Firstsource Process Management Services Limited

Financial statements
together with the Independent Auditors' Report
for the year ended 31 March 2018

Firstsource Process Management Services Limited

Financial statements together with the Independent Auditors' Report

for the year ended 31 March 2018

Contents

Firstsource Process Management Services Limited

Balance sheet

as at 31 March 2018

(Currency: In Indian rupees)

	Note	**31 March 2018**	31 March 2017
ASSETS			
Non-current assets			
Income tax assets (net)		**510,475**	872,736
Other assets	*3*	**314,199**	237,501
Total non-current assets		**824,674**	1,110,237
Current assets			
Financial assets			
Investments	*4*	**30,000,000**	27,500,000
Cash and cash equivalents	*5*	**1,758,429**	3,661,819
Total current assets		**31,758,429**	31,161,819
Total assets		**32,583,103**	32,272,056
EQUITY AND LIABILITIES			
Equity			
Equity share capital	*6*	**10,500,000**	10,500,000
Other equity		**20,962,994**	20,522,219
Total equity		**31,462,994**	31,022,219
LIABILITIES			
Current Financial liabilities			
Trade payables		**1,120,109**	1,249,837
Total current liabilities		**1,120,109**	1,249,837
Total equity and liabilities		**32,583,103**	32,272,056
Significant accounting policies	*2*		

The accompanying notes from 1 to 15 are an integral part of these financial statements.

As per our report of even date attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No: 39826

Kolkata
7 May 2018

For and on behalf of the Board of Directors of
Firstsource Process Management Services Limited

Rajesh Subramaniam
Director

Dinesh Jain
Director

Badrinath Bharadwaj
Director

Sweta Shah
Company Secretary

Kolkata
7 May 2018

Firstsource Process Management Services Limited

Statement of profit and loss

for the year ended 31 March 2018

(Currency: In Indian rupees)

	Note	Year ended 31 March 2018	Year ended 31 March 2017
INCOME			
Revenue from operations		**-**	-
Other income	*7*	**1,823,464**	1,967,974
Total income		**1,823,464**	1,967,974
EXPENSES			
Other expenses	*8*	**838,020**	908,992
Total expenses		**838,020**	908,992
Profit before taxation		**985,444**	1,058,982
Tax expense	9		
Current tax		**544,669**	201,789
Profit for the year		**440,775**	857,193
Other comprehensive income		**-**	-
Total other comprehensive income for the year		**440,775**	857,193
Weighted average number of equity shares outstanding during the year			
Basic		**1,050,000**	1,050,000
Diluted		**1,050,000**	1,050,000
Earnings per equity share			
Basic		**0.42**	0.82
Diluted		**0.42**	0.82

Significant accounting policies *2*

The accompanying notes from 1 to 15 are an integral part of these financial statements.

As per our report of even date attached.

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Kolkata
7 May 2018

Kolkata
7 May 2018

Firstsource Process Management Services Limited
Statement of changes in equity *(continued)*

for the year ended 31 March 2018
(Currency: In Indian rupees)

Equity share capital and other equity

	Equity share capital	Securities premium	Retained earnings	Total
Balance as at 1 April 2017	10,500,000	90,000,000	(69,477,781)	31,022,219
Other comprehensive income for the year	-	-	-	-
Profit for the year	-	-	440,775	440,775
Balance at the end of the 31 March 2018	**10,500,000**	**90,000,000**	**(69,037,006)**	**31,462,994**

	Equity share capital	Securities premium	Retained earnings	Total
Balance as at 1 April 2016	10,500,000	90,000,000	(70,334,974)	30,165,026
Other comprehensive income for the year	-	-	-	-
Profit for the year	-	-	857,193	857,193
Balance at the end of the 31 March 2017	**10,500,000**	**90,000,000**	**(69,477,781)**	**31,022,219**

As per our report of even date attached.

For **DELOITTE HASKINS & SELLS LLP**
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For and on behalf of the Board of Directors of
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Sweta Shah
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Kolkata
7 May 2018

Kolkata
7 May 2018

Firstsource Process Management Services Limited

Statement of cash flows

for the year ended 31 March 2018

(Currency: In Indian rupees)

	31 March 2018	31 March 2017
Cash flow from operating activities		
Profit before tax	**985,444**	1,058,982
Adjustments for		
Profit on sale / redemption of investments	**(1,823,464)**	(1,967,974)
Operating cash flow before changes in working capital	**(838,020)**	(908,992)
Changes in working capital		
Decrease in loans and advances and other assets	**(76,698)**	(501,280)
(Decrease) / Increases in trade payable, provisions and other current liabilities	**(129,728)**	851,227
Net changes in working capital	**(206,426)**	349,947
Income taxes paid/refund	**(182,408)**	-
Net cash used in operating activities (A)	**(1,226,854)**	(559,045)
Cash flow from investing activities		
Sale of investment in mutual funds securities, net	**336,823,464**	331,967,974
Purchases of investment in mutual funds securities, net	**(337,500,000)**	(330,000,000)
Net cash (used in) / generated from investing activities (B)	**(676,536)**	1,967,974
Cash flow from financing activities		
Net cash generated from financing activities (C)	**-**	-
Net decrease in cash and cash equivalents at the end of the year (A+B+C)	**(1,903,390)**	1,408,929
Cash and cash equivalents at the beginning of the year	**3,661,819**	2,252,890
Cash and cash equivalents at the end of the year	**1,758,429**	3,661,819

Notes to the cash flow statement

Cash and cash equivalents consist of cash on hand and balances with bank. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	31 March 2018	31 March 2017
Cash on hand	-	-
Balances with banks	**1,758,429**	3,661,819
- in current accounts	**1,758,429**	3,661,819
Cash and cash equivalents	**1,758,429**	3,661,819

As per our report of even date attached.

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

For and on behalf of the Board of Directors of Firstsource Process Management Services Limited

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Kolkata
7 May 2018

Kolkata
7 May 2018

(Currency: In Indian rupees)

1 Company overview

Firstsource Process Management Services Limited (‘FPMSL’ or ‘the Company’), was incorporated on 1 November 2010 as a 100% subsidiary of Firstsource Solutions Limited (‘holding company’). The Company was engaged in the business of providing and facilitating range of Information Technology ('IT') and IT enabled services, delivering technology-driven business solutions and other value added services related to IT. The Company commenced its business with effect from 31 December 2010. The Functional currency of the Company is Indian Rupees (INR).

The Company does not have any business activity during the year and in the previous year.

2 Significant accounting policies

2.1 Statement of compliance

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 (the 'Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of income and expenses for the period. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revisions to accounting estimates are recognised prospectively in current and future periods.

2.3 Revenue recognition

Revenue from providing Information Technology Enabled Services (ITES) is recognised on accrual basis upon completion of the related services and is billable in accordance with the specific terms of the arrangement / acceptance of work.

Dividend income is recognised when the right to receive dividend is established.

2.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Cost includes freight, duties, taxes and incidental expenses related to acquisition and installation of the property, plant and equipment. Depreciation on fixed assets is provided pro-rata to the period of use based on management’s best estimate of useful lives of the assets as summarised below:

Asset category	**Useful life (in years)**
Tangible assets	
Furniture and fixtures	3 – 5
Office equipment	3 – 5

Depreciation methods, useful lives and residual values are reviewed periodically at the end of each financial year.

2 Significant accounting policies (continued)

2.5 Other intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Asset category	Useful life (in years)
Software*	3 – 4

* For these class of assets, based on internal assessment the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

Software product development costs are expensed as incurred during the research phase until technological feasibility is established. Software development costs incurred subsequent to the achievement of technological feasibility are capitalised and amortised over the estimated useful life of the products as determined by the management. This capitalisation is done only if there is an intention and ability to complete the product, the product is likely to generate future economic benefits, adequate resources to complete the product are available and such expenses can be accurately measured. Such software development costs comprise expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to the development of the product.

The amortisation of software development costs is allocated on a systematic basis over the best estimate of its useful life after the product is ready for use. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors.

The amortisation period and the amortisation method are reviewed at the end of each reporting period. If the expected useful life of the product is shorter from previous estimates, the amortisation period is changed accordingly.

2.6 Impairment

a. Financial assets

The Company recognises loss allowances using the expected credit loss ('ECL') model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2 Significant accounting policies *(continued)*

2.7 Lease

Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term, unless the increase is on account of inflation, in the statement of profit and loss.

2.8 Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the period. Current tax and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be recognised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recognised. Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be recognised.

***2.9* Earnings per share**

The basic earnings per equity share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive.

***2.10* Provisions and contingencies**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

2 Significant accounting policies *(continued)*

2.11 Financial instruments

2.11.1 Initial recognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

a) Non-derivative financial instruments

i) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.11.2 Classification and subsequent measurement

i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income ('FVOCI')

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

iii) Financial assets at fair value through profit and loss ('FVTPL')

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

iv) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

v) Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities.
Equity instruments are recognised by the Company at the proceeds received net of direct issue cost.

2 Significant accounting policies *(continued)*

2.11 Financial instruments (continued)

2.11.2 Classification and subsequent measurement (continued)

b) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

De-recognition of financial instruments

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of financial liability) is de-recognised from the Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

Fair value of financial instrument

In determining the fair value of its financial instrument, the Company uses the methods and assumptions based on market conditions and risk existing at each reporting date. Methods of assessing fair value result in general approximation of value, and such value may never actually be realised. For all other financial instruments, the carrying amounts approximate the fair value due to short maturity of those instruments.

2.12 Onerous contracts

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract.

(Currency: In Indian rupees)

		31 March 2018	31 March 2017
3)	**Other assets**		
	Other non-current assets		
	(Unsecured, considered good)		
	Indirect tax recoverable	**314,199**	237,501
		314,199	237,501
4)	**Investments**		
	Current		
	Investments carried at fair value through statement of profit and loss		
	Mutual and other funds (unquoted)	**30,000,000**	27,500,000
		30,000,000	27,500,000
5)	**Cash and cash equivalents**		
	Balances with banks		
	in current accounts	**1,758,429**	3,661,819
		1,758,429	3,661,819

(Currency: In Indian rupees)

		31 March 2018	31 March 2017
6)	**Share capital**		
	Authorised		
	1,500,000 (31 March 2017: 1,500,000) equity shares of Rs 10 each	**15,000,000**	15,000,000
		15,000,000	15,000,000
	Issued, subscribed and paid-up		
	1,050,000 (31 March 2017: 1,050,000) equity shares of Rs 10 each, fully paid-up	**10,500,000**	10,500,000
		10,500,000	10,500,000

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	31 March 2018		31 March 2017	
	Number of shares	**Amount**	Number of shares	Amount
At the commencement of the year	**1,050,000**	**10,500,000**	1,050,000	10,500,000
At the end of the year	**1,050,000**	**10,500,000**	1,050,000	10,500,000

b) Particulars of shareholders holding more than 5% equity shares

	31 March 2018		31 March 2017	
	Number of shares	**% of total shares**	Number of shares	% of total shares
Firstsource Solutions Limited, holding company, and its nominees	**1,050,000**	**100**	1,050,000	100

c) Shares held by holding company

	31 March 2018		31 March 2017	
	Number of shares	**Amount**	Number of shares	Amount
Firstsource Solutions Limited, holding company, and its nominees	**1,050,000**	**10,500,000**	1,050,000	10,500,000

d) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Firstsource Process Management Services Limited
Notes to the financial statements *(continued)*
for the year ended 31 March 2018
(Currency: In Indian rupees)

	Year ended 31 March 2018	31 March 2017
7) Other income		
Profit on sale/redemption of current investments, net	**1,823,464**	1,967,974
	1,823,464	1,967,974

8) Other expenses

	31 March 2018	31 March 2017
Legal and professional fees	**362,200**	807,742
Payment to auditors		
- as audit fees	**100,000**	100,000
Bank administration charges	**-**	1,250
Rates and taxes	**375,820**	-
	838,020	908,992

9) Income taxes
Income tax expense in the Statement of Profit and loss comprises:

	31 March 2018	31 March 2017
Current taxes	**544,669**	201,789
Deferred taxes	-	-
Income tax expense	**544,669**	201,789

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

	Year Ended 31 March 2018	31 March 2017
Profit before income taxes	**985,444**	1,058,982
Enacted tax rates in India	**25.75%**	34.61%
Computed expected tax expense	**253,752**	366,492
Income charged at different rate	**290,917**	(164,703)
Income tax expense	**544,669**	201,789

	Year Ended 31 March 2018	31 March 2017
Income tax asset		
Advance tax (net)	**510,475**	872,736

(Currency: In Indian rupees)

10) Financial instruments

I. Financial instruments by category:

The carrying value and fair value of financial instruments by categories as of 31 March 2018 were as follows:

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Investments	**-**	**30,000,000**	**-**	**30,000,000**	**30,000,000**
Cash and cash equivalents	**1,758,429**	**-**	**-**	**1,758,429**	**1,758,429**
Total	**1,758,429**	**30,000,000**	**-**	**31,758,429**	**31,758,429**
Financial liabilities					
Trade and other payables	**1,120,109**		**-**	**1,120,109**	**1,120,109**
Total	**1,120,109**	**-**	**-**	**1,120,109**	**1,120,109**

The carrying value and fair value of financial instruments by categories as of 31 March 2017 were as follows:

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Investments	-	27,500,000	-	27,500,000	27,500,000
Cash and cash equivalents	3,661,819	-	-	3,661,819	3,661,819
Total	3,661,819	27,500,000	-	31,161,819	31,161,819
Financial liabilities					
Trade and other payables	1,249,837	-	-	1,249,837	1,249,837
Total	1,249,837	-	-	1,249,837	1,249,837

10) Financial instruments *(continued)*

II. Fair value hierarchy:

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2018:

	As of 31 March 2018	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Investments				
Investment in liquid mutual fund units	**30,000,000**	**30,000,000**	**-**	**-**
Total	**30,000,000**	**30,000,000**	**-**	**-**

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2017:

	As of 31 March 2017	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Investments				
Investment in liquid mutual fund units	27,500,000	27,500,000	-	-
Total	27,500,000	27,500,000	-	-

The fair value of Mutual and other funds is based on quoted price.

(Currency: In Indian rupees)

11) Segment reporting

The Company has only one reportable segment which is IT and IT enabled services, and has not undertaken any business activity in the current year and in the previous year.

12) Related party transactions

Details of related parties including summary of transactions entered into during the year ended 31 March 2018 are summerised below :

a. Names of related parties and description of relationships:

Ultimate Holding Company	CESC Limited
Holding Company	Firstsource Solutions Limited
Fellow Subsidiary Companies	Firstsource Group USA, Inc. (FG US)
	Firstsource Solutions UK Limited (FSL-UK)
	Firstsource Solutions S.A. (FSL-Arg)
	Firstsource Business Process Services, LLC (FBPS)
	Firstsource Advantage LLC (FAL)
	Firstsource Solutions USA LLC (earlier known as MedAssist LLC)
	Firstsource Transaction Services LLC (FTS)
	Firstsource BPO Ireland Limited (FSL Ireland)
	One Advantage LLC (OAL)
	Medassist Holding LLC (Medassist)
	Firstsource Dialog Solutions (Private) Limited (FDS)
	ISGN Solutions, Inc. (ISGN-SOL)
	ISGN Fulfillment Services, Inc. (ISGN-FFS)
	ISGN Fulfillment Agency, LLC
Enterprise with common Directors	Nanobi Data and Analytics Private Limited(Nanobi)
Non Executive Directors	Rajesh Subramaniam
	Dinesh Jain
	Badrinath Bharadwaj

b. There are no related party transactions to be reported during the year.

13) Computation for calculating diluted earnings per share

	For year ended	
	31 March 2018	31 March 2017
Number of shares considered as basic weighted average shares outstanding	**1,050,000**	1,050,000
Add: Effect of potential issue of shares/ stock options *	**-**	-
Number of shares considered as weighted average shares and potential shares outstanding	**1,050,000**	1,050,000
Net profit after tax attributable to shareholders	**440,775**	857,193
Net profit after tax for diluted earnings per share	**440,775**	857,193

* Not considered when anti-dilutive

(Currency: In Indian rupees)

14) **Micro, small and medium enterprises**

Under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which came into force from 2 October 2006, and on the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small enterprises:

Particulars	**31 March 2018**	31 March 2017
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
Principal	-	-
Interest	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

15) **Subsequent events**

The Board of Directors at the meeting held on 7 May 2018 approved the financial statements of the Company for the year ended 31 March 2018. The Company evaluated subsequent events from the balance sheet date through 7 May 2018 and determined there are no material items to report.

As per our report of even date attached.

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

For and on behalf of the Board of Directors of
Firstsource Process Management Services Limited

Sanjiv V. Pilgaonkar
Partner
Membership No: 39826

Rajesh Subramaniam
Director

Dinesh Jain
Director

Badrinath Bharadwaj
Director

Sweta Shah
Company Secretary

Kolkata
7 May 2018

Kolkata
7 May 2018