

30<sup>th</sup> July 2024

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: Earnings Presentation**

We are enclosing herewith a copy of the Earnings presentation regarding conference call to be held on Tuesday, 30<sup>th</sup> July 2024 at 4.00 PM IST with the analysts and investors, on the financial results of the Company for the quarter ended 30<sup>th</sup> June 2024.

This is for your information and record.

Thanking you,

For **Firstsource Solutions Limited**

POOJA SURESH NAMBIAR Digitally signed by  
POOJA SURESH  
NAMBIAR

**Pooja Nambiar**  
**Company Secretary**

**Encl.:** A/a

**Firstsource Solutions Ltd.**

5<sup>th</sup> 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](http://www.firstsource.com)

(CIN: L64202MH2001PLC134147)

# EARNINGS PRESENTATION

Q1FY25



Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in BPS market including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on client contracts, client concentration, our ability to manage ramp-ups and growth, our ability to manage our international operations, reduced demand in our key focus verticals, disruptions in telecom infrastructure and technology, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, performance of our subsidiaries, withdrawal of government fiscal incentives, political instability, legal restrictions on raising capital and acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. Firstsource may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

Established in **2001**  
Public listing in 2007



## Specialized BPS partner

Hyper-focused, domain-centric teams with cutting-edge tech, data, and analytics

**200+ global clients# including**  
19 Fortune 500 companies and 3 FTSE 100 companies



## 29,231\* Firstsourcers

Across US, UK, India, Philippines, South Africa, Australia, & Mexico

**Part of RP-Sanjiv Goenka Group**  
Since 2012



## Leaders in chosen segments

Banking & Financial Services, Healthcare, Communications, Media & Technology and Diversified Industries

**Deep partnerships with clients**  
Average tenure of top 5 clients is over 18 years



Revenues of **INR 63.4 Billion**  
(US\$765 Million) in FY2024

#For clients with trailing 12-months revenue over US\$0.25mn  
\*As on 30<sup>th</sup> June 2024

# Part of RP-Sanjiv Goenka Group

Group turnover of  
~US\$4.4 Bn\*

EBITDA of  
~US\$855 Mn\*



Asset base of  
>US\$7.3 Bn\*

Over  
1.1 Million Shareholders

One of India's **new-age and fastest growing**  
Conglomerates

Strong workforce of **50,000+** employees, belonging  
to different nationalities

Presence in **50+** countries

**100+** offices worldwide



Committed to powering millions of Indian homes and businesses with reliable electricity through its **generation and distribution services**



A global player and a national leader with portfolio of **Carbon Black & Specialty Chemicals**



Domain driven BPM services company leveraging a **'Digital First, Digital Now'** approach to solve key customer problems for 200+ global clients



Diversified and innovative media company, with music catalogue that spans the gamut from the **first recorded Indian songs to the latest hits** and a strong video play, spread across making Films, TV serials, OTT series and short video content catering to the youth



Nature's Basket is India's **finest gourmet retailer** with international food products  
Spencer is an experience led **multi-format retailer** with varied assortments



Too Yumm is a **rapidly growing snack brand**, captivating consumers with its **flavorful and better-for-you snacking**  
Playing in the **Personal care** category with brands like Naturali and Within Beauty



Inspiring communities, unite fans, set new benchmarks, foster championship culture, contribute to the **development & growth of sports culture globally**



Step into a world of unparalleled luxury. Quest, the first of its kind in Eastern India, curates **premium experiences that elevate your lifestyle**



India's **largest** producer of rubber & South India's second largest cultivator of tea



**Global media organization** dedicated to helping its readers succeed big in business through best-in-class storytelling

\* All figures as on FY24



## Banking & Financial Services

- Asset Finance
- Credit Cards
- Mortgages
- Retail & SME Banking
- FinTech



## Communications Media & Technology

- Streaming Services, Cable TV
- Broadband & Telephony
- Consumer Tech
- Ed Tech
- E-Commerce



## Healthcare

- Hospital Providers
- Physician Groups
- Health Plans
- Healthcare Services
- Medical Devices



## Diversified Industries

- Utilities
- Government Entities

5 of Top 15

Mortgage Servicers in the US

5 of Top 15

Mortgage Lenders in the US

6 of Top 10

Credit card issuers in the US

3 of Top 6

Retail Banks in the UK

1,000+

Hospitals in the US

11 of Top 15

Health insurance/managed care providers in the US

1 of Top 2

Broadcasting and media companies in the UK

2 of Top 5

Telecom and broadcasting companies in the US

3 of Top 5

Consumer-tech companies in the US

2 of Top 4

Utility companies in the UK

# Our Leadership Team



Ritesh Idnani  
—  
MD & CEO



Dinesh Jain  
—  
Chief Financial Officer



Sohit Brahmawar  
—  
Chief Operating Officer



Aftab Javed  
—  
Chief Human Resources  
Officer



Aniket Maindarkar  
—  
Chief Marketing Officer



Hasit Trivedi  
—  
Chief Digital & AI Officer



Vivek Sharma  
—  
Head – CMT, BFS  
and Emerging Geos



Venkatgiri Vandali  
—  
Head – Healthcare &  
Lifesciences



Rajiv Malhotra  
—  
Head – Europe, Middle  
East & Africa



Arjun Mitra  
—  
Head – Collections



Ashish Chawla  
—  
Head – CX and Consulting



Akash Pugalia  
—  
Head – Trust & Safety



Sundara Sukavanam  
—  
Head – Enterprise  
Transformation Office



# Performance Highlights | Q1FY25





## REVENUE

**₹ 17,911 Million**  
**(US\$ 215 Million)**

YoY growth of 17.1%  
YoY constant currency growth of 14.8%  
QoQ constant currency growth of 6.5%



## EBIT

**₹ 1,970 Million**  
**(Margin 11.0%)**

YoY growth of 10.1%  
YoY margin contraction of 70bps  
QoQ margin flat



## PROFIT AFTER TAX

**₹ 1,353 Million**  
**(Margin 7.6%)**

YoY growth of 7.4%  
YoY margin contraction of 60bps  
QoQ margin contraction of 40bps



## EARNINGS PER SHARE (Diluted)

**₹ 1.92**  
**per share**

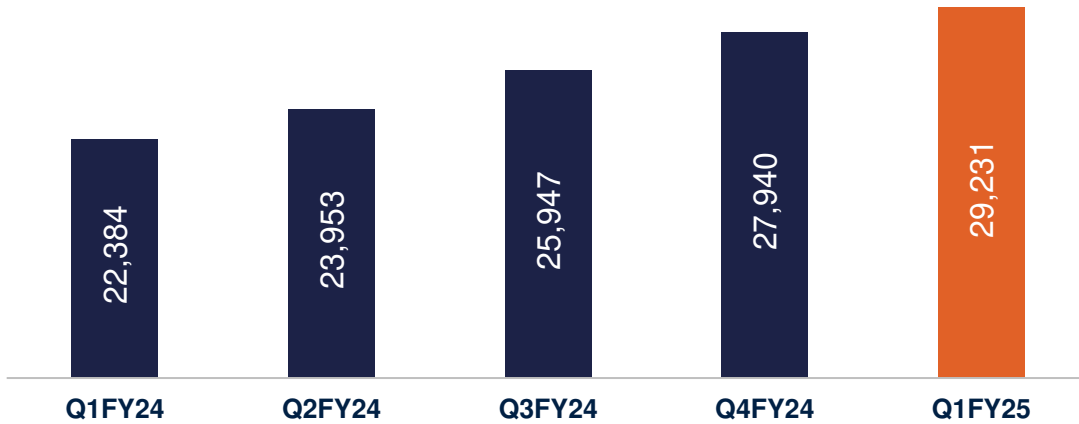
Q4FY24 at ₹ 1.90 per share  
Q1FY24 at ₹ 1.80 per share

- Won a large deal from a Fortune500 managed health care companies in the US, one of our existing clients, for member and provider services, and end-to-end claims processing services
- Expanded footprint and wallet share in one of the Top5 healthcare insurance companies in the US for providing digital intake, claims, and provider data management services
- Large deal from a premier SaaS platform provider for the Freight Industry in North America, a new logo for us, for providing customer service and back-office operations
- New logo addition with a scale deal from a leading pension administrator in the UK to improve their service coverage
- Strengthened the multi-decade relationship with one of the largest managed health care and insurance companies in the US with additional business for providing application support and onboarding support for their clearing house line of business
- Selected by a Top5 health insurance companies in the US for claims processing services for their Medicare Line of business
- Won a deal from one of the largest public health care delivery system in the US for providing collection and insurance discovery services
- Selected by one of the largest US newspaper publishers to run in-bound and out-bound subscribers support

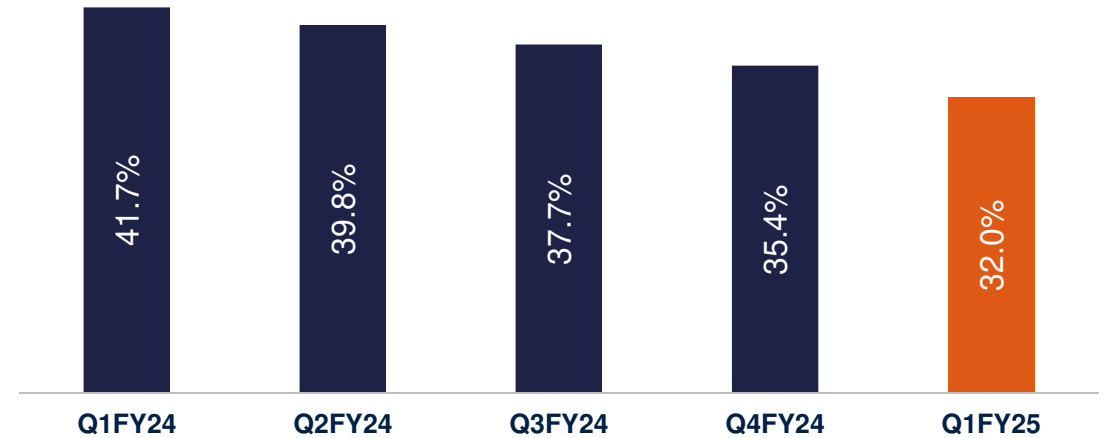
# Employee Base | Q1FY25

- Total headcount of **29,231** employees
- QoQ net headcount addition of **1,291**
- TTM employee attrition at **32.0%\***
- **45.1%** of employees are women

Total headcount



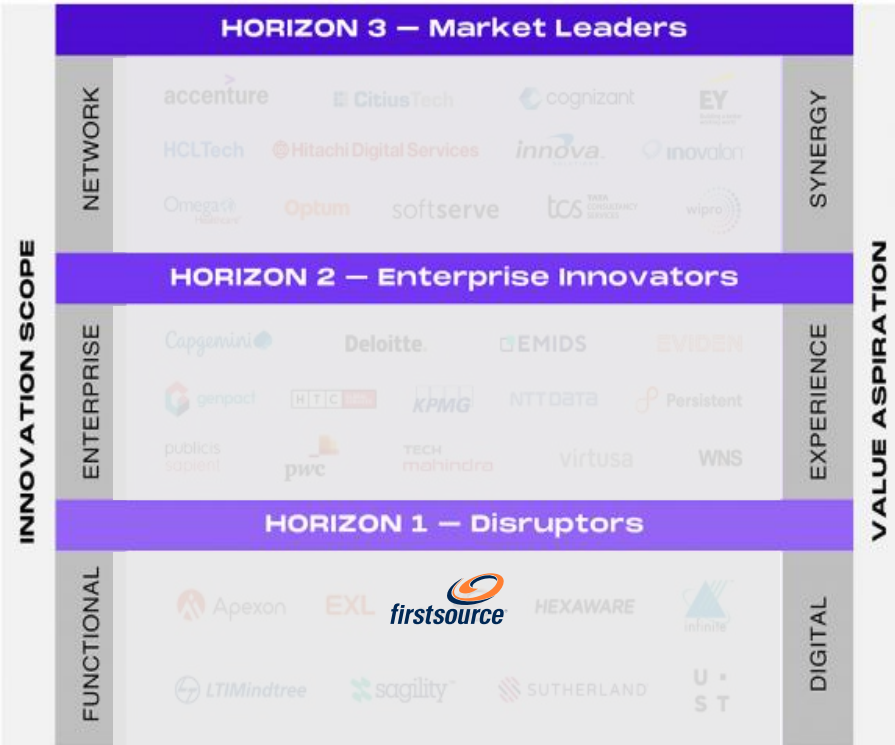
Attrition



\*For employees in employment for more than 180 days

# HFS Horizons

**Horizon 1**  
Ranked as a Disruptor in HFS Horizons  
HCP Service Providers, 2024



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## SBTi & Net Zero

Our ESG commitment

As part of our decarbonization strategy:

Submitted the commitment letter to SBTi which has been accepted

Indicating our commitment towards reducing carbon emissions as per set guidelines

2035 is our near-term target as per SBTi alignment

2050 is our long-term target for Net Zero

11.5-13.5%

constant currency  
revenue growth  
(Earlier: 10-13%)



11-12%

EBIT margin  
(Earlier: 11-12%)

# Factsheet

# Cons. IndAS financials | Profit & Loss Statement

In ₹ million	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	QoQ	YoY
Income from services	15,267	15,417	15,948	16,693	63,325	17,839	6.9%	16.8%
Other operating Income	25	(17)	18	12	37	72	-	-
<b>Revenue from operations</b>	<b>15,292</b>	<b>15,400</b>	<b>15,966</b>	<b>16,705</b>	<b>63,362</b>	<b>17,911</b>	<b>7.2%</b>	<b>17.1%</b>
<b>Revenue from operations (USD Mn)</b>	<b>\$ 186</b>	<b>\$ 186</b>	<b>\$ 192</b>	<b>\$ 201</b>	<b>\$ 765</b>	<b>\$ 215</b>	<b>6.7%</b>	<b>15.4%</b>
<i>QoQ Growth % - Constant Currency</i>	<i>(3.0%)</i>	<i>(0.1%)</i>	<i>3.4%</i>	<i>4.2%</i>	-	<i>6.5%</i>	-	-
<i>YoY Growth % - Constant Currency</i>	<i>(1.6%)</i>	<i>(1.9%)</i>	<i>2.8%</i>	<i>4.5%</i>	<i>1.1%</i>	<i>14.8%</i>	-	-
Manpower Expenses	9,239	9,402	9,895	10,558	39,093	11,268	6.7%	22.0%
Operating Expenses	3,652	3,710*	3,700	3,643	14,705	3,944	8.3%	8.0%
<b>EBITDA</b>	<b>2,402</b>	<b>2,288</b>	<b>2,371</b>	<b>2,503</b>	<b>9,564</b>	<b>2,699</b>	<b>7.8%</b>	<b>12.4%</b>
<b>EBITDA Margin</b>	<b>15.7%</b>	<b>14.9%</b>	<b>14.9%</b>	<b>15.0%</b>	<b>15.1%</b>	<b>15.1%</b>	<b>10bp</b>	<b>-60bp</b>
Depreciation / amortization	613	654	663	673	2,602	729	8.2%	18.9%
<b>EBIT</b>	<b>1,789</b>	<b>1,634*</b>	<b>1,709</b>	<b>1,830</b>	<b>6,962</b>	<b>1,970</b>	<b>7.7%</b>	<b>10.1%</b>
<b>EBIT Margin</b>	<b>11.7%</b>	<b>10.6%</b>	<b>10.7%</b>	<b>11.0%</b>	<b>11.0%</b>	<b>11.0%</b>	<b>NM</b>	<b>-70bp</b>
Other Income / (expense)	6	153 <sup>#</sup>	134 <sup>#</sup>	3	296	(11)	-	-
Interest expense, net	(243)	(244)	(235)	(240)	(962)	(287)	19.4%	18.1%
Profit Before Taxes	1,553	1,543	1,608	1,593	6,296	1,673	5.0%	7.7%
Taxes and Minority Interest	293	278	321	258	1,150	320	24.1%	9.2%
<b>Profit After Tax</b>	<b>1,260</b>	<b>1,265</b>	<b>1,287</b>	<b>1,335</b>	<b>5,147</b>	<b>1,353</b>	<b>1.3%</b>	<b>7.4%</b>
<i>Net Margin</i>	<i>8.2%</i>	<i>8.2%</i>	<i>8.1%</i>	<i>8.0%</i>	<i>8.1%</i>	<i>7.6%</i>	<i>-40bp</i>	<i>-60bp</i>
Diluted EPS (₹ /Share)	1.80	1.80	1.84	1.90	7.34	1.92	1.1%	6.7%

<sup>#</sup>including other income on account of changes in the fair value of the liabilities for purchase of non-controlling interest and contingent considerations

\*Q2FY24: include one-time charges



# Cons. IndAS financials | Balance Sheet

In ₹ million	As on 31-Mar-24	As on 30-Jun-24
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed assets	2,461	3,164
Right-of-use assets	6,355	6,515
Goodwill on consolidation	29,885	32,464
Investment in associates	0	0
Financial Assets		
Investments	115	114
Other financial assets	825	1,009
Deferred tax assets	2,921	2,813
Income tax assets (net)	809	831
Other non-current assets	2,086	2,187
<b>Total Non-Current Assets</b>	<b>45,457</b>	<b>49,096</b>
<b>Current Assets</b>		
Financial assets		
Current investments	300	385
Trade receivables	11,608	13,497
Cash and cash equivalents	1,748	1,731
Other balances with bank	137	130
Other financial assets	94	167
Other current assets	1,486	1,982
<b>Total Current Assets</b>	<b>15,374</b>	<b>17,893</b>
<b>TOTAL ASSETS</b>	<b>60,830</b>	<b>66,989</b>

In ₹ million	As on 31-Mar-24	As on 30-Jun-24
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's Funds</b>		
Equity share capital	6,970	6,970
Reserve and surplus	30,034	31,444
Non - controlling interest	4	4
<b>Total Equity</b>	<b>37,008</b>	<b>38,418</b>
<b>Non-Current Liabilities</b>		
Financial Liabilities		
Long-term borrowings	42	2,132
Lease liabilities	5,714	5,937
Other Financial Liabilities	0	568
Provisions	188	230
Deferred tax liabilities	1,470	1,492
<b>Total Non-Current Liabilities</b>	<b>7,414</b>	<b>10,358</b>
<b>Current Liabilities</b>		
Financial Liabilities		
Short-term and other borrowings	8,081	9,702
Trade payables	3,056	3,106
Lease liabilities	1,496	1,463
Other financial liabilities	2,047	2,345
Other current liabilities	1,057	971
Provisions	467	490
Provision for tax (net)	205	136
<b>Total Current Liabilities</b>	<b>16,409</b>	<b>18,213</b>
<b>TOTAL LIABILITIES</b>	<b>60,830</b>	<b>66,989</b>

# Cons. IndAS financials | Cash Flow Statement

In ₹ million	3 Month ended June 30, 2023	3 Month ended June 30, 2024
<b>Cash Flow from Operating Activities</b>		
Net profit before taxation and non controlling interest	1,553	1,673
Depreciation and amortization	613	729
Finance costs (For borrowing & lease liabilities)	254	316
Adjustment: Non-Cash Expense / (Other Income)	(116)	187
Add: Working Capital Changes	(1,832)	(2,643)
Less: Income Taxes Paid	(90)	(321)
<b>Net cash generated from / (used in) Operating Activities (A)</b>	<b>380</b>	<b>(60)</b>
<b>Cash Flow from Investing Activities</b>		
Capital Expenditure, net	(151)	(538)
Interest income received	0	2
(Increase)/Decrease in current investments	(604)	30
Acquisition of business	-	(2,005)
Earmarked balances with banks	7	6
<b>Net cash generated from / (used in) Investing Activities (B)</b>	<b>(748)</b>	<b>(2,504)</b>
<b>Cash Flow from Financing Activities</b>		
Net Change in Borrowings	1,070	3,710
Net Interest Paid	(305)	(388)
Payment of Lease Liabilities	(349)	(375)
Purchase of Treasury Shares, net	17	(171)
Purchase of non controlling interest in subsidiary	(583)	(225)
<b>Net cash generated from / (used in) Financing Activities (C)</b>	<b>(150)</b>	<b>2,552</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(518)</b>	<b>(12)</b>
Cash and cash equivalents at the beginning of the period	1,515	1,748
Foreign exchange (loss) / gain on translating Cash and cash equivalents	(1)	(5)
<b>Closing Cash and Cash Equivalents</b>	<b>997</b>	<b>1,731</b>
Current Investments	1,210	385
Short term fixed deposits	-	33
<b>Cash and Cash Equivalents including Investments</b>	<b>2,207</b>	<b>2,149</b>

# Operating Metrics | Q1FY25

		Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
Revenue by Vertical	Banking & Financial Services	46.3%	43.4%	41.8%	40.3%	40.8%	40.8%	38.3%	37.3%	36.4%
	Healthcare	32.1%	34.5%	34.2%	33.2%	32.6%	32.7%	33.5%	32.9%	35.7%
	Communications, Media & Tech	20.2%	20.2%	21.6%	22.3%	21.8%	21.2%	22.5%	23.6%	22.3%
	Diverse Industries	1.4%	1.9%	2.4%	4.2%	4.8%	5.3%	5.7%	6.2%	5.6%
Revenue by Geography	North America	68.4%	67.2%	64.9%	63.3%	63.5%	65.1%	65.4%	65.0%	68.2%
	Europe, Middle East, and Africa	30.1%	31.3%	34.1%	36.3%	36.4%	34.8%	34.5%	34.9%	31.8%
	Rest of World	1.5%	1.5%	1.0%	0.4%	0.1%	0.1%	0.1%	0.1%	0.0%
Revenue by Delivery	Offshore	27.4%	25.9%	25.1%	24.6%	25.6%	26.7%	30.3%	31.4%	35.0%
	Onshore	72.6%	74.1%	74.9%	75.4%	74.4%	73.3%	69.7%	68.6%	65.0%
New Logos	New logos added (during the quarter)	8	25	12	9	10	12	10	8	10
Client Concentration	Top 5 clients (share of total revenues)	36.4%	36.6%	38.5%	37.4%	37.2%	35.0%	35.8%	36.7%	34.6%
	Top 10 clients (share of total revenues)	50.0%	50.6%	53.6%	53.6%	52.7%	51.3%	52.0%	52.6%	51.5%
Client Distribution	US\$ 1m+ clients (nos.)	97	99	100	99	98	101	104	103	100
	US\$ 5m+ clients (nos.)	31	29	29	28	24	24	25	25	25
	US\$ 10m+ clients (nos.)	15	17	15	11	14	13	13	13	13
	US\$ 20m+ clients (nos.)	8	9	7	7	9	8	8	8	9
	US\$ 50m+ clients (nos.)	2	1	1	2	2	2	2	2	2
Revenue by Currency	USD	68.0%	65.4%	63.3%	62.2%	63.2%	65.0%	64.9%	64.8%	67.9%
	GBP	30.0%	32.6%	35.5%	37.0%	36.3%	34.3%	34.4%	34.4%	31.4%
	Others	2.1%	2.1%	1.1%	0.9%	0.5%	0.7%	0.7%	0.8%	0.7%
Employee Metrics	Total employees (period-end)	25,234	23,932	23,627	23,018	22,384	23,953	25,947	27,940	29,231
	Net addition	(1,323)	(1,302)	(305)	(609)	(634)	1,569	1,994	1,993	1,291
	Attrition (TTM)	48.6%	48.1%	45.5%	43.3%	41.7%	39.8%	37.7%	35.4%	32.0%

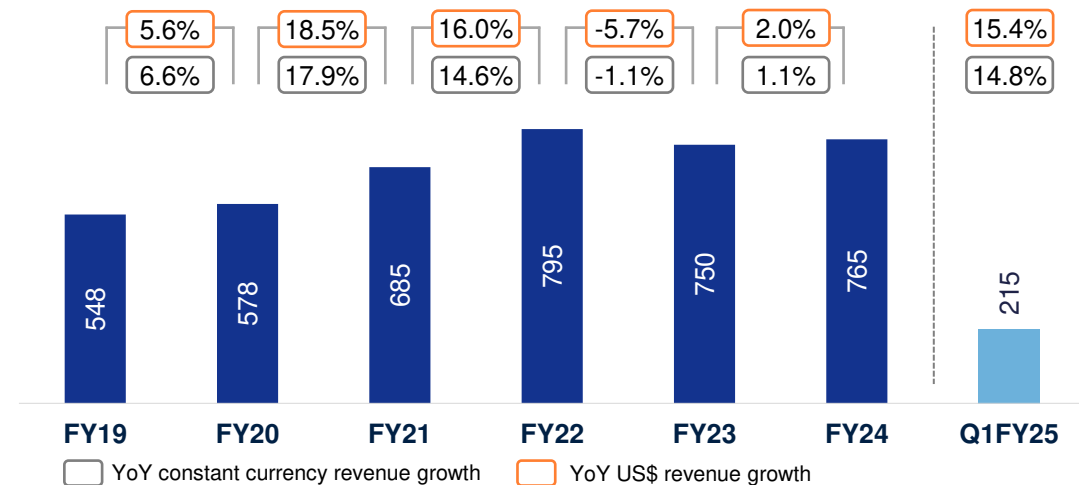
\* For employees in employment for more than 180 days

# Annexure

# Financial performance snapshot | Q1FY25

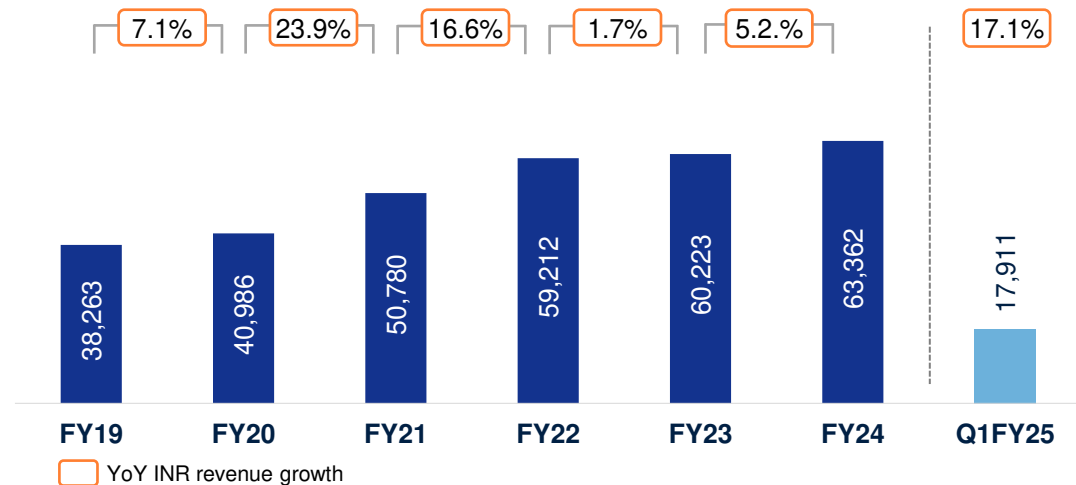
## Revenue

(in \$ million)



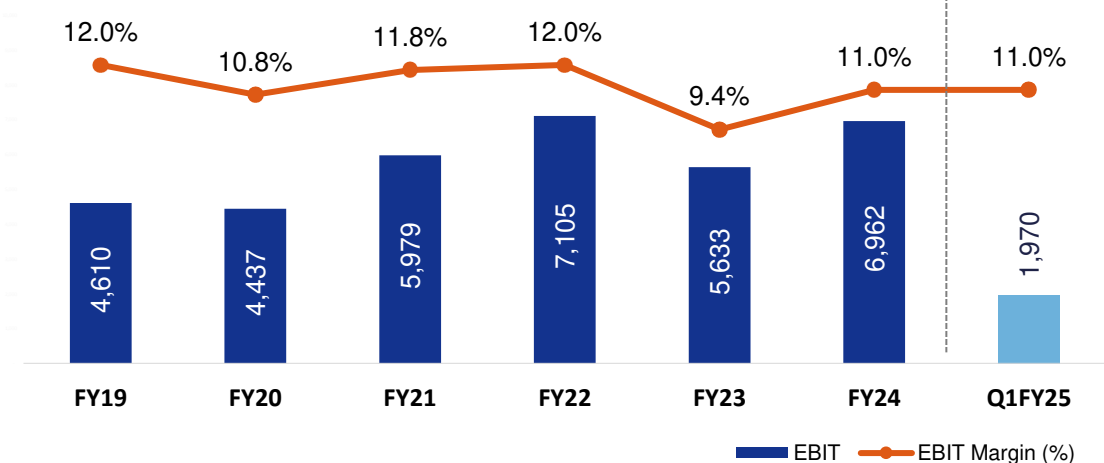
## Revenue

(in ₹ million)



## EBIT and Margin (%)

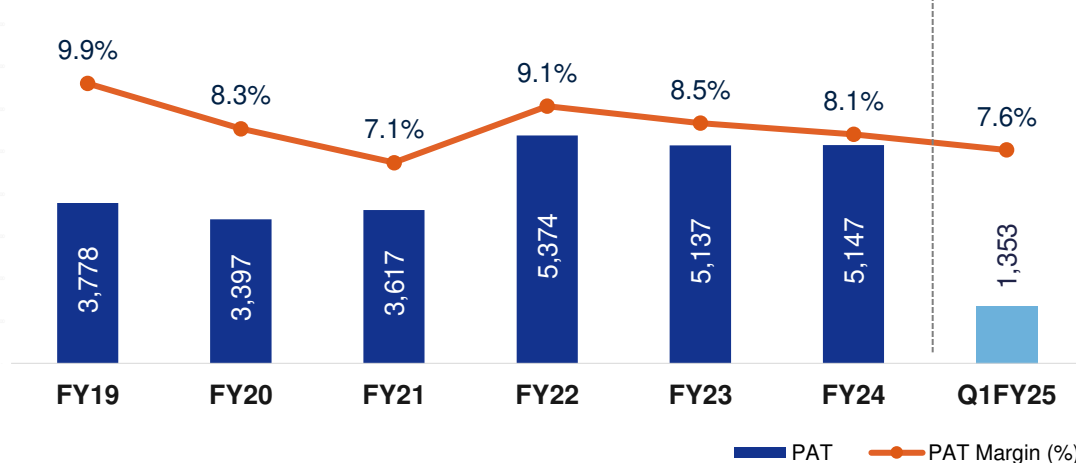
(in ₹ million)



Note: FY24 EBIT margin was 11.1%, adjusted for one-time charges related to leadership changes in Q2FY24

## PAT and Margin (%)

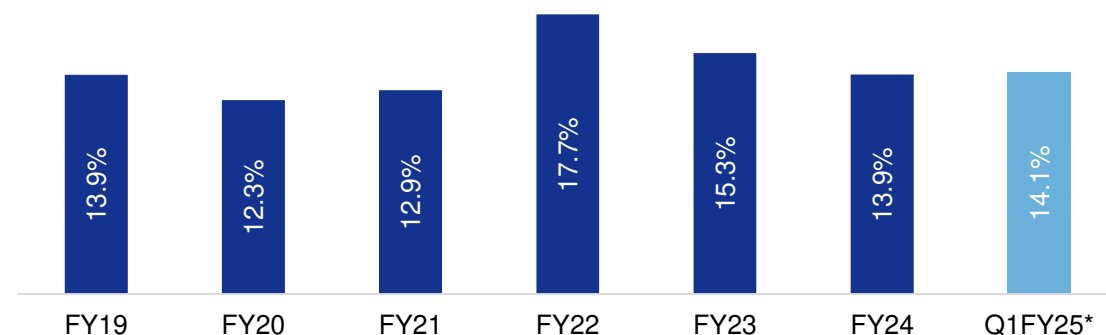
(in ₹ million)



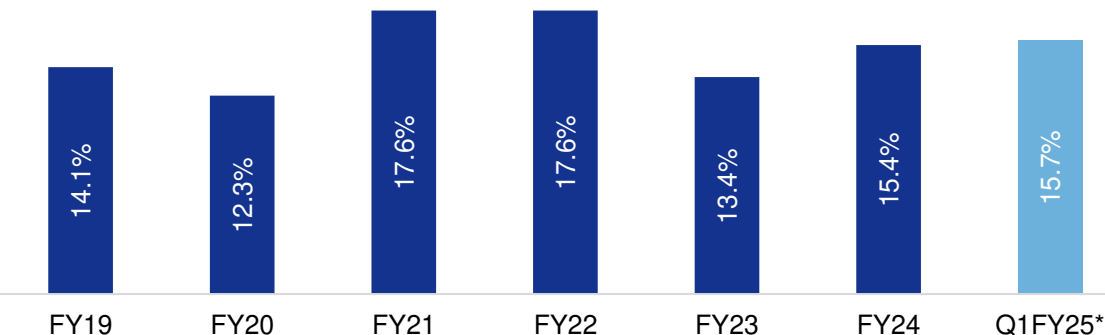
Note: FY21 PAT was ₹ 4,499m excluding exceptional items

# Key performance indicators | Q1FY25

## Return on Equity (%)

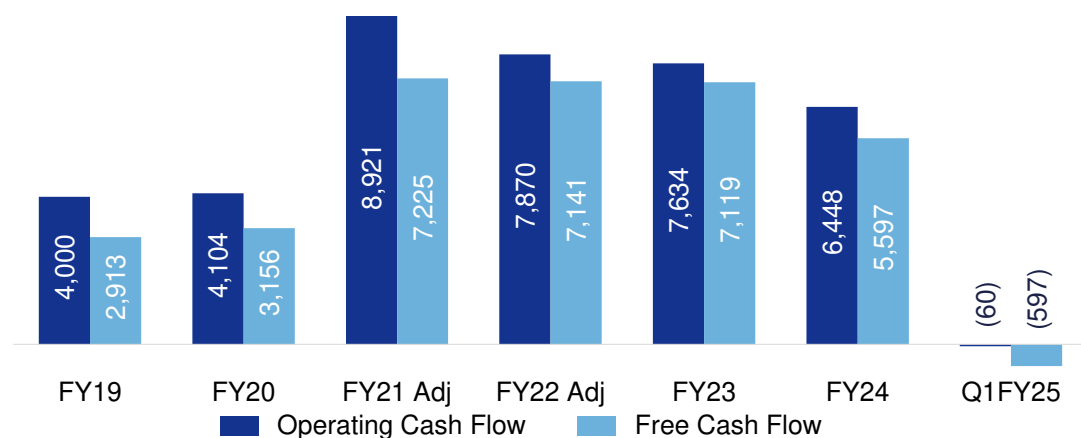


## Return on Capital Employed (%)



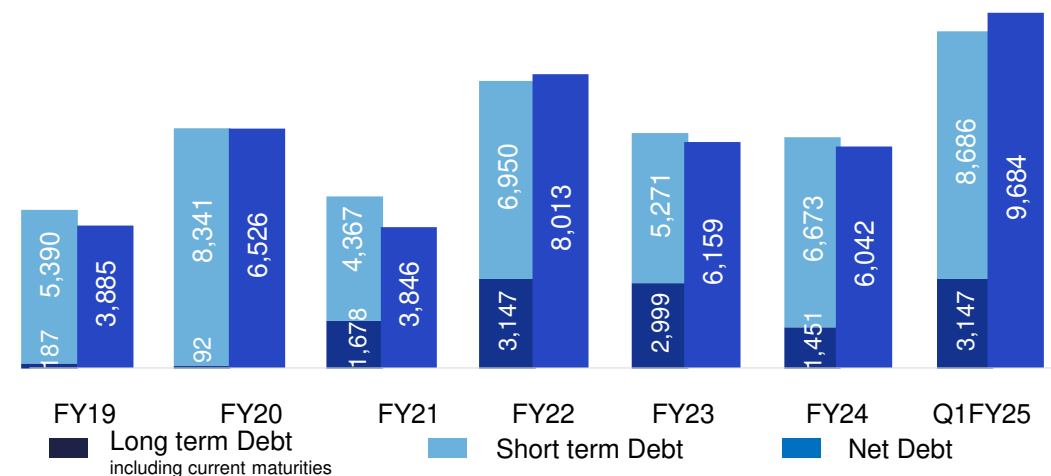
## Cash Flow

(in ₹ million)



## Debt Position

(in ₹ million)



\*Annualised

# Total Shareholder Return | Trailing 5 years



**Total Shareholders Return (including dividends) of 478% in past 5 years**

Based on closing prices as of 29<sup>th</sup> July 2024



# THANK YOU

[Investor relations](#)

