

12<sup>th</sup> August 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 ended 30<sup>th</sup> June 2020 (Q1 FY2020-21) and Outcome of the Board Meeting**

We wish to inform you that the Board of Directors of the Company have, at their meeting held today i.e. 12<sup>th</sup> August 2020, inter-alia approved the following:-

1. The Audited Standalone and Consolidated financial Results for the quarter ended 30<sup>th</sup> June 2020, copies of which are enclosed herewith along with copies of Auditors' Reports thereon. We are also enclosing herewith copy of Press release relating to the financial results.

The Meeting commenced at 12.00 p.m. and concluded at 01.15 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 INTERIM CONSOLIDATED FINANCIAL RESULTS**

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

**Opinion**

We have audited the Consolidated Financial Results for the quarter ended 30 June 2020 included in the accompanying ‘Statement of Audited Consolidated Financial Results for the Quarter Ended 30 June 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 ended 30 June 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, the Consolidated Financial Results for the quarter ended 30 June 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. Firstsource Employee Benefit Trust

**Associate:**

16. Nanobi Data and Analytics Private Limited

(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 Standard 34 ‘Interim Financial Reporting’ (‘Ind AS 34’) and



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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 ended 30 June 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 ended 30 June 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 quarter ended 30 June 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 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 condensed consolidated financial statements for the quarter ended 30 June 2020. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter ended 30 June 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 Ind AS 34, 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 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 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 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 associate.

### **Auditor's Responsibilities for audit of the Consolidated Financial Results for the quarter ended 30 June 2020**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the quarter ended 30 June 2020 as a whole are free from material misstatement, whether due

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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 these 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 within the Group included in the Consolidated Financial Results of which we are the independent auditors.

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.

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Haskins & Sells LLP**

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**  
Partner  
(Membership No. 39826)  
(UDIN: 20039826AAAAGD9293 )

Mumbai, 12 August 2020

# Firstsource Solutions Limited

## AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 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
	June 30	March 31	June 30	March 31
	2020	2020	2019	2020
	(Audited)	(Audited)	(Audited)	(Audited)
<b>Income</b>				
Revenue from operations	10,537.16	10,672.63	9,668.80	40,501.92
Other operating income, net	84.73	131.85	129.00	484.22
Other income	(1.25)	5.94	(14.40)	88.43
<b>Total income</b>	<b>10,620.64</b>	<b>10,810.42</b>	<b>9,783.40</b>	<b>41,074.57</b>
<b>Expenses</b>				
Employee benefits expense	7,128.23	7,349.80	6,611.32	27,735.33
Depreciation and amortisation	498.45	473.72	439.33	1,852.00
Finance costs	133.56	142.47	134.03	583.21
Other expenses	1,825.61	1,813.43	1,529.72	6,961.93
<b>Total expenses</b>	<b>9,585.85</b>	<b>9,779.42</b>	<b>8,714.40</b>	<b>37,132.47</b>
<b>Profit before tax and share in net profit / (loss) of associate</b>	<b>1,034.79</b>	<b>1,031.00</b>	<b>1,069.00</b>	<b>3,942.10</b>
Share in net profit / (loss) of associate	-	-	0.01	0.01
<b>Profit before tax</b>	<b>1,034.79</b>	<b>1,031.00</b>	<b>1,069.01</b>	<b>3,942.11</b>
<b>Tax expense</b>				
Current tax	63.86	28.55	70.54	282.35
Deferred tax	84.18	86.67	86.71	262.91
<b>Net profit after tax</b>	<b>886.75</b>	<b>915.78</b>	<b>911.76</b>	<b>3,396.85</b>
Other comprehensive income, net of taxes	142.37	1,170.69	(8.87)	1,190.47
<b>Total comprehensive income</b>	<b>1,029.12</b>	<b>2,086.47</b>	<b>902.89</b>	<b>4,587.32</b>
<b>Profit attributable to:</b>				
Owners of the equity	<b>886.75</b>	<b>915.77</b>	<b>911.79</b>	<b>3,396.86</b>
Non - controlling interest	-	0.01	(0.03)	(0.01)
	<b>886.75</b>	<b>915.78</b>	<b>911.76</b>	<b>3,396.85</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the equity	<b>1,029.00</b>	<b>2,086.41</b>	<b>903.08</b>	<b>4,587.33</b>
Non - controlling interest	0.12	0.06	(0.19)	(0.01)
	<b>1,029.12</b>	<b>2,086.47</b>	<b>902.89</b>	<b>4,587.32</b>
Paid-up equity share capital (Face value per share of Rs 10)	6,940.08	6,938.27	6,930.10	6,938.27
Other Equity	-	-	-	20,715.55
Earning per share (Rs) : (Face value per share of Rs 10)				
-Basic	1.29	1.32	1.32	4.90
-Diluted	1.27	1.31	1.32	4.89

### Notes to financial results :

1. The audited consolidated financial statements for the quarter ended June 30, 2020 have been taken on record by the Board of Directors at its meeting held on August 12, 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.

2. During the quarter ended June 30, 2020, 181,000 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

3. The Group has considered the possible effects that may result from the pandemic relating to COVID-19, including but not limited to its assessment of liquidity and going concern assumption, carrying amounts of receivables, unbilled revenues, goodwill and intangible assets, impact on leases and effectiveness of its hedging relationships. Based on current indicators of future global economic conditions and internal sources of available information, the Group expects the carrying amount of the assets will be recovered, net of provisions established. The impact of the pandemic related to COVID-19 may be different from that presently estimated and would be recognised in the financial statements when material changes to economic conditions arise.

# Firstsource Solutions Limited

## AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(Rs in millions)

### 4. Standalone Information (Audited)

Particulars	Quarter ended			Year ended
	June 30	March 31	June 30	March 31
	2020	2020	2019	2020
Total income	2,562.24	2,677.36	2,122.93	9,707.12
Net profit before taxation	669.00	610.81	545.97	2,119.92
Net profit after taxation and before other comprehensive income	607.68	510.00	485.60	1,820.15

### 5. Segment Reporting - Consolidated audited

(Rs in millions)

Particulars	Quarter ended			Year ended
	June 30	March 31	June 30	March 31
	2020	2020	2019	2020
	(Audited)	(Audited)	(Audited)	(Audited)
<b>Segment revenue</b>				
a) BFS	5,394.80	4,568.33	3,440.88	16,418.06
b) Healthcare	3,155.68	3,340.01	3,237.63	13,310.56
c) Communication, Media and Technology	1,705.30	2,443.53	2,627.28	9,493.90
d) Diverse Industries	281.38	320.76	363.01	1,279.40
<b>Total</b>	<b>10,537.16</b>	<b>10,672.63</b>	<b>9,668.80</b>	<b>40,501.92</b>
Less: Inter-segment revenue	-	-	-	-
<b>Net segment revenue</b>	<b>10,537.16</b>	<b>10,672.63</b>	<b>9,668.80</b>	<b>40,501.92</b>
<b>Segment results before tax and finance costs</b>				
a) BFS	1,004.85	662.93	540.92	2,419.42
b) Healthcare	463.13	703.66	655.41	2,693.98
c) Communication, Media and Technology	130.03	204.96	193.73	915.42
d) Diverse Industries	9.00	8.62	29.06	44.07
<b>Total</b>	<b>1,607.01</b>	<b>1,580.17</b>	<b>1,419.12</b>	<b>6,072.89</b>
i) Finance costs	(133.56)	(142.47)	(134.03)	(583.21)
ii) Other unallocable expenditure net of unallocable income	(438.66)	(406.70)	(216.09)	(1,547.58)
iii) Share in net profit / (loss) of associate	-	-	0.01	0.01
<b>Profit before tax and other comprehensive income</b>	<b>1,034.79</b>	<b>1,031.00</b>	<b>1,069.01</b>	<b>3,942.11</b>

### Note on segment information

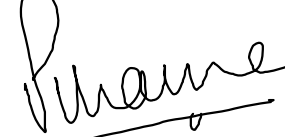
#### Business segments

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 and revised the manner in which the Group views the business risks and returns and monitors its operations. Accordingly, the Group has identified the reorganised business segments as reportable segments, which comprise: Banking & Financial Services (BFS), Healthcare, Communication Media & Technology and Diverse Industries. Following the change of the reportable segment, the Group has restated the segment information for the earlier periods reported as required by Ind AS 108 'Operating Segments'.

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**  
For Firstsource Solutions Limited



**Vipul Khanna**

Managing Director and CEO

Mumbai, India

August 12, 2020

## **INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM STANDALONE FINANCIAL RESULTS**

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

#### **Opinion**

We have audited the Standalone Financial Results for the quarter ended 30 June 2020 ('Standalone Financial Results') included in the accompanying 'Statement of Audited Standalone Financial Results for the Quarter Ended 30 June 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 ended 30 June 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 Standard 34 'Interim Financial Reporting' ('Ind AS 34') 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 ended 30 June 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 Standalone Financial Results for the quarter ended 30 June 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 quarter ended 30 June 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 condensed standalone financial statements for the quarter ended 30 June 2020. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter ended 30 June 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 Ind AS 34, 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 ended 30 June 2020**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the quarter ended 30 June 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 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.

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- 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**  
Partner  
(Membership No. 39826)  
(UDIN: 20039826AAAAGE7780 )

Mumbai, 12 August 2020

# Firstsource Solutions Limited

## AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 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	
	June 30	March 31	June 30	March 31
	2020	2020	2019	2020
	(Audited)	(Audited)	(Audited)	(Audited)
<b>Income</b>				
Revenue from operations	2,418.35	2,502.14	1,935.37	8,962.37
Other operating income, net	91.23	96.88	140.21	436.73
Other income	52.66	78.34	47.35	308.02
<b>Total income</b>	<b>2,562.24</b>	<b>2,677.36</b>	<b>2,122.93</b>	<b>9,707.12</b>
<b>Expenses</b>				
Employee benefits expense	1,259.22	1,316.57	1,020.75	4,808.59
Depreciation and amortisation	191.05	190.82	162.03	705.84
Finance costs	37.35	37.75	34.84	156.77
Other expenses	405.62	521.41	359.34	1,916.00
<b>Total expenses</b>	<b>1,893.24</b>	<b>2,066.55</b>	<b>1,576.96</b>	<b>7,587.20</b>
<b>Profit before tax</b>	<b>669.00</b>	<b>610.81</b>	<b>545.97</b>	<b>2,119.92</b>
<b>Tax expense</b>				
Current tax	54.38	85.82	61.31	302.22
Deferred tax	6.94	14.99	(0.94)	(2.45)
<b>Net profit after tax</b>	<b>607.68</b>	<b>510.00</b>	<b>485.60</b>	<b>1,820.15</b>
Other comprehensive income, net of taxes	158.80	108.43	152.67	(40.52)
<b>Total comprehensive income</b>	<b>766.48</b>	<b>618.43</b>	<b>638.27</b>	<b>1,779.63</b>
Paid-up equity share capital (Face value per share of Rs 10)	6,940.08	6,938.27	6,930.10	6,938.27
Other equity	-	-	-	13,713.91
Earning per share (Rs): (Face value per share of Rs 10)				
-Basic	0.88	0.74	0.70	2.63
-Diluted	0.87	0.73	0.70	2.62

### Notes to financial results :

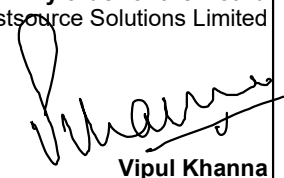
1. The audited standalone financial statements for the quarter ended June 30, 2020 have been taken on record by the Board of Directors at its meeting held on August 12, 2020. The statutory auditors have expressed an unmodified audit opinion. The information presented above is extracted from the audited 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 quarter ended June 30, 2020, 181,000 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

3. The Company has considered the possible effects that may result from the pandemic relating to COVID-19, including but not limited to its assessment of liquidity and going concern assumption, carrying amounts of receivables, unbilled revenues, goodwill and intangible assets, impact on leases and effectiveness of its hedging relationships. Based on current indicators of future global economic conditions and internal sources of available information, the Company expects the carrying amount of the assets will be recovered, net of provisions established. The impact of the pandemic related to COVID-19 may be different from that presently estimated and would be recognised in the financial statements when material changes to economic conditions arise.

4. 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.

**By order of the Board**  
For Firstsource Solutions Limited



**Vipul Khanna**

Managing Director and CEO

Mumbai, India

August 12, 2020

## Firstsource Solutions reports First Quarter Fiscal 2021 Results

Revenues of Rs. 10,622 million; Y-o-Y growth of 8.4%

Operating Margin of Rs. 1,170 million; 11.0% of Revenues

PAT of Rs. 887 million; 8.3% of Revenues

**Mumbai, August 12, 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 quarter ended June 30, 2020 according to IndAS.

### **Financial Highlights for Quarter Ended June 30<sup>th</sup> 2020:**

- Revenues at Rs. 10,622 million (US\$ 140.7 Million), 8.4% Y-o-Y and 1.6% in CC
- Operating Margin (OM) at Rs. 1,170 million or 11.0% of revenues
- Profit After Tax (PAT) at Rs. 887 million or 8.3% of revenues
- Diluted Earnings Per Share (EPS) of Rs. 1.27
- Added 628 employees in the quarter

Speaking on the results, **Dr. Sanjiv Goenka, Chairman, RPSG Group and Firstsource Solutions** said, “In the backdrop of a challenging environment, Firstsource had a solid quarter. In large part, this was due to our ability to operate effectively and seamlessly in a distributed environment. I’m pleased with the strong sales momentum and new logo wins across the verticals we operate in, underpinned by the good progress we are making on our digital agenda.”

### **Key Business Highlights:**

- Notwithstanding the continued uncertainty due to the COVID-19 pandemic, we met the recalibrated demand while prioritising employee health and safety. Our people stepped-up with remarkable resilience and adaptability to support our clients and their customers. Our Digital solutions played a critical part in rapidly switching to distributed operations.
- Strong sales momentum with 10 new logo wins during the quarter; including a strategic multi-year partnership with a Top 20 US Health System.
- Firstsource positioned as a ‘Leader’ in NelsonHall’s NEAT Evaluation – both for ‘Overall Mortgage & Loan Services’ as well as ‘Support for New Digital Business Models’. The positioning is reflective of the Company’s focus on driving digital transformation for its clients across the mortgage value chain, enhancing efficiencies, improving agility and accelerating cycle times.

### **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](http://www.firstsource.com))

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+91 (22) 4215 0210

12<sup>th</sup> August 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 27<sup>th</sup> May 2016**

We hereby declare that as mentioned under the Independent Auditor's Report dated 12<sup>th</sup> August 2020 for Consolidated and Standalone Financial Results respectively for the quarter ended 30<sup>th</sup> June 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.,**

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