease in trade receivables	(985.91)	4.66
Decrease / (increase) in loans and advances and other assets	457.61	(335.77)
Decrease in liabilities and provisions	(146.73)	(209.77)
<b>Net changes in working capital</b>	<b>(675.03)</b>	<b>(540.88)</b>
Income taxes paid	(593.55)	(991.01)
<b>Net cash generated from operating activities (A)</b>	<b>2,701.91</b>	<b>4,156.87</b>
<b><u>Cash flow from investing activities</u></b>		
Purchase of current investments	(14,521.92)	(14,838.15)
Proceeds from sale of current investments	15,158.93	14,510.75
Interest income received	10.18	4.42
Purchase of property plant and equipment	(222.79)	(378.55)
Proceeds from sale of property plant and equipment	16.98	26.68
Earmarked funds placed with banks	30.00	(12.96)
Capital advance refunded	-	185.92
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>471.38</b>	<b>(501.89)</b>
<b><u>Cash flow from financing activities</u></b>		
Proceeds from long term borrowings	50.49	29.55
Repayment of long term borrowings	(83.90)	(76.84)
Interest paid	(149.41)	(200.68)
Purchase of treasury shares, net	(139.58)	(462.66)
Repayment of lease liabilities	(483.17)	(467.14)
Dividend paid, net	(2,384.45)	(2,383.96)
<b>Net cash used in financing activities (C)</b>	<b>(3,190.02)</b>	<b>(3,561.73)</b>
<b>Net (decrease) / increase in cash and cash equivalents at the end of the year (A+B+C)</b>	<b>(16.73)</b>	<b>93.25</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>189.23</b>	<b>99.21</b>
<b>Foreign exchange gain / (loss) on translating Cash and cash equivalents</b>	<b>2.11</b>	<b>(3.23)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>174.61</b>	<b>189.23</b>

## Firstsource Solutions Reports Fourth Quarter and Full Year Fiscal 2023 Results

**Mumbai, May 4, 2023:** Firstsource Solutions Limited (NSE: FSL, BSE:532809), a global provider of Business Process Management (BPM) services and an RP-Sanjiv Goenka Group company, reported its consolidated financial results for the quarter and fiscal year ended March 31, 2023, according to IndAS.

### **Financial Highlights for Quarter Ended March 31, 2023:**

- Revenues at ₹ 15,568 million or US\$ 190 million, growth of 0.8% YoY and (2.8%) YoY in CC
- Operating Margin (OM) at ₹ 1,799 million or 11.6% of revenues
- Profit After Tax (PAT) at ₹ 1,413 million or 9.1% of revenues
- Diluted Earnings Per Share (EPS) of ₹ 2.02

### **Financial Highlights for Fiscal Year Ended March 31, 2023:**

- Revenues at ₹ 60,223 million or US\$ 750 million, growth of 1.7% and (1.1%) in CC
- Operating Margin (OM) at ₹ 5,633 million or 9.4% of revenues
- Profit After Tax (PAT) at ₹ 5,137 million or 8.5% of revenues
- Diluted Earnings Per Share (EPS) of ₹ 7.32
- 23,018 employees as of March 31, 2023

**Dr. Sanjiv Goenka, Chairman - RPSG Group and Firstsource Solutions, commented,** “The fourth quarter results of Firstsource are in line with our expectation. Our primary focus this year was to diversify our business and reduce dependence on macro-economic conditions, continue to build our digital offerings, and fuel the subsequent phase of our expansion. Despite the challenging business environment, we have used this year to extend capabilities into adjacent areas, expand our client base across diverse portfolios, and significantly strengthen our existing key accounts.”

### **Key Business Highlights:**

In this quarter we successfully acquired 9 new clients, while meaningfully strengthening our strategic partnerships.

- Notwithstanding the tough conditions in the mortgage market, the rest of our BFS portfolio grew strongly. Our Collections business added six clients during Q4, while our UK BFS business continued growing steadily with increasing demand for digital and offshore solutions.
- The Healthcare business also grew steadily. We added one new HPHS client this quarter and continued to scale our wins this year on the Digital Intake platform. Our offshore build strategy is already yielding significant results, with recent wins aligned to offshore growth. The Healthcare Provider market is awaiting the impending wind down of the US Public Health Emergency program and we expect growth to pick up in the coming year.
- We experienced good expansion in our Communications, Media, and Technology divisions, especially our US CMT business. Our EdTech offering, which prioritizes enhancing the learner experience, gained traction and we launched our Data Integrity practice for the Tech industry.
- We made considerable progress in our Diverse portfolio and added two new clients out of Europe in the quarter; while strengthening our existing client relationships significantly.
- Our delivery footprint expanded to include Cape Town, South Africa adding optionality for our Europe clients.
- We were:
  - Named as ‘Disruptor’ in HFS Horizons for The Best Service Providers for Retail Banks, 2023.
  - Included in Bloomberg Gender-Equality Index 2022.
  - Recognized as Level 3 Disability Confident Leader in the UK.

**About Firstsource:**

Firstsource Solutions Limited, an RP-Sanjiv Goenka Group company (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL:IN), is a leading provider of transformational solutions and services spanning the customer lifecycle across Healthcare, Banking and Financial Services, Communications, Media and Technology, and other industries. The Company's 'Digital First, Digital Now' approach helps organizations reinvent operations and reimagine business models, enabling them to deliver moments that matter and build competitive advantage. With an established presence in the US, the UK, Mexico, India, and the Philippines, Firstsource acts as a trusted growth partner for over 150 leading global brands, including several Fortune 500 and FTSE 100 companies. ([www.firstsource.com](http://www.firstsource.com))

**Media Contact**

[Madhavi.Behl@firstsource.com](mailto:Madhavi.Behl@firstsource.com)

**Investors Contact**

[Ankur.Maheshwari@firstsource.com](mailto:Ankur.Maheshwari@firstsource.com)

4<sup>th</sup> May 2023

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: Declaration under Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 read with SEBI circular CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May 2016**

We hereby declare that as mentioned under the Independent Auditor's Report dated 4<sup>th</sup> May 2023 for Consolidated and Standalone Financial Results respectively for the quarter and financial year ended 31<sup>st</sup> March 2023 are with unmodified opinion.

Please take the same on your record.

Thanking you,

For **Firstsource Solutions Limited**

**Pooja Nambiar  
Company Secretary**

Firstsource Solutions Ltd.

5th Floor, Paradigm 'B' Wing, Mindspace, Link Road, Malad (West), Mumbai - 400 064 India.

Tel: +91 (22) 6666 0888 | Fax: +91 (22) 6666 08887 | Web: www.firstsource.com

(CIN: L64202MH2001PLC134147)