

**Firstsource Solutions Limited**  
**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2010**

(Rs. in lakhs, except per share data)

Particulars	Quarter ended March 31,		Year ended March 31,	
	2010	2009	2010	2009
	(Audited)	(Audited)	(Audited)	(Audited)
Income from services	5,00,79.49	4,74,61.80	19,53,91.04	17,52,52.08
Other operating income	5,94.17	(2,32.19)	16,87.74	(3,15.10)
<b>Total income from operations</b>	<b>5,06,73.66</b>	<b>4,72,29.61</b>	<b>19,70,78.78</b>	<b>17,49,36.98</b>
Personnel costs	3,10,79.20	2,77,26.82	12,02,97.44	10,25,28.84
Operating costs	1,25,42.75	1,45,55.35	4,95,69.50	5,03,48.19
Depreciation and amortisation	20,45.39	27,15.43	87,26.32	96,13.18
<b>Profit before other income, finance charges, taxation and minority interest</b>	<b>50,06.32</b>	<b>22,32.01</b>	<b>1,84,85.52</b>	<b>1,24,46.77</b>
Other income	82.59	(29,74.94)	13,62.02	(33,67.47)
Gain on FCCB buyback, net	-	63,49.80	7,39.09	(63,49.80)
<b>Profit before Finance charges, taxation and minority interest</b>	<b>50,88.91</b>	<b>56,06.87</b>	<b>2,05,86.63</b>	<b>1,54,29.10</b>
Finance charges, net				
a) Finance cost, net	10,16.57	13,28.16	45,58.42	25,77.68
b) Foreign exchange loss on FCCB	-	-	-	77,82.42
<b>Net profit before taxation and minority interest</b>	<b>40,72.34</b>	<b>42,78.71</b>	<b>1,60,28.21</b>	<b>50,69.00</b>
Provision for Taxation				
a) Current tax expenses (Incl. foreign tax)	5,22.60	3,91.53	26,08.54	26,86.94
b) Fringe benefit tax	-	73.82	-	2,52.68
c) Deferred tax charge / (release)	5,28.11	(3,36.78)	10,85.04	(6,99.21)
d) Minimum alternate tax credit entitlement	(5,45.15)	64.64	(13,17.47)	(2,49.67)
<b>Net profit / (loss) after tax and before minority interest</b>	<b>35,66.78</b>	<b>40,85.50</b>	<b>1,36,52.10</b>	<b>30,78.26</b>
Minority Interest	5.37	(1.86)	45.00	11.04
<b>Net profit / (loss) after tax and minority interest</b>	<b>35,61.41</b>	<b>40,87.36</b>	<b>1,36,07.10</b>	<b>30,67.22</b>
Paid-up Equity Share Capital ( Face Value of Share Rs.: 10)	-	-	4,29,20.97	4,28,18.97
Reserves excluding Revaluation Reserve	-	-	9,94,81.59	9,51,24.25
Earning Per Share (Rs.) : (Not Annualized)				
-Basic	0.83	0.95	3.17	0.72
-Diluted	0.74	0.95	2.84	0.72
Aggregate of non-promoter shareholding (unaudited)				
- Number of shares of Rs. 10	337,316,385	313,696,085	337,316,385	313,696,085
- Percentage of shareholding	78.59%	73.26%	78.59%	73.26%
Promoters and promoter group shareholding				
a) Pledged/ Encumbered				
- Number of shares	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
b) Non-encumbered				
- Number of shares	91,893,297	114,493,597	91,893,297	114,493,597
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	21.41%	26.74%	21.41%	26.74%

**Notes to financials results :**

1. The above results were reviewed by the Audit Committee on April 28, 2010 and adopted by the Board of Directors at their meeting held on April 29, 2010. The standalone financial results for the quarter and year ended March 31, 2010 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

2. The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.

3. Effective year ended March 31, 2009, the company has early adopted Accounting Standard AS 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).

4. Standalone Information (Audited)

	Quarter ended March 31,		Year ended March 31,	
	2010	2009	2010	2009
Total income from operations	1,75,50.07	1,44,92.89	6,61,72.33	5,53,49.84
Net profit before taxation	14,60.89	44,43.75	62,16.79	13,18.94
Net profit after taxation	16,73.56	47,30.08	67,33.28	15,10.65

5. During the year ended March 31, 2010, the Company has reorganised its US subsidiaries with the objective of aligning legal entities with the industry vertical in which it operates. However, this has no implication on consolidated financial statements.

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

7. During the year, 1,020,000 equity shares (including 82,500 equity shares issued during the quarter) were issued pursuant to Exercise of Options under the Employee Stock Option Scheme of the Company.

8. During the quarter, no complaints were received from the investors. There were no complaints pending at the beginning and at the end of the quarter.

Segment Reporting				
Particulars	Quarter ended March 31,		Year ended March 31,	
	2010	2009	2010	2009
	(Audited)	(Audited)	(Audited)	(Audited)
<b>Segment Revenue</b>				
a) UK	1,35,49.29	1,14,06.00	5,27,62.73	4,55,08.52
b) USA and Canada	3,06,32.50	3,01,70.17	11,80,88.39	11,03,39.98
c) India	54,93.83	56,70.06	2,31,71.44	1,88,50.31
d) Rest of the world	4,03.87	2,15.57	13,68.48	5,53.27
<b>Total</b>	<b>5,00,79.49</b>	<b>4,74,61.80</b>	<b>19,53,91.04</b>	<b>17,52,52.08</b>
Less: Inter Segment Revenue	-	-	-	-
<b>Net Segment Revenue</b>	<b>5,00,79.49</b>	<b>4,74,61.80</b>	<b>19,53,91.04</b>	<b>17,52,52.08</b>
<b>Segment results before Tax and Interest</b>				
a) UK	30,18.89	40,42.72	1,60,71.90	1,74,09.12
b) USA and Canada	23,77.67	20,17.27	99,26.73	88,16.06
c) India	6,81.28	11,40.16	25,75.20	26,42.52
d) Rest of the world	1,07.47	40.61	4,89.95	1,00.72
<b>Total</b>	<b>61,85.31</b>	<b>72,40.76</b>	<b>2,90,63.78</b>	<b>2,89,68.42</b>
i) Finance charges, net	(10,16.57)	(13,28.16)	(45,58.42)	(1,03,60.10)
ii) Other unallocable expenditure net of unallocable Income	(10,96.40)	(16,33.89)	(84,77.15)	(1,35,39.32)
<b>Profit before tax and minority interest</b>	<b>40,72.34</b>	<b>42,78.71</b>	<b>1,60,28.21</b>	<b>50,69.00</b>
<b>Capital Employed</b>				
a) UK			1,23,18.98	82,25.00
b) USA and Canada			1,61,85.72	1,72,96.70
c) India			40,40.94	42,37.85
d) Rest of the world			2,90.55	85.52
			<b>3,28,36.19</b>	<b>2,98,45.07</b>
<b>Notes on segment information</b>				
<i>Primary segments</i>				
The Primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada, India and Rest of World.				
<i>Capital Employed</i>				
Capital employed comprises of debtors and unbilled revenue, classified by reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities.				
<b>By order of the Board</b>				
For Firstsource Solutions Limited				
<b>Ananda Mukerji</b>				
Managing Director and CEO				
Mumbai, India				
April 29, 2010				

**Firstsource Solutions Limited**  
**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2010**

(Rs in lakhs, except per share data)

Particulars	Quarter ended March 31,		Year ended March 31,	
	2010	2009	2010	2009
	(Audited)	(Audited)	(Audited)	(Audited)
Income from services	1,69,16.49	1,48,26.25	6,52,14.92	5,66,04.39
Other operating income	6.33.58	(3,33.36)	9,57.41	(12,54.55)
<b>Total income from operations</b>	<b>1,75,50.07</b>	<b>1,44,92.89</b>	<b>6,61,72.33</b>	<b>5,53,49.84</b>
Total Expenditure				
Personnel costs	86,73.40	70,26.00	3,30,20.90	2,75,89.19
Operating costs	53,35.52	51,19.24	2,10,60.92	1,89,05.71
Depreciation and amortisation	12,60.74	13,78.32	52,43.80	52,24.46
<b>Profit before other income, finance charges and taxation</b>	<b>22,80.41</b>	<b>9,69.33</b>	<b>68,46.71</b>	<b>36,30.48</b>
Other income	(54.68)	(27,91.45)	14,08.80	(18,97.22)
Gain on FCCB buyback, net	-	63,49.80	7,39.09	63,49.80
<b>Profit before finance charges and taxation</b>	<b>22,25.73</b>	<b>45,27.68</b>	<b>89,94.60</b>	<b>80,83.06</b>
Finance charges, net				
a) Finance cost, net	7,64.84	83.93	27,77.81	(10,18.30)
b) Foreign exchange loss on FCCB	-	-	-	77,82.42
<b>Net profit before taxation</b>	<b>14,60.89</b>	<b>44,43.75</b>	<b>62,16.79</b>	<b>13,18.94</b>
Provision for taxation				
a) Current tax expenses including foreign taxes	2,94.34	(1,14.96)	11,13.40	2,62.35
b) Fringe benefit tax	-	69.00	-	2,37.10
c) Deferred tax release	(19.59)	(80.36)	(5,75.15)	(5,31.15)
d) Minimum alternate tax credit entitlement carried forward	(4,87.42)	(1,60.01)	(10,54.74)	(1,60.01)
<b>Net profit after taxation</b>	<b>16,73.56</b>	<b>47,30.08</b>	<b>67,33.28</b>	<b>15,10.65</b>
Paid-up Equity Share Capital ( Face Value of Share Rs.: 10)	-	-	4,29,20.97	4,28,18.97
Reserves excluding Revaluation Reserve	-	-	6,73,83.31	6,29,00.08
Earning Per Share (Rs.) :				
-Basic	0.39	0.20	1.57	0.35
-Diluted	0.38	0.20	1.51	0.35
Aggregate of non- promoter shareholding (unaudited)				
- Number of shares of Rs. 10	337,316,385	313,696,085	337,316,385	313,696,085
- Percentage of shareholding	78.59%	73.26%	78.59%	73.26%
Promoters and promoter group shareholding				
a) Pledged/ Encumbered	-	-	-	-
- Number of shares	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
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