

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

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
	2018	2018	2017	2018	2017	2018
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income						
Revenue from operations	9,723.13	9,442.00	8,631.41	28,224.92	25,601.81	34,314.97
Other operating income, net	129.29	105.40	240.97	366.03	777.72	1,037.50
Other income	7.07	5.06	26.09	28.77	79.81	54.31
Total income	9,859.49	9,552.46	8,898.47	28,619.72	26,459.34	35,406.78
Expenses						
Employee benefits expenses	6,564.72	6,453.48	6,044.63	19,228.32	17,927.66	23,954.75
Depreciation and amortisation	190.79	184.03	171.74	554.69	486.90	659.24
Finance costs	70.40	64.96	103.84	197.80	315.07	404.03
Other expenses	1,926.65	1,765.60	1,666.42	5,392.13	5,187.69	6,808.66
Total expenses	8,752.56	8,468.07	7,986.63	25,372.94	23,917.32	31,826.68
Profit before tax and share in net (loss) of associate	1,106.93	1,084.39	911.84	3,246.78	2,542.02	3,580.10
Share in net profit / (loss) of associate	-	-	-	(0.01)	(0.01)	(0.01)
Profit before tax	1,106.93	1,084.39	911.84	3,246.77	2,542.01	3,580.09
Tax expense						
Current tax	75.71	106.01	145.80	339.80	360.57	456.79
Deferred tax	49.95	50.44	(229.51)	111.65	(155.66)	(142.48)
Net profit after tax	981.27	927.94	995.55	2,795.32	2,337.10	3,265.78
Other comprehensive income, net of taxes	160.13	401.20	(158.93)	945.31	(200.34)	(175.48)
Total comprehensive income	1,141.40	1,329.14	836.62	3,740.63	2,136.76	3,090.30
Profit attributable to:						
Owners of the equity	981.28	928.03	995.47	2,795.43	2,336.94	3,265.19
Non - controlling interest	(0.01)	(0.09)	0.08	(0.11)	0.16	0.59
	981.27	927.94	995.55	2,795.32	2,337.10	3,265.78
Total comprehensive income attributable to:						
Owners of the equity	1,142.13	1,330.17	836.94	3,741.55	2,136.93	3,089.52
Non - controlling interest	(0.73)	(1.03)	(0.32)	(0.92)	(0.17)	0.78
	1,141.40	1,329.14	836.62	3,740.63	2,136.76	3,090.30
Paid-up equity share capital (Face value per share of Rs 10)	6,908.52	6,903.64	6,852.60	6,908.52	6,852.60	6,865.23
Reserves excluding revaluation reserve	-	-	-	-	-	16,652.37
Earning per share (Rs) : (Face value per share of Rs 10)						
-Basic	1.42	1.35	1.46	4.06	3.42	4.78
-Diluted	1.41	1.33	1.45	4.02	3.40	4.73

Notes to financials results :

1. The audited consolidated financial statements for the quarter and nine months ended December 31, 2018 have been taken on record by the Board of Directors at its meeting held on February 4, 2019. 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 nine months ended December 31, 2018, 4,328,961 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

3. Pursuant to a composite scheme of arrangement ('Scheme'), approved by National Company Law Tribunal on 5 October 2018, amongst CESC Infrastructure Limited, Spen Liq Private Limited (erstwhile Holding Company) and other entities, Spen Liq Private Limited has been amalgamated with CESC Ventures Limited (formerly known as RP-SG Business Process Services Limited) with effect from 1 October 2017. Consequently, as a result of this approved composite scheme, the Shares of the Company held by Spen Liq Private Limited have devolved on CESC Ventures Limited on 12 October 2018 and thereby CESC Ventures Limited has become the immediate Parent of the Company.

4. 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
	2018	2018	2017	2018	2017	2018
Total income	1,949.80	1,944.77	2,130.14	5,942.54	6,783.95	8,739.79
Net profit before taxation	490.70	457.11	606.06	1,519.71	1,704.45	2,192.56
Net profit after taxation and before other comprehensive income	456.04	402.88	510.88	1,330.35	1,454.98	1,919.16

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs in millions)

6. Segment Reporting - Consolidated audited

Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2018	2018	2017	2018	2017	2018
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment revenue						
a) Customer management	5,501.38	5,262.95	4,702.13	15,821.39	14,202.52	18,868.24
b) Healthcare	3,092.33	3,073.28	3,063.52	9,145.72	8,790.53	11,853.21
c) Collections	1,129.42	1,105.77	865.76	3,257.81	2,608.76	3,593.52
Total	9,723.13	9,442.00	8,631.41	28,224.92	25,601.81	34,314.97
Less: Inter-segment revenue	-	-	-	-	-	-
Net segment revenue	9,723.13	9,442.00	8,631.41	28,224.92	25,601.81	34,314.97
Segment results before tax and finance costs						
a) Customer management	776.99	675.96	746.68	2,074.09	2,075.53	2,840.82
b) Healthcare	443.74	606.89	515.69	1,654.14	1,451.46	1,988.95
c) Collections	177.80	199.34	92.54	554.68	221.52	378.55
Total	1,398.53	1,482.19	1,354.91	4,282.91	3,748.51	5,208.32
i) Finance costs	(70.40)	(64.96)	(103.84)	(197.80)	(315.07)	(404.03)
ii) Other unallocable expenditure net of unallocable income	(221.20)	(332.84)	(339.23)	(838.33)	(891.42)	(1,224.19)
iii) Share in net profit / (loss) of associate	-	-	-	(0.01)	(0.01)	(0.01)
Profit before tax and other comprehensive income	1,106.93	1,084.39	911.84	3,246.77	2,542.01	3,580.09
Segment assets						
a) Customer management	8,292.62	8,626.26	7,066.25	8,292.62	7,066.25	8,291.18
b) Healthcare	18,924.98	19,794.92	17,541.71	18,924.98	17,541.71	17,908.40
c) Collections	3,161.22	3,399.88	3,830.44	3,161.22	3,830.44	3,095.54
e) Unallocable	5,590.38	4,652.42	4,879.13	5,590.38	4,879.13	4,680.58
Total	35,969.20	36,473.48	33,317.53	35,969.20	33,317.53	33,975.70
Segment liabilities						
a) Customer management	8,065.17	8,637.45	5,175.81	8,065.17	5,175.81	5,606.61
b) Healthcare	677.15	914.33	4,152.74	677.15	4,152.74	3,682.80
c) Collections	286.09	385.75	153.21	286.09	153.21	263.63
e) Unallocable	746.76	1,503.66	1,292.80	746.76	1,292.80	892.53
Total	9,775.17	11,441.19	10,774.56	9,775.17	10,774.56	10,445.57

Note 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 three key business segments comprising customer management, healthcare and collections. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

By order of the Board
For Firstsource Solutions Limited

Kolkata, India
February 4, 2019

Rajesh Subramaniam
Managing Director and CEO

Firstsource Solutions Limited

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

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
	2018	2018	2017	2018	2017	2018
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income						
Revenue from operations	1,740.33	1,833.92	1,860.20	5,467.61	5,921.81	7,628.18
Other operating income, net	170.46	85.25	249.44	387.23	746.75	984.48
Other income	39.01	25.60	20.50	87.70	115.39	127.13
Total income	1,949.80	1,944.77	2,130.14	5,942.54	6,783.95	8,739.79
Expenses						
Employee benefits expenses	932.55	952.72	994.84	2,828.37	3,254.25	4,153.00
Depreciation and amortisation	61.69	59.04	56.04	177.82	160.22	215.30
Finance costs	4.21	3.40	(6.11)	11.61	35.38	62.32
Other expenses	460.65	472.50	479.31	1,405.03	1,629.65	2,116.61
Total expenses	1,459.10	1,487.66	1,524.08	4,422.83	5,079.50	6,547.23
Profit before tax	490.70	457.11	606.06	1,519.71	1,704.45	2,192.56
Tax expense						
Current tax	43.53	50.13	94.33	189.74	230.59	277.00
Deferred tax	(8.87)	4.10	0.85	(0.38)	18.88	(3.60)
Net profit after tax	456.04	402.88	510.88	1,330.35	1,454.98	1,919.16
Other comprehensive income, net of taxes	858.08	(425.13)	44.69	441.72	(319.24)	(715.70)
Total comprehensive income	1,314.12	(22.25)	555.57	1,772.07	1,135.74	1,203.46
Paid-up equity share capital (Face value per share of Rs 10)	6,908.52	6,903.64	6,852.60	6,908.52	6,852.60	6,865.23
Reserves excluding revaluation reserve	-	-	-	-	-	14,480.28
Earning per share (Rs): (Face value per share of Rs 10)						
-Basic	0.66	0.58	0.75	1.93	2.13	2.81
-Diluted	0.66	0.58	0.74	1.91	2.12	2.78

Notes to financials results :

- The audited standalone financial statements for the quarter and nine months ended December 31, 2018 have been taken on record by the Board of Directors at its meeting held on February 4, 2019. 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.
- During the nine months ended December 31, 2018, 4,328,961 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- 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.
- Pursuant to a composite scheme of arrangement ('Scheme'), approved by National Company Law Tribunal on 5 October 2018, amongst CESC Infrastructure Limited, Spen Liq Private Limited (erstwhile Holding Company) and other entities, Spen Liq Private Limited has been amalgamated with CESC Ventures Limited (formerly known as RP-SG Business Process Services Limited) with effect from 1 October 2017. Consequently, as a result of this approved composite scheme, the Shares of the Company held by Spen Liq Private Limited have devolved on CESC Ventures Limited on 12 October 2018 and thereby CESC Ventures Limited has become the immediate Parent of the Company.

By order of the Board
For Firstsource Solutions Limited

Kolkata, India
February 4, 2019

Rajesh Subramaniam
Managing Director and CEO