

26th May 2020

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 31st March 2020 (Q4 FY2019-20) and Outcome of Board Meeting

We wish to inform you that the Board of Directors of the Company has, at their meeting held today i.e. 26th May 2020, has decided the following:

1. To consider, the Audited Standalone and Consolidated financial Results for the quarter and financial year ended 31st March 2020, 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.

The Meeting commenced at 11.30 a.m. and concluded at 01.00 p.m.

We request you to take the above on record.

Thanking you,

For **Firstsource Solutions Limited**

Pooja Nambiar
Company Secretary & Compliance Officer

Encl.: A/a

FIRSTSOURCE SOLUTIONS LTD.,

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

**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 2020 included in the accompanying 'Statement of Audit Consolidated Financial Results for the Quarter and Year Ended 31 March 2020' 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 2020 (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, and based on the consideration of the audit reports of the other auditor on separate financial statements of the associate referred to in Other Matters section below, the Consolidated Financial Results for the quarter and year ended 31 March 2020:

(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 Transaction Services LLC
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. ISGN Fulfillment Agency, LLC (upto 24 June 2019)
16. Firstsource Employee Benefit Trust

Associate:

17. Nanobi Data and Analytics Private Limited



Deloitte Haskins & Sells LLP

- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) 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 consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended 31 March 2020.

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 2020 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 2020 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 and the audit evidence obtained other auditors in terms of their reports referred to in Other Matters section below, 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 them for the issuance. The Statement has been compiled from the related audited consolidated financial statements for the year ended 31 March 2020. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended 31 March 2020 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 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.

The respective Board 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 Board 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 Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board 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 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the quarter and year ended 31 March 2020 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.
- 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 associate 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 the entity included in the Annual Consolidated Financial Results, which have been audited by the other auditor, such other auditor remains 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

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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 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

The consolidated financial results also includes the Group's share of profit after tax of ₹ Nil million (less than ₹ 0.01 million) and ₹0.01 million for the quarter and year ended 31 March 2020 respectively and Total comprehensive income of ₹Nil million (Less than ₹ 0.01 million) and ₹0.01 million for the quarter and year ended 31 March 2020 respectively, as considered in the Statement, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited, by other auditor whose report 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 the report of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

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



Sanjiv V. Pilgaonkar
Partner
(Membership No.39826)
(UDIN: 20039826AAAACP8308)

Mumbai, 26 May 2020

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

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 | December 31 | March 31 | March 31 | March 31 |
| | 2020 | 2019 | 2019 | 2020 | 2019 |
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| Income | | | | | |
| Revenue from operations | 10,672.63 | 10,445.84 | 9,642.15 | 40,501.92 | 37,867.07 |
| Other operating income, net | 131.85 | 88.94 | 29.67 | 484.22 | 395.70 |
| Other income | 5.94 | 12.36 | 10.10 | 88.43 | 38.87 |
| Total income | 10,810.42 | 10,547.14 | 9,681.92 | 41,074.57 | 38,301.64 |
| Expenses | | | | | |
| Employee benefits expense | 7,349.80 | 7,052.70 | 6,344.27 | 27,735.33 | 25,572.59 |
| Depreciation and amortisation | 473.72 | 484.31 | 189.66 | 1,852.00 | 744.35 |
| Finance costs | 142.47 | 158.61 | 92.20 | 583.21 | 290.00 |
| Other expenses | 1,813.43 | 1,815.73 | 1,943.38 | 6,961.93 | 7,335.51 |
| Total expenses | 9,779.42 | 9,511.35 | 8,569.51 | 37,132.47 | 33,942.45 |
| Profit before tax and share in net profit / (loss) of associate | 1,031.00 | 1,035.79 | 1,112.41 | 3,942.10 | 4,359.19 |
| Share in net profit / (loss) of associate | - | - | - | 0.01 | (0.01) |
| Profit before tax | 1,031.00 | 1,035.79 | 1,112.41 | 3,942.11 | 4,359.18 |
| Tax expense | | | | | |
| Current tax | 28.55 | 112.73 | 3.83 | 282.35 | 343.63 |
| Deferred tax | 86.67 | 27.64 | 126.13 | 262.91 | 237.78 |
| Net profit after tax | 915.78 | 895.42 | 982.45 | 3,396.85 | 3,777.77 |
| Other comprehensive income, net of taxes | 1,170.69 | (249.91) | 21.70 | 1,190.47 | 967.01 |
| Total comprehensive income | 2,086.47 | 645.51 | 1,004.15 | 4,587.32 | 4,744.78 |
| Profit attributable to: | | | | | |
| Owners of the equity | 915.77 | 895.40 | 982.43 | 3,396.86 | 3,777.86 |
| Non - controlling interest | 0.01 | 0.02 | 0.02 | (0.01) | (0.09) |
| Total comprehensive income attributable to: | 915.78 | 895.42 | 982.45 | 3,396.85 | 3,777.77 |
| Owners of the equity | 2,086.41 | 645.41 | 1,003.90 | 4,587.33 | 4,745.45 |
| Non - controlling interest | 0.06 | 0.10 | 0.25 | (0.01) | (0.67) |
| Total comprehensive income attributable to: | 2,086.47 | 645.51 | 1,004.15 | 4,587.32 | 4,744.78 |
| Paid-up equity share capital (Face value per share of Rs 10) | 6,938.27 | 6,935.70 | 6,910.65 | 6,938.27 | 6,910.65 |
| Other Equity | - | - | - | 20,715.55 | 20,296.61 |
| Earning per share (Rs) : (Face value per share of Rs 10) | | | | | |
| -Basic | 1.32 | 1.29 | 1.42 | 4.90 | 5.48 |
| -Diluted | 1.31 | 1.29 | 1.42 | 4.89 | 5.45 |

Notes to financial results :

- The audited consolidated financial statements for the quarter and year ended March 31, 2020 have been taken on record by the Board of Directors at its meeting held on May 26, 2020. The statutory auditors have expressed an unmodified audit opinion. The information presented above is extracted from the audited consolidated financial statements. These financial statements are prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- During the year ended March 31, 2020, 2,761,750 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- Estimation of uncertainties relating to the global health pandemic from COVID-19:
The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered, net of provisions established.
- Effective April 1, 2019 (date of initial application), the Group has adopted the Indian Accounting Standard 116 on Leases (Ind AS 116), notified by the Ministry of Corporate Affairs, which replaces the existing lease standard Indian Accounting Standard 17 on Leases (Ind AS 17). The Group has applied the standard to all lease contracts existing on April 1, 2019 retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to Retained Earnings at the date of initial application.
- Consolidated statement of cash flows is attached in Annexure I.



Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(Rs in millions)

6. Standalone Information (Audited)

| Particulars | Quarter ended | | | Year ended | |
|---|---------------|-------------|----------|------------|----------|
| | March 31 | December 31 | March 31 | March 31 | March 31 |
| | 2020 | 2019 | 2019 | 2020 | 2019 |
| Total income | 2,677.36 | 2,654.70 | 2,357.75 | 9,707.12 | 8,300.29 |
| Net profit before taxation | 610.81 | 621.65 | 709.02 | 2,119.92 | 2,228.73 |
| Net profit after taxation and before other comprehensive income | 510.00 | 524.38 | 659.86 | 1,820.15 | 1,990.21 |

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

(Rs in millions)

| Particulars | As at | As at |
|---|------------------|------------------|
| | March 31 | March 31 |
| | 2020 | 2019 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 1,411.73 | 1,143.16 |
| Capital work-in-progress | - | 20.20 |
| Right-of-use assets | 4,472.92 | - |
| Goodwill on consolidation | 22,323.56 | 20,451.72 |
| Other Intangible assets | 500.35 | 632.07 |
| Investment in associates accounted for using the equity method | 0.07 | 0.06 |
| Financial assets | | |
| Investments | 122.09 | 121.59 |
| Other financial assets | 724.71 | 718.79 |
| Deferred tax assets | 2,511.30 | 2,314.68 |
| Income tax assets (net) | 783.64 | 776.51 |
| Others non-current assets | 1,976.90 | 2,068.98 |
| Total non-current assets | 34,827.27 | 28,247.76 |
| Current assets | | |
| Financial assets | | |
| Investments | - | 1,217.50 |
| Trade receivables | 5,567.18 | 3,871.89 |
| Cash and cash equivalents | 1,907.49 | 473.84 |
| Other financial assets | 2,158.28 | 1,707.08 |
| Other current assets | 1,410.29 | 1,239.40 |
| Total current assets | 11,043.24 | 8,509.71 |
| Total assets | 45,870.51 | 36,757.47 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 6,938.27 | 6,910.65 |
| Other equity | 20,715.55 | 20,296.61 |
| Total equity attributable to equity holders of the Company | 27,653.82 | 27,207.26 |
| Non - controlling interest | 5.88 | 5.89 |
| Total equity | 27,659.70 | 27,213.15 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Long term borrowings | 27.76 | 69.48 |
| Lease liabilities | 4,053.38 | - |
| Provisions for employee benefits | 85.88 | 67.55 |
| Deferred tax liabilities | 734.95 | 460.70 |
| Total non-current liabilities | 4,901.97 | 597.73 |
| Current liabilities | | |
| Financial liabilities | | |
| Short-term and other borrowings | 8,341.42 | 5,389.86 |
| Trade payables | 952.81 | 901.75 |
| Lease liabilities | 1,069.77 | - |
| Other financial liabilities | 1,964.52 | 1,532.91 |
| Other current liabilities | 519.54 | 515.37 |
| Provisions for employee benefits | 401.40 | 384.07 |
| Provision for tax (net) | 59.38 | 222.63 |
| Total current liabilities | 13,308.84 | 8,946.59 |
| Total equity and liabilities | 45,870.51 | 36,757.47 |



Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

8. Segment Reporting - Consolidated audited

(Rs in millions)

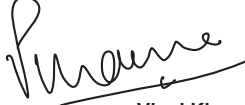
| Particulars | Quarter ended | | | Year ended | |
|---|------------------|------------------|------------------|------------------|------------------|
| | March 31 | December 31 | March 31 | March 31 | March 31 |
| | 2020 | 2019 | 2019 | 2020 | 2019 |
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| Segment revenue | | | | | |
| a) Customer management | 4,106.02 | 3,974.93 | 4,482.01 | 16,214.89 | 17,911.03 |
| b) Healthcare | 3,340.01 | 3,386.04 | 3,227.56 | 13,310.56 | 13,094.80 |
| c) Collections | 1,201.14 | 1,101.87 | 1,000.00 | 4,409.67 | 3,536.29 |
| d) Mortgage | 2,025.46 | 1,983.00 | 932.58 | 6,566.80 | 3,324.95 |
| Total | 10,672.63 | 10,445.84 | 9,642.15 | 40,501.92 | 37,867.07 |
| Less: Inter-segment revenue | - | - | - | - | - |
| Net segment revenue | 10,672.63 | 10,445.84 | 9,642.15 | 40,501.92 | 37,867.07 |
| Segment results before tax and finance costs | | | | | |
| a) Customer management | 255.17 | 495.32 | 576.75 | 1,666.68 | 2,405.76 |
| b) Healthcare | 703.66 | 738.76 | 702.27 | 2,693.98 | 2,501.27 |
| c) Collections | 260.90 | 155.15 | 208.01 | 736.03 | 617.83 |
| d) Mortgage | 360.44 | 274.41 | 114.98 | 976.20 | 360.06 |
| Total | 1,580.17 | 1,663.64 | 1,602.01 | 6,072.89 | 5,884.92 |
| i) Finance costs | (142.47) | (158.61) | (92.20) | (583.21) | (290.00) |
| ii) Other unallocable expenditure net of unallocable income | (406.70) | (469.24) | (397.40) | (1,547.58) | (1,235.73) |
| iii) Share in net profit / (loss) of associate | - | - | - | 0.01 | (0.01) |
| Profit before tax and other comprehensive income | 1,031.00 | 1,035.79 | 1,112.41 | 3,942.11 | 4,359.18 |
| Segment assets | | | | | |
| a) Customer management | 9,831.77 | 8,657.90 | 6,563.37 | 9,831.77 | 6,563.37 |
| b) Healthcare | 22,657.81 | 21,208.05 | 19,063.83 | 22,657.81 | 19,063.83 |
| c) Collections | 4,231.36 | 3,788.01 | 3,069.14 | 4,231.36 | 3,069.14 |
| d) Mortgage | 3,919.45 | 3,616.40 | 1,636.69 | 3,919.45 | 1,636.69 |
| e) Unallocable | 5,230.12 | 5,877.85 | 6,424.44 | 5,230.12 | 6,424.44 |
| | 45,870.51 | 43,148.21 | 36,757.47 | 45,870.51 | 36,757.47 |
| Segment liabilities | | | | | |
| a) Customer management | 11,880.93 | 9,554.77 | 7,349.10 | 11,880.93 | 7,349.10 |
| b) Healthcare | 2,965.55 | 2,614.37 | 801.88 | 2,965.55 | 801.88 |
| c) Collections | 768.17 | 747.41 | 287.54 | 768.17 | 287.54 |
| d) Mortgage | 1,612.59 | 1,493.69 | 180.02 | 1,612.59 | 180.02 |
| e) Unallocable | 983.57 | 999.27 | 925.78 | 983.57 | 925.78 |
| | 18,210.81 | 15,409.51 | 9,544.32 | 18,210.81 | 9,544.32 |

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. The Group has identified the business segments as reportable segments, which comprise: Customer Management, Healthcare, Collections and Mortgage. With the growth in the mortgage revenues, during the current period, 'Mortgage' has been separated from 'Customer Management' and disclosed as a new reportable segment for the CODM. Following the change in the composition of the reportable segment, the Company has restated the corresponding amounts. 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.

By order of the Board
For Firstsource Solutions Limited


Vipul Khanna

Managing Director and CEO

Mumbai, India

May 26, 2020

Firstsource Solutions Limited

Consolidated statement of cash flows

Annexure I

(Rs in millions)

| Particulars | For the year ended | |
|--|--------------------|-------------------|
| | March 31 | March 31 |
| | 2020 | 2019 |
| <u>Cash flow from operating activities</u> | | |
| Net profit before taxation and non controlling interest | 3,942.11 | 4,359.18 |
| Adjustments for | | |
| Depreciation and amortization | 1,852.00 | 744.35 |
| Provision for doubtful debts / written off, net | 58.98 | 17.83 |
| Loss on sale of property, plant and equipment, net | 3.04 | 7.16 |
| Foreign exchange (gain), net unrealized | (404.25) | (123.45) |
| Finance costs | 583.21 | 290.00 |
| Interest income | (11.36) | (27.30) |
| Profit on sale/redemption of investments | (59.64) | (46.40) |
| Employee stock compensation expense | 29.03 | 49.59 |
| Operating cash flow before changes in working capital | 5,993.12 | 5,270.96 |
| Changes in working capital | | |
| Increase in trade receivables | (1,574.29) | (381.02) |
| Increase in loans and advances and other assets | (410.63) | (314.66) |
| Increase in liabilities and provisions | 631.03 | 54.32 |
| Net changes in working capital | (1,353.89) | (641.36) |
| Income taxes paid | (535.19) | (629.50) |
| Net cash generated from operating activities (A) | 4,104.04 | 4,000.10 |
| <u>Cash flow from investing activities</u> | | |
| Purchase of current investments | (19,405.10) | (14,502.50) |
| Proceeds from sale of investment in mutual funds | 20,682.24 | 13,542.60 |
| Interest income received | 11.42 | 5.34 |
| Purchase of property, plant and equipment | (947.63) | (1,087.52) |
| Proceeds from sale of property, plant and equipment | 1.93 | 6.79 |
| Capital advances given for land and others | (186.38) | - |
| Earmarked balances with banks | (15.26) | (5.41) |
| Proceeds from redemption of debentures | 2.00 | - |
| Net cash generated from / (used in) investing activities (B) | 143.22 | (2,040.70) |
| <u>Cash flow from financing activities</u> | | |
| Proceeds from short term borrowings | 2,605.66 | 1,755.66 |
| Repayment of long term borrowings | (78.38) | (3,089.66) |
| Proceeds from issuance of equity shares and share application money | 76.68 | 142.35 |
| Interest paid | (584.49) | (280.48) |
| Purchase of treasury shares | (89.35) | - |
| Buyback of non controlling interest in subsidiary | - | (5.97) |
| Dividend paid | (3,762.03) | (1,247.73) |
| Payment of lease liabilities | (936.11) | - |
| Net cash used in financing activities (C) | (2,768.02) | (2,725.83) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 1,479.24 | (766.43) |
| Cash and cash equivalents at the beginning of the year | 473.84 | 1,230.00 |
| Earmarked balances with banks | 15.26 | 5.41 |
| Foreign exchange (gain)/loss on translating Cash and cash equivalents | (60.85) | 4.86 |
| Cash and cash equivalents at the end of the year | 1,907.49 | 473.84 |



**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 2020 ('Standalone Financial Results') included in the accompanying 'Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2020' 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 2020:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; 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 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') 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 2020 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 2020 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 them for the issuance. The Statement has been compiled from the related audited standalone financial statements for the year ended 31 March 2020. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended 31 March 2020 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 are 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 are 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 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the quarter and year ended 31 March 2020 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.
- 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

**Deloitte
Haskins & Sells LLP**

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.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



SANJIV V. PILGAONKAR

(Membership No.039826)

(UDIN: 20039826AAAACQ1671)

Mumbai, 26 May 2020

Firstsource Solutions Limited

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

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 | December 31 | March 31 | March 31 | March 31 |
| | 2020 | 2019 | 2019 | 2020 | 2019 |
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| Income | | | | | |
| Revenue from operations | 2,502.14 | 2,456.78 | 1,779.91 | 8,962.37 | 7,247.52 |
| Other operating income, net | 96.88 | 61.59 | 46.31 | 436.73 | 433.54 |
| Other income | 78.34 | 136.33 | 531.53 | 308.02 | 619.23 |
| Total income | 2,677.36 | 2,654.70 | 2,357.75 | 9,707.12 | 8,300.29 |
| Expenses | | | | | |
| Employee benefits expense | 1,316.57 | 1,256.31 | 1,004.96 | 4,808.59 | 3,833.33 |
| Depreciation and amortisation | 190.82 | 182.31 | 65.37 | 705.84 | 243.19 |
| Finance costs | 37.75 | 45.77 | 3.84 | 156.77 | 15.45 |
| Other expenses | 521.41 | 548.66 | 574.56 | 1,916.00 | 1,979.59 |
| Total expenses | 2,066.55 | 2,033.05 | 1,648.73 | 7,587.20 | 6,071.56 |
| Profit before tax | 610.81 | 621.65 | 709.02 | 2,119.92 | 2,228.73 |
| Tax expense | | | | | |
| Current tax | 85.82 | 105.34 | (20.80) | 302.22 | 168.94 |
| Deferred tax | 14.99 | (8.07) | 69.96 | (2.45) | 69.58 |
| Net profit after tax | 510.00 | 524.38 | 659.86 | 1,820.15 | 1,990.21 |
| Other comprehensive income, net of taxes | 108.43 | (340.72) | 71.37 | (40.52) | 513.09 |
| Total comprehensive income | 618.43 | 183.66 | 731.23 | 1,779.63 | 2,503.30 |
| Paid-up equity share capital (Face value per share of Rs 10) | 6,938.27 | 6,935.70 | 6,910.65 | 6,938.27 | 6,910.65 |
| Other equity | - | - | - | 13,713.91 | 15,882.37 |
| Earning per share (Rs): (Face value per share of Rs 10) | | | | | |
| -Basic | 0.74 | 0.76 | 0.95 | 2.63 | 2.89 |
| -Diluted | 0.73 | 0.75 | 0.95 | 2.62 | 2.87 |

Notes to financial results :

1. The audited standalone financial statements for the quarter and year ended March 31, 2020 have been taken on record by the Board of Directors at its meeting held on May 26, 2020. The statutory auditors have expressed an unmodified audit opinion. The information presented above is extracted from the audited standalone financial statements. These financial statements are prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2. During the year ended March 31, 2020, 2,761,750 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

3. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered, net of provisions established.

4. Effective April 1, 2019 (date of initial application), the Company has adopted the Indian Accounting Standard 116 on Leases (Ind AS 116), notified by the Ministry of Corporate Affairs, which replaces the existing lease standard Indian Accounting Standard 17 on Leases (Ind AS 17). The Company has applied the standard to all lease contracts existing on April 1, 2019 retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to Retained Earnings at the date of initial application.

5. 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.

6. Statement of cash flows is attached in Annexure I.

Firstsource Solutions Limited

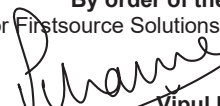
AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(Rs in millions)

7. Statement of Assets and liabilities (Audited)

| Particulars | As at | As at |
|--------------------------------------|------------------|------------------|
| | March, 31 | March, 31 |
| | 2020 | 2019 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 525.77 | 454.60 |
| Capital work-in-progress | - | 0.69 |
| Right-of-use assets | 1,775.61 | - |
| Goodwill | 40.14 | 40.14 |
| Other Intangible assets | 145.37 | 221.05 |
| Financial assets | | |
| Investments | 11,986.91 | 11,970.89 |
| Other financial assets | 655.72 | 668.04 |
| Other non-current assets | 270.37 | 135.96 |
| Deferred tax assets (net) | 2,479.80 | 2,292.81 |
| Income tax assets (net) | 722.23 | 780.99 |
| Total non-current assets | 18,601.92 | 16,565.17 |
| Current assets | | |
| Financial assets | | |
| Investments | - | 1,187.50 |
| Trade receivables | 3,735.52 | 4,328.85 |
| Cash and cash equivalents | 460.93 | 131.26 |
| Other financial assets | 334.54 | 1,036.53 |
| Other current assets | 523.43 | 468.28 |
| Total current assets | 5,054.42 | 7,152.42 |
| Total assets | 23,656.34 | 23,717.59 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 6,938.27 | 6,910.65 |
| Other equity | 13,713.91 | 15,882.37 |
| Total equity | 20,652.18 | 22,793.02 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Long term borrowings | 27.76 | 34.88 |
| Lease liabilities | 1,685.86 | - |
| Provisions for employee benefits | 85.88 | 67.55 |
| Total non-current liabilities | 1,799.50 | 102.43 |
| Current liabilities | | |
| Financial liabilities | | |
| Trade payables | 308.55 | 289.29 |
| Lease liabilities | 403.96 | - |
| Other financial liabilities | 288.65 | 361.60 |
| Provisions for employee benefits | 75.43 | 59.51 |
| Other current liabilities | 68.69 | 50.21 |
| Provision for tax (net) | 59.38 | 61.53 |
| Total current liabilities | 1,204.66 | 822.14 |
| Total equity and liabilities | 23,656.34 | 23,717.59 |

By order of the Board
For Firstsource Solutions Limited


Vipul Khanna
Managing Director and CEO

Mumbai, India
May 26, 2020

Firstsource Solutions Limited

Statement of cash flows

Annexure I

(Rs in millions)

| Particulars | For the year ended | |
|--|--------------------|-------------------|
| | March 31 | March 31 |
| | 2020 | 2019 |
| <u>Cash flow from operating activities</u> | | |
| Net Profit before taxation | 2,119.92 | 2,228.73 |
| Adjustments for | | |
| Depreciation and amortisation | 705.84 | 243.19 |
| Provision for doubtful debts / written off, net | 21.75 | 0.05 |
| (Gain) / Loss on sale of fixed assets, net | (1.08) | 3.80 |
| Foreign exchange (gain) / loss, net unrealised | (172.88) | 309.88 |
| Finance costs | 156.77 | 15.45 |
| Provision for impairment of investment in subsidiary | - | 10.62 |
| Interest income | (11.96) | (26.33) |
| Profit on sale / redemption of investments | (57.81) | (35.41) |
| Gain on sale of subsidiary | - | (286.03) |
| Employee stock compensation expense | 13.51 | 27.46 |
| Operating cash flow before changes in working capital | 2,774.06 | 2,491.41 |
| Changes in working capital | | |
| Decrease in trade receivables | 773.31 | 1,042.41 |
| Decrease / (increase) in loans and advances and other assets | 586.64 | (752.88) |
| Increase / (decrease) in liabilities and provisions | 70.48 | (118.27) |
| Net changes in working capital | 1,430.43 | 171.26 |
| Income taxes paid | (328.02) | (445.20) |
| Net cash generated from operating activities (A) | 3,876.47 | 2,217.47 |
| <u>Cash flow from investing activities</u> | | |
| Purchase of current investments | (19,186.60) | (14,082.50) |
| Proceeds from sale of current investments | 20,431.91 | 13,120.40 |
| Proceeds from sale of investment in FSL Ireland | - | 303.39 |
| Proceeds from buyback by FDS | - | 17.41 |
| Proceeds from redemption of debentures | 2.00 | - |
| Interest income received | 11.99 | 4.37 |
| Purchase of property plant and equipment | (328.86) | (425.78) |
| Proceeds from sale of property plant and equipment | 1.88 | 5.39 |
| Earmarked funds placed with banks | (15.26) | (5.41) |
| Capital advances given against land and others | (144.68) | - |
| Net cash generated from / (used in) investing activities (B) | 772.38 | (1,062.73) |
| <u>Cash flow from financing activities</u> | | |
| Repayment of long term borrowings | (47.13) | (52.38) |
| Proceeds from issuance of equity shares and share application money | 76.68 | 142.35 |
| Interest paid | (157.17) | (15.76) |
| Purchase of treasury shares | (89.35) | - |
| Repayment of lease liabilities | (350.92) | - |
| Dividend paid | (3,762.03) | (1,247.73) |
| Net cash used in financing activities (C) | (4,329.92) | (1,173.52) |
| Net increase / (decrease) in cash and cash equivalents at the end of the year (A+B+C) | 318.93 | (18.78) |
| Cash and cash equivalents at the beginning of the year | 131.26 | 143.62 |
| Foreign exchange (gain)/loss on translating Cash and cash equivalents | (4.52) | 1.01 |
| Earmarked Balances with Banks | 15.26 | 5.41 |
| Cash and cash equivalents at the end of the year | 460.93 | 131.26 |



Firstsource Solutions reports Fiscal 2020 Results

Revenues of Rs. 40,986 million; Y-o-Y growth of 7.1%

EBIT of Rs. 4,437 million; 10.8% of Revenues

PAT of Rs. 3,397 million; 8.3% of Revenues

Kolkata, May 26, 2020: Firstsource Solutions Limited (NSE: FSL, BSE:532809), a global provider of customised Business Process Management (BPM) services and a RP-Sanjiv Goenka Group company, reported its consolidated financial results for the full year and quarter ended March 31, 2020 according to IndAS.

Financial Highlights for Year Ended March 31st 2020:

- Revenues at Rs. 40,986 million, 7.1% Y-o-Y and 6.6% in CC
- Operating Margin (OM) at Rs. 4,437 million or 10.8% of revenues
- Profit After Tax (PAT) at Rs. 3,397 million or 8.3% of revenues
- Diluted Earnings Per Share (EPS) of Rs 4.89
- Added 2,491 employees in the year taking total employee strength to 21,203

Financial Highlights for Quarter Ended March 31st 2020:

- Revenues at Rs. 10,804 million, 11.7% Y-o-Y and 8.2% in CC
- Operating Margin (OM) at Rs. 1,168 million or 10.8% of revenues
- Profit After Tax (PAT) at Rs. 916 million or 8.5% of revenues
- Diluted Earnings Per Share (EPS) of Rs 1.31
- Added 721 employees in the quarter

Speaking on the results, **Sanjiv Goenka, Chairman, RPSG Group and Firstsource Solutions** said, “Notwithstanding the debilitating pandemic, we are pleased with our Q4 progress – we adapted rapidly to a distributed operating model to serve our client’s needs, we actively managed the safety and well-being of our employees, grew revenues by 8.2% and made meaningful progress on our growth strategy. I am very confident that Firstsource’s well balanced industry portfolio, its geo-delivery mix, its agile operating model and continued pivot on Digital will weather these difficult times and make strong gains coming out of the pandemic.”

Key business highlights

- Continued strong growth across our businesses exemplified by 3 new logo wins in Mortgage and 2 in Healthcare Provider
- We continue to pivot strongly on Digital:
 - We launched our Platform based service for ‘Post Closing market’ for Mortgage originations with an anchor client
 - One of world’s pre-eminent card issuers signed a deal for our Digital Collections offering
 - In Healthcare, we significantly revamped our Digital Intake offering for Health Plans, we are seeing great early traction in the market.
 - As a testimonial to as much Digital focus internally, the India Employee Engagement Summit 2020 recognized us with a top award for “Best Use of Technology in HR”
- We also won two Golds and one Silver at the UK Complaints Handling Awards ’20, jointly with a leading banking client in the UK, making this our third win in a row. These awards recognise and celebrate organisations and teams dedicated to managing consumer complaints efficiently
- COVID19 response – We are proud of the heroic efforts by our teams around the world to serve critical Healthcare, Banking and Connectivity needs for our client’s customers in the face of the unprecedented disruption. We are driving multiple programs to further strengthen the distributed operating model focusing on the holistic well-being of our employees, consistent delivery and operating in the new normal.

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 customised Business Process Management (BPM) services to the Healthcare, Telecom & Media and Banking & Financial Services industries. The company’s clients include Fortune 500 and FTSE 100 companies. Firstsource has a ‘Right-shore’ delivery model with operations in the US, the UK, India and the Philippines. (www.firstsource.com)

| | |
|---|--|
| <p>Media Contact</p> <p>Sarika.rath@firstsource.com (+91 98863 78198)</p> | <p>Investors Contact</p> <p>Ankur.Maheshwari@firstsource.com +91(80) 6633 6075</p> <p>dpingle@christensenir.com +91 (22) 4215 0210</p> |
|---|--|

26th May 2020

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 27th May 2016

We hereby declare that as mentioned under the Independent Auditor's Report dated 26th May 2020 for Consolidated and Standalone Financial Results respectively for the quarter and financial year ended 31st March 2020, are with unmodified opinion.

Please take the same on your record.

Thanking you,

For **Firstsource Solutions Limited**

Pooja Nambiar
Company Secretary & Compliance Officer

FIRSTSOURCE SOLUTIONS LTD.,

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