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Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results of Firstsource Solutions Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Firstsource Solutions Limited

We have audited the consolidated quarterly financial results of Firstsource Solutions Limited ('the Company') and its subsidiaries for the quarter ended 31 December 2016 and the year to date consolidated financial results for the period from 1 April 2016 to 31 December 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These consolidated quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the interim condensed consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such interim condensed consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) - Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; and other accounting principles generally accepted in India.

We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these consolidated quarterly financial results as well as the year to date consolidated financial results:

- (i) include the audited consolidated quarterly financial results as well as the year to date consolidated financial results of the following entities:

Name of the Entity	Relationship
Firstsource Solutions Limited	Holding Company
Firstsource Group USA, Inc.	Wholly owned Subsidiary
Firstsource Solutions UK Limited	Wholly owned Subsidiary
Firstsource Solutions S.A.	Wholly owned Subsidiary

Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results of Firstsource Solutions Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Firstsource Solutions Limited

- (i) include the audited consolidated quarterly financial results as well as the year to date consolidated financial results of the following entities (*Continued*):

Name of the Entity	Relationship
Firstsource Advantage LLC	Wholly owned Subsidiary
Firstsource Business Process Services, LLC	Wholly owned Subsidiary
Firstsource Solutions USA LLC	Wholly owned Subsidiary
Firstsource Transaction Services LLC	Wholly owned Subsidiary
Firstsource Dialog Solutions (Private) Limited	Subsidiary
Firstsource Process Management Services Limited (formerly known as 'Anunta Tech Infrastructure Services Limited')	Wholly owned Subsidiary
Firstsource BPO Ireland Limited	Wholly owned Subsidiary
One Advantage LLC	Wholly owned Subsidiary
MedAssist Holding LLC	Wholly owned Subsidiary
ISGN Solutions, Inc.	Wholly owned Subsidiary
ISGN Fulfilment Services, Inc.	Wholly owned Subsidiary
Nanobi Data and Analytics Private Limited	Associate

- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July 2016 in this regard; and
- (iii) give a true and fair view of the consolidated net profit (consolidated financial performance including other comprehensive income) and other consolidated financial information for the quarter ended 31 December 2016 as well as the year to date consolidated financial results for the period from 1 April 2016 to 31 December 2016.
- (iv) The consolidated financial results includes the Group's share of loss after tax of Rs. 0.01 million for the quarter and nine months ended 31 December 2016, respectively, as considered in the consolidated financial results, in respect of an associate, based on its unaudited interim financial statements which are certified by the Management. Our report on the consolidated financial results is not modified in respect of our reliance on the financial information certified by the management.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Kolkata
31 January 2017

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

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			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2016	2016	2015	2016	2015	2016
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	8,600.78	8,572.11	8,016.48	25,925.42	23,091.32	31,616.56
Other operating income, net	253.31	271.44	169.45	707.66	386.88	555.97
Total income from operations	8,854.09	8,843.55	8,185.93	26,633.08	23,478.20	32,172.53
Expenses						
Employee benefits expenses	5,900.73	5,949.92	5,579.00	17,667.73	15,919.86	21,723.62
Depreciation and amortisation	155.71	160.47	159.94	479.17	515.01	661.96
Other expenses	1,881.66	1,767.86	1,593.92	5,575.49	4,768.70	6,544.93
Total expenses	7,938.10	7,878.25	7,332.86	23,722.39	21,203.57	28,930.51
Profit from operations before other income and finance costs	915.99	965.30	853.07	2,910.69	2,274.63	3,242.02
Other income	14.06	3.91	20.57	36.55	75.16	94.44
Profit from ordinary activities before finance costs	930.05	969.21	873.64	2,947.24	2,349.79	3,336.46
Finance costs	98.82	108.62	124.46	339.00	397.79	527.49
Profit from ordinary activities before tax and share in net (loss) of associate	831.23	860.59	749.18	2,608.24	1,952.00	2,808.97
Share in net (loss) of associate	(0.01)	-	-	(0.01)	-	-
Profit from ordinary activities before tax	831.22	860.59	749.18	2,608.23	1,952.00	2,808.97
Tax expense	133.55	148.59	72.87	464.84	157.47	252.86
Net profit from ordinary activities after tax	697.67	712.00	676.31	2,143.39	1,794.53	2,556.11
Other comprehensive income, net of taxes	89.96	(157.42)	146.40	(98.88)	545.93	566.18
Total comprehensive income	787.63	554.58	822.71	2,044.51	2,340.46	3,122.29
Profit attributable to:						
Owners of the equity	700.06	712.61	674.49	2,146.27	1,789.78	2,551.73
Non - controlling interest	(2.39)	(0.61)	1.82	(2.88)	4.75	4.38
	697.67	712.00	676.31	2,143.39	1,794.53	2,556.11
Total comprehensive income attributable to:						
Owners of the equity	787.67	555.91	823.27	2,044.26	2,340.88	3,123.27
Non - controlling interest	(0.04)	(1.33)	(0.56)	0.25	(0.42)	(0.98)
	787.63	554.58	822.71	2,044.51	2,340.46	3,122.29
Paid-up equity share capital (Face Value per share of Rs 10)	6,779.25	6,756.50	6,727.26	6,779.25	6,727.26	6,733.15
Earning per share (Rs) : (Face Value per share of Rs 10)						
-Basic	1.03	1.05	1.01	3.17	2.68	3.81
-Diluted	1.02	1.04	0.97	3.13	2.57	3.64

Notes to financials results :

1. The audited interim condensed consolidated financial statements for the quarter and nine months ended December 31, 2016 have been taken on record by the Board of Directors at its meeting held on January 31, 2017. The statutory auditors have expressed an unmodified audit opinion. The information presented above is extracted from the audited interim condensed 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. The Group has adopted all the Ind AS on April 1, 2016 with the transition date as April 1, 2015 and the adoption was carried out in accordance with the Ind AS 101- First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the 'Previous GAAP'.

3. During the quarter ended December 31, 2016, 2,274,375 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

4. Reconciliation between consolidated financial results, as per Previous GAAP and Ind AS for nine month / quarter presented are as under:

Particulars	Note	Nine months ended	Quarter ended
		December 31	December 31
		2015	2015
Net profit as per Previous GAAP		1,857.75	672.24
Revenue recognition under Ind AS 18	a	(94.32)	7.62
Share based compensation expense under Ind AS 102	b	(28.19)	(8.53)
Employee benefits under Ind AS 19	c	23.61	7.87
Tax effect of adjustments	d	35.68	(2.88)
Total adjustments		(63.22)	4.07
Net profit after adjustments as per Ind AS		1,794.53	676.31
Other comprehensive income, net of taxes		545.93	146.40
Total comprehensive income		2,340.46	822.71

Explanations for reconciliation of consolidated statement of profit and loss as reported under IGAAP to Ind AS:

- On application of Ind AS 18, the Company aligned its revenue recognition relating to healthcare claims and collections business.
- On first time adoption of Ind AS 101, the Company took an optional exemption to measure at fair value the unvested options on the transition date and accordingly recognised employee share based payment cost in the statement of profit and loss.
- As per Ind AS 19 - Employee Benefits, actuarial gain and losses are recognized in other comprehensive income and not classified to statement of profit and loss in a subsequent period.
- Tax adjustments include deferred tax impact on account of differences between Previous GAAP and Ind AS.



5. Standalone Information (Audited) under Ind AS

Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2016	2016	2015	2016	2015	2016
Total income from operations	2,468.11	2,312.72	2,280.43	6,999.90	6,658.82	8,748.78
Net profit before taxation	599.10	481.15	526.53	1,540.43	1,413.40	1,744.21
Net profit after taxation	526.30	424.50	436.17	1,337.96	1,226.27	1,500.38

6. Segment Reporting - Consolidated audited

Particulars	Quarter ended			Nine month ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2016	2016	2015	2016	2015	2016
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment revenue						
a) Customer management	4,343.20	4,397.83	3,917.72	13,244.10	10,834.67	14,880.94
b) Healthcare	2,841.96	2,733.41	2,832.56	8,390.27	8,418.37	11,443.76
c) Collections	932.13	936.86	775.50	2,800.43	2,350.34	3,304.80
d) Domestic Business (India)	483.49	503.99	490.70	1,490.62	1,487.94	1,987.06
Total	8,600.78	8,572.11	8,016.48	25,925.42	23,091.32	31,616.56
Less: Inter segment revenue	-	-	-	-	-	-
Net segment revenue	8,600.78	8,572.11	8,016.48	25,925.42	23,091.32	31,616.56
Segment results before tax and finance costs						
a) Customer management	825.90	882.61	719.49	2,494.91	1,694.47	2,384.90
b) Healthcare	415.07	366.34	253.58	1,196.54	935.35	1,282.80
c) Collections	106.95	113.39	62.94	336.29	239.72	375.63
d) Domestic Business (India)	28.21	26.37	22.21	102.33	62.13	140.71
Total	1,376.13	1,388.71	1,058.22	4,130.07	2,931.67	4,184.04
i) Finance costs	(98.82)	(108.62)	(124.46)	(339.00)	(397.79)	(527.49)
ii) Other unallocable expenditure net of unallocable income	(446.08)	(419.50)	(184.58)	(1,182.83)	(581.88)	(847.58)
iii) Share in net (loss) of associate	(0.01)	-	-	(0.01)	-	-
Profit before tax and non-controlling interest	831.22	860.59	749.18	2,608.23	1,952.00	2,808.97

Segment Assets						
a) Customer management	5,736.37	5,203.06	4,012.13	5,736.37	4,012.13	3,526.38
b) Healthcare	18,228.09	17,744.39	22,528.70	18,228.09	22,528.70	17,807.16
c) Collections	3,834.79	3,615.79	3,898.57	3,834.79	3,898.57	3,397.64
d) Domestic Business (India)	493.13	469.95	568.41	493.13	568.41	963.95
e) Unallocable	6,908.09	6,770.58	5,552.80	6,908.09	5,552.80	6,193.62
	35,200.47	33,803.77	36,560.61	35,200.47	36,560.61	31,888.75
Segment Liabilities						
a) Customer management	4,461.10	3,099.98	1,820.95	4,461.10	1,820.95	2,314.51
b) Healthcare	5,317.76	6,093.27	7,461.07	5,317.76	7,461.07	6,631.89
c) Collections	214.23	191.78	202.70	214.23	202.70	230.36
d) Domestic Business (India)	618.38	661.06	936.64	618.38	936.64	255.75
e) Unallocable	4,508.59	4,511.29	2,701.62	4,508.59	2,701.62	4,541.05
	15,120.06	14,557.38	13,122.98	15,120.06	13,122.98	13,973.56

Notes on segment information
Business segments

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented into four key business segments comprising customer management, healthcare, collections and domestic business in India. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

The Group reclassified the segment disclosure as prescribed under Ind AS 108 and accordingly previous period / year ended disclosure has been restated accordingly.

By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

Kolkata, India
January 31, 2017



B S R & Co. LLP

Chartered Accountants

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Auditor's Report on Quarterly Standalone Financial Results and Year to Date Standalone Financial Results of Firstsource Solutions Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Firstsource Solutions Limited

We have audited the quarterly standalone financial results of Firstsource Solutions Limited ('the Company') for the quarter ended 31 December 2016 and the year to date standalone financial results for the period from 1 April 2016 to 31 December 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These quarterly standalone financial results as well as year to date standalone financial results have been prepared on the basis of the interim condensed financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim condensed standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) - Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; and other accounting principles generally accepted in India.

We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as year to date standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July 2016 in this regard; and



Auditor's Report on Quarterly Standalone Financial Results and Year to Date Standalone Financial Results of Firstsource Solutions Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Continued*)

Firstsource Solutions Limited

- (ii) give a true and fair view of the standalone net profit (financial performance including other comprehensive income) and other financial information for the quarter ended 31 December 2016 as well as the year to date results for the period from 1 April 2016 to 31 December 2016.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Rajesh Mehra

Partner

Membership No: 103145

Kolkata

31 January 2017

Firstsource Solutions Limited

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

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			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2016	2016	2015	2016	2015	2016
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	2,225.06	2,045.94	2,121.29	6,314.21	6,331.86	8,262.12
Other operating income, net	243.05	266.78	159.14	685.69	326.96	486.66
Total income from operations	2,468.11	2,312.72	2,280.43	6,999.90	6,658.82	8,748.78
Expenses						
Employee benefits expenses	1,189.91	1,167.39	1,088.51	3,451.32	3,155.81	4,236.25
Depreciation and amortisation	51.60	50.69	70.70	151.14	279.30	329.93
Other expenses	654.29	620.50	597.47	1,896.37	1,872.97	2,529.70
Total expenses	1,895.80	1,838.58	1,756.68	5,498.83	5,308.08	7,095.88
Profit from operations before other income and finance costs	572.31	474.14	523.75	1,501.07	1,350.74	1,652.90
Other income	66.26	4.90	41.35	122.18	195.42	256.53
Profit from ordinary activities before finance costs	638.57	479.04	565.10	1,623.25	1,546.16	1,909.43
Finance costs	39.47	(2.11)	38.57	82.82	132.76	165.22
Profit from ordinary activities before tax	599.10	481.15	526.53	1,540.43	1,413.40	1,744.21
Tax expense	72.80	56.65	90.36	202.47	187.13	243.83
Net profit from ordinary activities after tax	526.30	424.50	436.17	1,337.96	1,226.27	1,500.38
Other comprehensive income, net of taxes	55.65	116.01	80.44	143.37	(283.20)	(220.12)
Total comprehensive income	581.95	540.51	516.61	1,481.33	943.07	1,280.26
Paid-up equity share capital (Face value per share of Rs 10)	6,779.25	6,756.50	6,727.26	6,779.25	6,727.26	6,733.15
Earning per share (Rs): (Face value per share of Rs 10)						
-Basic	0.78	0.63	0.65	1.98	1.83	2.24
-Diluted	0.77	0.62	0.63	1.95	1.75	2.14

Notes to financials results :

1. The audited interim condensed standalone financial statements for the quarter ended and nine months ended December 31, 2016 have been taken on record by the Board of Directors at its meeting held on January 31, 2017. The statutory auditors have expressed an unmodified audit opinion. The information presented above is extracted from the audited interim condensed 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. The Company has adopted all the Ind AS on April 1, 2016 with the transition date as April 1, 2015 and the adoption was carried out in accordance with the Ind AS 101- First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the 'Previous GAAP'.

3. During the quarter ended December 31, 2016, 2,274,375 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

4. As per Ind AS 108 - Operating Segment, 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.

5. Reconciliation between standalone financial results, as per Previous GAAP and Ind AS for nine months / quarter presented are as under:

Particulars	Note	Nine months ended December 31	Quarter ended December 31
		2015	2015
Net profit as per Previous GAAP		1,220.41	433.12
Share based compensation expense under Ind AS 102	a	(18.17)	(4.97)
Employee benefits under Ind AS 19	b	24.03	8.01
Total adjustments		5.86	3.04
Net profit after adjustments as per Ind AS		1,226.27	436.17
Other comprehensive income, net of taxes		(283.20)	80.44
Total comprehensive income		943.07	516.61

Explanations for reconciliation of standalone statement of profit and loss as reported under IGAAP to Ind AS:

a. On first time adoption of Ind AS 101, the Company exercised the optional exemption to measure unvested options on the transition date and accordingly recognised employee share based payment cost in the statement of profit and loss. The cost related to options allotted to employees of the subsidiaries has been shown as investment made in subsidiaries.

b. As per Ind AS 19 - Employee Benefits, actuarial gain and losses are recognized in other comprehensive income and not classified to statement of profit and loss in a subsequent period.

Kolkata, India
January 31, 2017



By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO