

Firstsource-Dialog Solutions (Private) Limited

Special Purpose Financial Statements
together with the Independent Auditor's Report
for the year ended 31 March 2020

Firstsource-Dialog Solutions (Private) Limited

Special Purpose Financial statements together with the Independent Auditor's Report

for the year ended 31 March 2020

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Firstsource-Dialog Solutions (Private) Limited

Balance sheet

as at 31 March 2020

(Currency : In LKR)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Income tax assets (net)	3	<u>5,593,485</u>	5,535,793
Total non-current assets		<u>5,593,485</u>	5,535,793
Current assets			
Financial assets			
Cash and cash equivalents	4	<u>52,172,962</u>	52,458,475
Total current assets		<u>52,172,962</u>	52,458,475
Total assets		<u>57,766,447</u>	57,994,268
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	4,610,520	4,610,520
Other equity	6	<u>52,555,927</u>	52,617,058
Total equity		<u>57,166,447</u>	57,227,578
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables		<u>600,000</u>	766,690
Total current liabilities		<u>600,000</u>	766,690
Total equity and liabilities		<u>57,766,447</u>	57,994,268

Significant accounting policies

2

The accompanying notes from 1 to 14 are an integral part of these special purpose financial statements.

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

G.K. Subramaniam

Partner

Membership No: 109839

9 July 2020

Mumbai

Dinesh Jain **Badrinath Bharadwaj**

Director

Director

Firstsource-Dialog Solutions (Private) Limited

Statement of profit and loss

for the year ended 31 March 2020

(Currency : In LKR)

		Year ended	
	Note	31 March 2020	31 March 2019
INCOME			
Revenue from services		-	-
Other income	7	<u>1,537,316</u>	<u>2,313,772</u>
Total income		<u>1,537,316</u>	<u>2,313,772</u>
EXPENSES			
Other expenses	8	<u>1,598,447</u>	<u>1,699,287</u>
Total expenses		<u>1,598,447</u>	<u>1,699,287</u>
(Loss) / Profit before taxation		(61,131)	614,485
Tax expense			
Current tax	3	<u>-</u>	<u>1,479,242</u>
(Loss) for the year		<u>(61,131)</u>	<u>(864,757)</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>(61,131)</u>	<u>(864,757)</u>
Weighted average number of equity shares outstanding during the year			
Basic		4,610,520	6,694,728
Diluted		4,610,520	6,694,728
Earnings per equity share			
Basic and diluted Earnings per share		(0.01)	(0.13)

Significant accounting policies

2

The accompanying notes from 1 to 14 are an integral part of these special purpose financial statements.

As per our report of even date attached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm's Registration No: 117366W/W-100018

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G.K. Subramaniam

Partner

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9 July 2020

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Dinesh Jain

Director

Badrinath Bharadwaj

Director

Firstsource-Dialog Solutions (Private) Limited

Statement of changes in equity

for the year ended 31 March 2020

(Currency : In LKR)

Equity Share Capital and Other Equity

Particulars	Attributable to owners of the Company			Total
	Equity share capital	Securities premium	Reserve and surplus Retained earnings	
Balance as at 1 April 2019	4,610,520	48,515,238	4,101,820	57,227,578
(Loss) for the year	-	-	(61,131)	(61,131)
Balance as at 31 March 2020	4,610,520	48,515,238	4,040,689	57,166,447

Particulars	Attributable to owners of the Company			Total
	Equity share capital	Securities premium	Reserve and surplus Retained earnings	
Balance as at 1 April 2018	9,221,040	97,478,960	4,966,577	111,666,577
(Loss) for the year	-	-	(864,757)	(864,757)
Buyback of equity shares	(4,610,520)	(48,963,722)	-	(53,574,242)
Balance as at 31 March 2019	4,610,520	48,515,238	4,101,820	57,227,578

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

G.K. Subramaniam

Partner

Membership No: 109839

9 July 2020

Mumbai

Dinesh Jain

Director

Badrinath Bharadwaj

Director

Firstsource-Dialog Solutions (Private) Limited

Statement of cash flows

for the year ended 31 March 2020

(Currency : In LKR)

	31 March 2020	31 March 2019
<u>Cash flow from operating activities</u>		
Net (Loss) / Profit before taxation	(61,131)	614,485
Adjustments for		
Interest income	(1,537,316)	(2,313,772)
Operating cash flow before changes in working capital	(1,598,447)	(1,699,287)
Changes in working capital		
(Decrease) / Increase in Liabilities and Provisions	(166,690)	286,690
Net changes in working capital	(166,690)	286,690
Income taxes paid	(57,692)	(123,904)
Net cash (used in) operating activities (A)	(1,822,829)	(1,536,501)
<u>Cash flow from investing activities</u>		
Interest income received	1,537,316	2,313,772
Net cash generated from investing activities (B)	1,537,316	2,313,772
<u>Cash flow from financing activities</u>		
Buy-back of equity shares	-	(53,574,242)
Net cash generated from / (used in) financing activities (C)	-	(53,574,242)
Net (decrease) in cash and cash equivalents at the end of the year (A+B+C)	(285,513)	(52,796,971)
Cash and cash equivalents at the beginning of the year	52,458,475	105,255,446
Cash and cash equivalents at the end of the year	52,172,962	52,458,475

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 2020	31 March 2019
Cash on hand	-	-
Balances with banks		
- in current accounts	52,172,962	52,458,475
Cash and cash equivalents	52,172,962	52,458,475

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

G.K. Subramaniam
Partner
Membership No: 109839
9 July 2020
Mumbai

Dinesh Jain **Badrinath Bharadwaj**
Director Director

1 Company overview

Firstsource Solutions Limited ('FSL') acquired 74% stake in Firstsource Dialog Solutions (Private) Limited ('the Company') on 6 June 2011. The Company provides contact center and transaction processing services for customers in financial services and telecommunication industry.

Basis of Preparation and Statement of Compliance

These financial statements 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) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

These financial statements have been prepared to assist Firstsource Solutions Limited, the Holding Company to comply with the requirements of Section 129(3) of the Act. These financial statements were approved by the Board of Directors of Firstsource Solutions Limited, the Holding Company and authorised for issue on 26 May, 2020.

2 Significant accounting policies

2.1 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. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.1.1.

2.1.1 Critical accounting estimates

a Income taxes

The Company's major tax jurisdiction is Sri Lanka. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. Also refer to Note 2.4.

2.2 Revenue recognition

Effective 1 April 2018, the Company has applied Ind AS 115 'Revenue from contracts with customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The adoption of the standard did not have any material impact to the financial statements of the Company.

The Company, in its contracts with customers, promises to transfer distinct services rendered either in the form of customer management, transaction processing and revenue cycle management.

Each distinct service, results in a simultaneous benefit to the corresponding customer. Also, the Company has an enforceable right to payment from the customer for the performance completed to date. Revenue from unit price based contracts is measured by multiplying the units of output delivered with the agreed transaction price per unit while in case of time and material based contracts, revenue is the product of the efforts expended and the agreed transaction price per unit. The Company continually reassesses the estimated discounts, rebates, price concessions, refunds, credits, incentives, performance bonuses, etc., (variable consideration) against each performance obligation each reporting period and recognises changes to estimated variable consideration as changes to the transaction price (i.e., revenue) of the applicable performance obligation.

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

For all instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.3 Impairment

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.

2.4 Taxation

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.

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

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 except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

2 Significant accounting policies (continued)

2.5 Leases

Effective 1 April 2019 (date of initial application), the Company has adopted the Indian Accounting Standard 116 on Leases (Ind AS 116), which replaces the existing lease standard Indian Accounting Standard 17 on Leases (Ind AS 17). The adoption of the standard did not have any impact to the financial statements of the Company. The Company has not restated comparative information.

2.6 Foreign Currency transactions

Functional currency

The functional currency of the Company is the Sri lankan Rupee (LKR).

Transactions and translations

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the functional currency using the exchange rate in effect on the date of the transaction.

2.7 Employee benefits

Employees are eligible for Employee's Provident Fund contributions and Employee's Trust Fund contributions in line with respective statutes and regulations and are required to be charged to the Statement of Profit and Loss.

2.8 Earnings per equity share

The basic earnings per equity share is computed by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. 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.

2.9 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.

2.10 Financial instruments

2.10.1 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.

2.10.2 Classification and subsequent measurement

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.

ii) 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.

2 Significant accounting policies (continued)

2.10 Financial instruments(Continued)

2.10.2 Classification and subsequent measurement(continued)

iii) 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.

iv) 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.

v) 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 approximate fair value to short-term maturity of these instruments

vi) 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.

b) Share Capital

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

2.10.3 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.

2.10.4 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 realized. For all other financial instruments, the carrying amounts approximate the fair value due to short maturity of those instruments.

2.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

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.

2.13 Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered, net of provisions established.

Firstsource-Dialog Solutions (Private) Limited

Notes to the financial statements (Continued)

as at 31 March 2020

(Currency : In LKR)

	31 March 2020	31 March 2019
3) Taxation		
(i) Advance Tax and Tax Deducted at Source(net)	<u>5,593,485</u>	<u>5,535,793</u>
	<u>5,593,485</u>	<u>5,535,793</u>

- (ii) **Income tax expense**
Income tax expense in the statement of profit and loss comprises:

	Year ended	
	31 March 2020	31 March 2019
Current taxes	-	1,479,242
Income tax expense	<u>-</u>	<u>1,479,242</u>

- (iii) 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 2020	31 March 2019
Profit before income taxes	(61,131)	614,485
Enacted tax rates in Sri Lanka	28.00%	28.00%
Computed expected tax expense	(17,117)	172,056
Deferred Tax Asset Not Accounted	17,117	-
Income Exempt from Tax and Tax Holidays	-	475,800
Previous years tax adjustments	-	831,386
Income tax expense	<u>-</u>	<u>1,479,242</u>

- (iv) Deferred tax asset has not been recognised on accumulated tax losses as there are no projected future taxable profits which shall be available for utilisation against such asset.

	31 March 2020	31 March 2019
4) Cash and cash equivalents		
Balances with banks		
-in current accounts	<u>52,172,962</u>	<u>52,458,475</u>
	<u>52,172,962</u>	<u>52,458,475</u>

Firstsource-Dialog Solutions (Private) Limited

Notes to the financial statements (Continued)

as at 31 March 2020

(Currency : In LKR)

31 March 2020 31 March 2019

5) Share capital

Authorised

9,221,040 (31 March 2019: 9,221,040) Equity Shares of LKR 1 each

9,221,040 9,221,040

9,221,040 9,221,040

Issued, subscribed and paid-up

4,610,520 (31 March 2019: 4,610,520) Equity Shares of LKR 1 each

4,610,520 4,610,520

4,610,520 4,610,520

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

	31 March 2020		31 March 2019	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	4,610,520	4,610,520	9,221,040	9,221,040
Buyback of Shares	-	-	(4,610,520)	(4,610,520)
At the end of the year	4,610,520	4,610,520	4,610,520	4,610,520

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

	31 March 2020		31 March 2019	
	Number of shares	% of total shares	Number of shares	% of total shares
Firstsource Solutions Limited	3,411,785	74.00%	3,411,785	74.00%
Dialog Axiata PLC	1,198,735	26.00%	1,198,735	26.00%

c) During the year ended 31 March 2019, 50% of the equity shares were bought back by the owners in the ratio of their holding.

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 shares 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 the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

6) Other equity

Securities premium

At the commencement of the year

Year ended
31 March 2020 31 March 2019

48,515,238 97,478,960

Less: Adjustment for Buy back of Equity Shares

- (48,963,722)

At the end of the year

48,515,238 48,515,238

Retained earnings

At the commencement of the year

4,101,820 4,966,577

Add: Net profit for the year

(61,131) (864,757)

At the end of the year

4,040,689 4,101,820

Total other equity

52,555,927 52,617,058

Firstsource-Dialog Solutions (Private) Limited
Notes to the financial statements (continued)

as at 31 March 2020

(Currency : In LKR)

	Year ended	
	31 March 2020	31 March 2019
7) Other income		
Interest income	<u>1,537,316</u>	<u>2,313,772</u>
	<u>1,537,316</u>	<u>2,313,772</u>
8) Other expenses		
Legal and professional fees	1,132,820	1,577,836
Connectivity, Information and Communication Expenses	-	4,386
Bank administration charges	252,222	42,355
Miscellaneous expenses	<u>213,405</u>	<u>74,710</u>
	<u>1,598,447</u>	<u>1,699,287</u>

Firstsource-Dialog Solutions (Private) Limited

Notes to the financial statements (continued)

as at 31 March 2020

(Currency : In LKR)

9) Financial instruments

I. Financial instruments by category:

The carrying value and fair value of financial instruments by categories as of 31 March 2020 were as follows:

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Cash and cash equivalents	52,172,962	-	-	52,172,962	52,172,962
Total	52,172,962	-	-	52,172,962	52,172,962
Financial liabilities					
Trade payables	600,000	-	-	600,000	600,000
Total	600,000	-	-	600,000	600,000

The carrying value and fair value of financial instruments by categories as of 31 March 2019 were as follows:

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Cash and cash equivalents	52,458,475	-	-	52,458,475	52,458,475
Total	52,458,475	-	-	52,458,475	52,458,475
Financial liabilities					
Trade payables	766,690	-	-	766,690	766,690
Total	766,690	-	-	766,690	766,690

Fair value hierarchy for the above stated financial assets and liabilities is using measurement principles at Level 3 as at 31 March 2020 and 31 March 2019.

II Financial risk management:

a) Market Risk

The Company operates in Sri Lanka and there are no major transactions outside Sri Lanka. Hence, there is no significant foreign exchange risk for the Company.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. There are no amounts outstanding from trade debts and unbilled revenues as at 31 March 2020 and 31 March 2019. Expected credit losses are accounted on financial assets based on the measurement criteria as defined in the policy. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment.

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2020 and 31 March 2019:

	31 March 2020		31 March 2019	
	Less than 1 Year	More than 1 year	Less than 1 Year	More than 1 year
Trade payables	600,000	-	766,690	-

Firstsource Dialog Solutions (Private) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2020

(Currency : In LKR)

10) Related party transactions

Details of related parties including summary of transactions entered into during the year ended 31 March 2020 are summarized below:

Ultimate Holding Company	CESC Ventures Limited (formerly known as RP-SG Business Process Services Limited)
Holding Company	Firstsource Solutions Limited
Fellow Subsidiaries	Kolkata Games and Sports Private Limited Quest Properties India Limited (QPIL) Metromark Green Commodities Private Limited Guiltfree Industries Limited Bowlopedia Restaurants India Limited Herbolab India Private Limited Accurate Commodeal Private Limited Apricot Foods Private Limited Firstsource Group USA Inc. Firstsource Transaction Services LLC Firstsource Solution UK Limited Firstsource Process Management Services Limited Medassist Holding, LLC Firstsource Advantage LLC One Advantage LLC Firstsource BPO Ireland Limited Firstsource Business Process Services LLC Firstsource Solutions USA LLC Sourcepoint Fulfillment Services, Inc (formerly known as ISGN Fulfillment Services, Inc) Sourcepoint Inc. (formerly know as ISGN Solutions, Inc.) ISGN Fulfillment Agency LLC (ceased w.e.f. 24th June 2019)
Trust Controlled by Ultimate Holding Company	RP-Sanjiv Goenka Group CSR Trust(RPSG CSR trust)
Entity having significant influence	Dialog Axiata PLC
Key Managerial Personnel	Badrinath Bharadwaj Dinesh Jain
Directors	Dinesh Jain Supun Weerasinghe Sandra De Zoysa Deepak Kolambar Badrinath Bharadwaj

Name of the Related Party	Description	Transaction value during year ended		Receivable / (Payable) at	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
Firstsource Solutions Limited	Buy back of shares	-	39,644,941	-	-
Dialog Axiata PLC	Buy back of shares	-	13,929,301	-	-

Firstsource-Dialog Solutions (Private) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2020

(Currency : In LKR)

11) Segment reporting

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 statements of the Firstsource Solutions Limited ('the Holding Company').

12) Computation for calculating basic and diluted earnings per share

	For the year ended	
	31 March 2020	31 March 2019
Number of shares considered as basic weighted average shares outstanding	4,610,520	6,694,728
Number of shares considered as weighted average shares and potential shares outstanding	4,610,520	6,694,728
Net profit after tax attributable to shareholders	(61,131)	(864,757)
Net profit after tax for diluted earnings per share	(61,131)	(864,757)

13) Capital and other commitments and contingent liabilities

The Company has no capital commitments as at the balance sheet date (31 March 2019- Nil) and there are no contingent liabilities as at the balance sheet date (31 March 2019- Nil).

14) Subsequent events

The Company evaluated subsequent events from the balance sheet date through 9 July 2020 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

G.K. Subramaniam

Partner

Membership No: 109839

9 July 2020

Mumbai

Dinesh Jain

Director

Badrinath Bharadwaj

Director