

**INDEPENDENT AUDITORS' REPORT**

**TO THE BOARD OF DIRECTORS  
FIRSTSOURCE SOLUTIONS LIMITED**

**Report on the Special Purpose Financial Statements**

**Opinion**

We have audited the accompanying Special Purpose Financial Statements of **One Advantage LLC** (the 'Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'Special Purpose Financial Statements'). The Special Purpose Financial Statements have been prepared by the Management of the Company to assist Firstsource Solutions Limited, the holding company to comply with the requirements of Section 129(3) of the Companies Act, 2013 (the 'Act').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, of its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ('SAs'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Special Purpose Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Financial Statements.

**Management's Responsibility for the Special Purpose Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the

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Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Special Purpose Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Financial Statements.

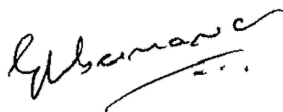
**Basis of preparation**

We draw attention to Note 1 to the Special Purpose Financial Statements, which describes the basis of preparation of the Special Purpose Financial Statements. Our opinion is not modified in respect of this matter.

**Restriction on Distribution and Use**

Our report is intended solely for the information and use of the Board of Directors of Firstsource Solutions Limited for compliance with the requirements of Section 129(3) as aforesaid and is not intended to be and should not be used by anyone other than the specified parties.

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



**G. K. SUBRAMANIAM**  
Partner  
(Membership No. 109839)  
(UDIN: 22109839ALYSFT2285)

Mumbai  
30 June 2022

# **One Advantage LLC**

Special Purpose Financial Statements  
together with the Independent Auditor's Report  
as at and for the year ended 31 March 2022



# **One Advantage LLC**

## **Special Purpose Financial Statements together with the Independent Auditor's Report**

*as at and for the year ended 31 March 2022*

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# One Advantage LLC

## Balance sheet

as at 31 March 2022

(Currency : In US Dollar)

	Note	31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	30,440	29,052
Right-of-use assets	4	1,832,201	2,421,300
Other intangible assets	5	32,970	73,936
Other non-current assets	6(i)	2,151	3,334
<b>Total non-current assets</b>		<b>1,897,762</b>	<b>2,527,622</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Trade receivables	7		
Billed		1,223,101	1,442,126
Cash and cash equivalents	8	723,630	901,722
Other financial assets	9	16,281,092	11,941,031
Other current assets	6(ii)	38,923	48,563
<b>Total current assets</b>		<b>18,266,746</b>	<b>14,333,442</b>
<b>Total assets</b>		<b>20,164,508</b>	<b>16,861,064</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	-	-
Other equity	11	17,294,635	12,752,496
<b>Total equity</b>		<b>17,294,635</b>	<b>12,752,496</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities		1,532,589	2,172,313
<b>Total non-current liabilities</b>		<b>1,532,589</b>	<b>2,172,313</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	12	326,150	330,793
Lease liabilities		639,725	586,889
Other financial liabilities	13	132,080	818,277
Other current liabilities	14	135,114	68,297
Provisions for employee benefits	15	104,215	131,999
<b>Total current liabilities</b>		<b>1,337,284</b>	<b>1,936,255</b>
<b>Total equity and liabilities</b>		<b>20,164,508</b>	<b>16,861,064</b>

### Significant accounting policies

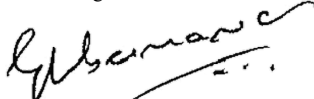
The accompanying notes from 1 to 24 are an integral part of these special purpose financial statements.

As per our report of even date attached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

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



**G. K. Subramaniam**

Partner

Membership No: 109839

30 June 2022

Mumbai

For and on behalf of the Board of Directors



**Venkatgiri Vandali**  
Director



**Randall Shafer**  
Director

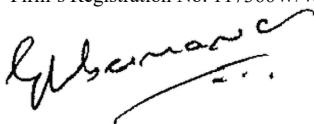
**One Advantage LLC**  
**Statement of profit and loss**  
*for the year ended 31 March 2022*  
 (Currency : In US Dollar)

		<b>Year ended</b>	
	<i>Note</i>	<b>31 March 2022</b>	31 March 2021
<b>INCOME</b>			
Revenue from operations	<i>16</i>	<u>13,452,024</u>	14,841,413
<b>Total income</b>		<u>13,452,024</u>	14,841,413
<b>EXPENSES</b>			
Employee benefits expenses	<i>17</i>	4,216,310	4,890,780
Finance costs	<i>18</i>	121,789	149,929
Depreciation and amortization expense	<i>3,4, 5</i>	653,530	673,354
Other expenses	<i>19</i>	<u>3,918,257</u>	4,105,293
<b>Total expenses</b>		<u>8,909,886</u>	9,819,356
<b>Profit before tax</b>		<u>4,542,138</u>	5,022,057
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Profit for the year</b>		<u>4,542,138</u>	5,022,057
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u>4,542,138</u>	5,022,057

**Significant accounting policies**

The accompanying notes from 1 to 24 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



**G. K. Subramaniam**  
*Partner*

Membership No: 109839  
 30 June 2022  
 Mumbai

**For and on behalf of the Board of Directors**



**Venkatgiri Vandali**  
 Director



**Randall Shafer**  
 Director

# One Advantage LLC

## Statement of changes in equity

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

### Statement of Changes in Equity

	Attributable to owners of the Company		
	Equity share capital	Reserve and surplus Retained earnings	Total
Balance as at 1 April 2021	-	12,752,497	12,752,497
Profit for the year	-	4,542,138	4,542,138
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>17,294,635</b>	<b>17,294,635</b>

### Statement of Changes in Equity

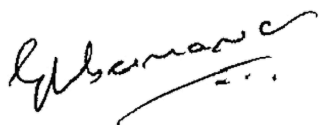
	Attributable to owners of the Company		
	Equity share capital	Reserve and surplus Retained earnings	Total
Balance as at 1 April 2020	-	7,730,439	7,730,439
Profit for the year	-	5,022,057	5,022,057
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>12,752,496</b>	<b>12,752,496</b>

As per our report of even date attached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

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



**G. K. Subramaniam**

Partner

Membership No: 109839

30 June 2022

Mumbai

For and on behalf of the Board of Directors



**Venkatgiri Vandali**  
Director



**Randall Shafer**  
Director

# One Advantage LLC

## Statement of cash flows

for the year ended 31 March 2022

(Currency : In US Dollar)

	31 March 2022	31 March 2021
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>4,542,138</b>	5,022,058
<b>Adjustments for</b>		
Depreciation and amortisation	653,530	673,354
Finance costs	121,789	149,929
Allowance for expected credit loss	177,432	337,289
<b>Operating cash flow before changes in working capital</b>	<b>5,494,889</b>	6,182,630
<b>Changes in working capital</b>		
Decrease / (Increase) in trade receivables	41,593	(213,994)
(Increase) in loans and advances and other assets	(4,329,238)	(5,363,040)
(Decrease) / Increase in liabilities and provisions	(651,807)	350,408
<b>Net changes in working capital</b>	<b>(4,939,452)</b>	(5,226,626)
Income taxes paid	-	-
<b>Net cash generated from operating activities (A)</b>	<b>555,437</b>	956,004
<b>Cash flow from investing activities</b>		
Purchase of property plant and equipment and intangible asstes	(24,853)	(6,022)
<b>Net cash used in investing activities (B)</b>	<b>(24,853)</b>	(6,022)
<b>Cash flow from financing activities</b>		
Repayment of Lease Liabilities	(586,887)	(540,029)
Interest Paid	(121,789)	(149,929)
<b>Net cash used in financing activities (C)</b>	<b>(708,676)</b>	(689,958)
<b>Net (Decrease) / Increase in cash and cash equivalents at the end of the year (A+B+C)</b>	<b>(178,092)</b>	260,024
<b>Cash and cash equivalents at the beginning of the year</b>	<b>901,722</b>	641,698
<b>Cash and cash equivalents at the end of the year</b>	<b>723,630</b>	901,722

### 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 2022	31 March 2021
Cash on hand	-	-
Balances with banks		
- in current accounts	723,630	901,722
<b>Cash and cash equivalents</b>	<b>723,630</b>	901,722

As per our report of even date attached.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

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



**G. K. Subramaniam**

Partner

Membership No: 109839

30 June 2022

Mumbai

**For and on behalf of the Board of Directors**



**Venkatgiri Vandali**  
Director



**Randall Shafer**  
Director

**1 Company overview**

One Advantage LLC (the 'Company') was incorporated under the laws of the state of Delaware on 6 August 2014. The Company is engaged in the business of debt collection services mainly of healthcare business throughout the United States of America.

The Company is a wholly owned Subsidiary of Firstsource Business Process Services LLC incorporated under the laws of the state of Delaware.

***Basis of Preparation and Statement of compliance***

The special purpose 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 thereunder.

These special purpose financial statements have been prepared to assist the Holding Company Firstsource Solutions Limited to comply with the requirements of section 129(3) of the Act.

The financial information based on which these special purpose financial statements are prepared were approved by the Board of Directors of Firstsource Solutions Limited, the Holding Company on 5 May 2022.

**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 Property, plant and equipment and Intangible assets**

The charge in respect of periodic depreciation / amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired, and are reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**b Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and identification of lease requires significant judgement. Ind AS 116 additionally requires lessees to determine the lease term as the non-cancellable period of lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in the future periods is reassessed to ensure the lease term reflects the current economic circumstances.

**2.2 Revenue recognition**

The Company, in its contracts with customers, promises to transfer distinct services rendered in the form of healthcare (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, refund, 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 Significant accounting policies (Continued)**

**2.3 Property, plant and equipment and Intangible assets**

**Property, plant and equipment**

Property, plant and equipment and intangible assets 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 / Amortisation on property, plant and equipment and intangible 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)
<b>Tangible assets</b>	
Leasehold improvements	Lease term or 5 years, whichever is shorter
Service equipment*	2 – 5
Computers*	2 – 4
Office Equipment*	2 – 5
Furniture and Fixtures*	2 – 5
* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, 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.	

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

**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*	2 – 4
* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, 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 purchased is capitalised together with the related hardware and amortised over the best estimate of useful life from the date the asset is available for use. 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.

**2.4 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. 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. The assets are written off when the Company is certain about the non-recovery.

**b. Non-financial assets**

**Property, plant and equipment and Intangible assets**

Property, plant and equipment and Intangible assets 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 Cash Generating Unit ('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 amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

**2 Significant accounting policies (Continued)**

**2.5 Employee benefits**

*Defined contribution plans*

The Company has a savings and investment plan under section 401 (k) of the Internal Revenue Code of the United States of America. This is a defined contribution plan. Contribution made under the plan are charged to the statement of profit and loss in the period in which that accrue. The Company has no further obligation to the plan beyond its monthly contribution. Other retirement benefits, including social security and medicare, are accrued based on the amounts payable as per local regulations.

*Compensated absences*

Employees of the Company are entitled to compensated absences to be utilised within one calendar year, the employees can receive cash compensation at termination of employment for the unutilised accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement.

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

**2.6 Taxation**

*Current income taxes and deferred income taxes*

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred 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 Income tax liability and Deferred Tax Asset and Liability are computed on a combined basis and a combined tax return is filed for all subsidiaries of Firstsource Solutions Limited operating in the United States of America and the charge, the asset and the liability is accounted on a combined basis by Firstsource Group USA, Inc. (parent company in the United States of America) in its financial statements.



## One Advantage LLC

### Notes to the financial statements

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

## 2 Significant accounting policies (Continued)

### 2.7 Leases

The Company enters into contract as a lessee for assets taken on lease. The Company at the inception of a contract assesses whether the contract contains a lease by conveying the right to control the use of an identified asset for a period of time in exchange for consideration. A Right-of-use asset is recognised representing its right to use the underlying asset for the lease term at the lease commencement date except in case of short term leases with a term of twelve months or less and low value leases which are accounted as an operating expense on a straight line basis over the lease term. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the conditions required by the terms and conditions of the lease, a provision for costs are included in the related Right-of-use asset. The Right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease and if that rate cannot be readily determined the Company uses the incremental borrowing rate in the country of domicile of the leases. The lease payments shall include fixed payments, variable lease payments, where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. Obligation under finance lease are secured by way of hypothecation of underlying fixed assets taken on lease. Lease payments have been disclosed under cash flow from financing activities.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The lease liabilities are remeasured with a corresponding adjustment to the related Right-of-use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

### 2.8 Foreign currency

#### Functional currency

The functional currency of the Company is the United States Dollar (USD) .

#### 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.

### 2.9 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.

## One Advantage LLC

### Notes to the financial statements

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

## **2 Significant accounting policies (Continued)**

### **2.10 Financial instruments (Continued)**

#### **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.

##### **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 recognised 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 instruments**

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.

### **2.11 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period 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 items 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 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.

One Advantage LLC

**Notes to the financial statements**

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

**2 Significant accounting policies (Continued)**

**2.13 Recent Accounting Pronouncements:**

On 23 March 2022, the Ministry of Company Affairs amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 effective for annual periods beginning on or after 1 April 2022 which include amendments / clarifications in the following accounting standards applicable to the Company:

- a) Ind AS 16 – Property, Plant and Equipment
- b) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- c) Ind AS 109 – Financial Instruments

The effect of application of these amendments / clarifications on the Standalone financial statements of the Company is expected to be insignificant.

# One Advantage LLC

## Notes to the financial statements (Continued)

as at 31 March 2022

(Currency : In US Dollar)

### 3 Property, plant and equipment

	Leasehold improvements	Computers	Service equipment	Office equipment	Furniture and fixture	Total
<b>Gross block</b>						
As at 1 April 2021	154,316	668,979	548,732	236,205	359,916	1,968,148
Additions / adjustments during the year	-	-	-	24,580	-	24,580
Deletions during the year	(154,316)	(632,154)	(548,732)	(222,237)	(359,916)	(1,917,355)
As at 31 March 2022	-	36,825	-	38,548	-	75,373
<b>Accumulated depreciation / amortization</b>						
As at 1 April 2021	154,316	651,815	547,854	225,879	359,233	1,939,096
Charge for the year	-	14,979	879	6,650	683	23,191
On deletions / adjustments during the year	(154,316)	(632,155)	(548,733)	(222,235)	(359,916)	(1,917,355)
As at 31 March 2022	-	34,639	-	10,294	-	44,933
<b>Net block</b>						
As at 31 March 2022	-	2,186	-	28,254	-	30,440
As at 31 March 2021	-	17,165	879	10,326	683	29,052

	Leasehold improvements	Computers	Service equipment	Office equipment	Furniture and fixture	Total
<b>Gross block</b>						
As at 1 April 2020	154,316	668,979	548,732	230,488	359,916	1,962,432
Additions / adjustments during the year	-	-	-	5,717	-	5,717
As at 31 March 2021	154,316	668,979	548,732	236,205	359,916	1,968,149
<b>Accumulated depreciation / amortization</b>						
As at 1 April 2020	154,316	633,423	543,064	218,149	354,157	1,903,109
Charge for the year	-	18,392	4,789	7,730	5,076	35,987
On deletions	-	-	-	-	-	-
As at 31 March 2021	154,316	651,815	547,854	225,879	359,233	1,939,096
<b>Net block</b>						
As at 31 March 2021	-	17,164	879	10,326	683	29,052
As at 31 March 2020	-	35,556	5,668	12,339	5,759	59,323

## One Advantage LLC

### Notes to the financial statements (Continued)

as at 31 March 2022

(Currency : In US Dollar)

#### 4 Leases

The details of Right-to-use assets held by the Company are as follows:

	Opening Balance as on 01 April 2021	Addition during the year ended 31 March 2022	Deletions during the year ended 31 March 2022	Depreciation for the year ended 31 March 2022	Net Carrying value 31 March 2022
Leasehold properties	2,421,300	-	-	589,099	1,832,201
	<b>2,421,300</b>	<b>-</b>	<b>-</b>	<b>589,099</b>	<b>1,832,201</b>

Rent includes expense towards low value leases amounting to USD 34,516 and common area maintenance charges for leased properties amounting to USD 3,047 during the year ended 31 March 2022. Further USD 264,698 is netted off as recovery of rent from fellow subsidiaries.

	Opening Balance as on 01 April 2020	Addition during the year ended 31 March 2021	Deletions during the year ended 31 March 2021	Depreciation for the year ended 31 March 2021	Net Carrying value 31 March 2021
Leasehold properties	3,010,399	-	-	589,099	2,421,300
	<b>3,010,399</b>	<b>-</b>	<b>-</b>	<b>589,099</b>	<b>2,421,300</b>

Rent includes expense towards short term lease payments amounting to USD 28,975, expense towards low value leases amounting to USD Nil and common area maintenance charges for leased properties amounting to USD 23,921 during the year ended 31 March 2021. Further USD 230,456 is netted off as recovery of rent from fellow subsidiaries.

# One Advantage LLC

## Notes to the financial statements (Continued)

as at 31 March 2022

(Currency : In US Dollar)

### 5 Other intangible assets

	Software	Total
<b>Gross block</b>		
<b>As at 1 April 2021</b>	196,522	196,522
Additions	273	273
Deletions during the year	76,556	76,556
<b>As at 31 March 2022</b>	<b>120,239</b>	<b>120,239</b>
<b>Accumulated depreciation / amortization</b>		
<b>As at 1 April 2021</b>	122,586	122,586
Charge for the year	41,239	41,239
Deletions during the year	76,556	76,556
<b>As at 31 March 2022</b>	<b>87,269</b>	<b>87,269</b>
<b>Net block</b>		
<b>As at 31 March 2022</b>	<b>32,970</b>	<b>32,970</b>
As at 31 March 2021	<b>73,936</b>	<b>73,936</b>

	Software	Total
<b>Gross block</b>		
<b>As at 1 April 2020</b>	196,217	196,217
Additions	305	305
Deletions during the year	-	-
<b>As at 31 March 2021</b>	<b>196,522</b>	<b>196,522</b>
<b>Accumulated depreciation / amortization</b>		
<b>As at 1 April 2020</b>	74,318	74,318
Charge for the year	48,268	48,268
Deletions during the year	-	-
<b>As at 31 March 2021</b>	<b>122,586</b>	<b>122,586</b>
<b>Net block</b>		
<b>As at 31 March 2021</b>	<b>73,936</b>	<b>73,936</b>
As at 31 March 2020	<b>121,899</b>	<b>121,899</b>

# One Advantage LLC

## Notes to the financial statements (Continued)

as at 31 March 2022

(Currency : In US Dollar)

31 March 2022 31 March 2021

### 6 Other assets

#### (i) Other non-current assets

Prepaid expenses	2,151	3,334
	<u>2,151</u>	<u>3,334</u>

#### (ii) Other current assets

Prepaid expenses	38,923	48,563
	<u>38,923</u>	<u>48,563</u>

### 7 Trade receivables

#### Billed

Considered doubtful	538,527	361,095
Less: Allowance for expected credit loss	<u>538,527</u>	<u>361,095</u>
	-	-
Considered good	1,223,101	1,442,126
	<u>1,223,101</u>	<u>1,442,126</u>
	<u>1,223,101</u>	<u>1,442,126</u>

a) Trade receivables are non-interest bearing and there are no trade receivables with a significant increase in credit risk as well as disputed trade receivables.

b) No trade or other receivables are due from directors or other officers of the Company, either severally or jointly

c) For receivables from related parties, refer note 21.

#### Trade receivables Ageing Schedule

As at 31 March 2022

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	1,223,101	-	-	-	-	1,223,101
Undisputed Trade receivable – considered doubtful	-	-	22,129	509,719	3,712	2,967	538,527
<b>Total</b>	-	1,223,101	22,129	509,719	3,712	2,967	1,761,628

As at 31 March 2021

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	1,442,126	-	-	-	-	1,442,126
Undisputed Trade receivable – considered doubtful	-	-	291,712	61,568	7,815	-	361,095
<b>Total</b>	-	1,442,126	291,712	61,568	7,815	-	1,803,221

### 8 Cash and cash equivalents

Cash on hand		
Balances with banks		
-in current accounts	723,630	901,722
- earmarked balances with banks held in trust	<u>16,400</u>	<u>118,742</u>
	740,030	1,020,464
Less: Current account balance held in trust for customers	<u>(16,400)</u>	<u>(118,742)</u>
	<u>723,630</u>	<u>901,722</u>

### 9 Other financial assets

(Unsecured, considered good)

#### Other current financial assets

Receivable from Related Parties (refer note 21)	16,281,092	11,941,031
	<u>16,281,092</u>	<u>11,941,031</u>

# One Advantage LLC

## Notes to the financial statements (Continued)

as at 31 March 2022

(Currency : In US Dollar)

### 10 Share capital

#### Authorised

-	-
-	-

#### Issued, subscribed and paid-up

-	-
-	-

#### a) Particulars of shareholders holding more than 5% equity shares

	31 March 2021 % of holding	31 March 2021 % of holding
Firstsource Business Process Services LLC	100	100

Management confirms to a framework of capital through agreement without any contributions thereby providing 100% ownership and voting rights and right to 100% of profits / losses. Hence, the financials do not disclose any Earnings per share value.

### 11 Other Equity

#### Retained earnings

At the commencement of the year

12,752,497

7,730,439

Add: Net profit for the year

4,542,138

5,022,057

At the end of the year

17,294,635

12,752,497

#### Total other equity

17,294,635

12,752,497

31 March 2022 31 March 2021

### 12 Trade Payables

Trade Payables

31 March 2022 31 March 2021

326,150

330,793

326,150

330,793

#### Trade payables Ageing Schedule

As at 31 March 2022

	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade Payables	232,775	93,375	-	-	-	326,150
<b>Total</b>	232,775	93,375	-	-	-	326,150

As at 31 March 2021

	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade Payables	297,233	33,560	-	-	-	330,793
<b>Total</b>	297,233	33,560	-	-	-	330,793



# One Advantage LLC

## Notes to the financial statements (Continued)

as at 31 March 2022

(Currency : In US Dollar)

### 13 Other financial liabilities

#### Other current financial liabilities

Employee benefits payable

41,959 74,660

Payable to related parties (refer note 21)

90,121 743,617

**132,080 818,277**

### 14 Other liabilities

#### Other current liabilities

Advance from customer

123,450 45,061

Statutory dues

11,664 23,236

**135,114 68,297**

### 15 Provision for employee benefits

#### Current

Compensated absences

104,215 131,999

**104,215 131,999**

# One Advantage LLC

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : In US Dollar)

Year ended  
31 March 2022      31 March 2021

### 16 Revenue from operations

Sale of services	13,452,024	14,841,413
	<u>13,452,024</u>	<u>14,841,413</u>

The Company provides debt collection and revenue cycle management services for customers in the healthcare industry and operates in the US geography only

Revenues in excess of invoicing are classified as contract assets (which is referred as unbilled revenues). Changes in contract assets are directly attributable to revenue recognised based on the accounting policy defined and the invoicing done during the year. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures as the revenue recognised corresponds directly with the value to the customer of the company's performance completed to date.

### 17 Employee benefits expenses

Salaries and wages	3,795,649	4,403,117
Contribution to social security and other benefits	31,636	30,717
Staff welfare expenses	389,025	456,946
	<u>4,216,310</u>	<u>4,890,780</u>

### 18 Finance costs

Interest expense on leased liabilities	121,789	149,929
	<u>121,789</u>	<u>149,929</u>

### 19 Other expenses

Rent (net of recoveries)	(227,135)	(177,560)
Cars and other hire charges	31,208	27,584
Repairs, maintenance and upkeep	20,614	38,200
Computer expenses	422,913	437,398
Legal and professional fees	1,562,509	1,153,639
Connectivity, Information and Communication Expenses	1,183,281	1,397,118
Travel and conveyance	3,463	3,606
Insurance	46,141	15,376
Printing and stationery	8,005	9,302
Marketing and Support fees	165	6,854
Rates and taxes	41,613	76,428
Recruitment and Training Expense	5,931	3,876
Bank administration charges	460,069	554,159
Allowance for expected credit loss	177,432	337,289
Allocated Corporate Cost	182,048	221,424
Miscellaneous expenses	-	600
	<u>3,918,257</u>	<u>4,105,293</u>

# One Advantage LLC

## Notes to the financial statements (Continued)

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

### 20 Financial instruments

#### I. Financial instruments by category:

The carrying value and fair value of financial instruments by categories as of 31 March 2022 were as follows:

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
<b>Financial assets</b>					
Trade receivables	1,223,101	-	-	1,223,101	1,223,101
Cash and cash equivalents	723,630	-	-	723,630	723,630
Other financial assets	16,281,092	-	-	16,281,092	16,281,092
<b>Total</b>	<b>18,227,823</b>	<b>-</b>	<b>-</b>	<b>18,227,823</b>	<b>18,227,823</b>
<b>Financial liabilities</b>					
Trade payables	326,150	-	-	326,150	326,150
Lease liabilities	2,172,314	-	-	2,172,314	2,172,314
Other financial liabilities	132,080	-	-	132,080	132,080
<b>Total</b>	<b>2,630,544</b>	<b>-</b>	<b>-</b>	<b>2,630,544</b>	<b>2,630,544</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2021 were as follows:

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
<b>Financial assets</b>					
Trade receivables	1,442,126	-	-	1,442,126	1,442,126
Cash and cash equivalents	901,722	-	-	901,722	901,722
Other financial assets	11,941,031	-	-	11,941,031	11,941,031
<b>Total</b>	<b>14,284,879</b>	<b>-</b>	<b>-</b>	<b>14,284,879</b>	<b>14,284,879</b>
<b>Financial liabilities</b>					
Trade payables	330,793	-	-	330,793	330,793
Lease liabilities	2,759,202	-	-	2,759,202	2,759,202
Other financial liabilities	818,277	-	-	818,277	818,277
<b>Total</b>	<b>3,908,272</b>	<b>-</b>	<b>-</b>	<b>3,908,272</b>	<b>3,908,272</b>

Fair value hierarchy for the above stated financial assets and liabilities is using measurement principles at Level 3 as at 31 March 2022 and 31 March 2021.

#### II. Financial risk management:

##### Financial risk factors:

The Company's activities are exposed to a variety of financial risks: market risk, credit risk, and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

##### a) Market risk

The Company operates in the US and there are no major transactions outside the US. So there is no major market 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. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to USD 1,223,101 as at 31 March 2022 (31 March 2021: USD 1,442,126) and unbilled revenue amounting to USD Nil as at 31 March 2022 (31 March 2021 : USD Nil). Credit risk has always been managed by the Company by continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. 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.

# One Advantage LLC

## Notes to the financial statements (Continued)

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

### 20 Financial instruments (Continued)

#### 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 following are contractual maturities of Lease Liabilities on an undiscounted basis as at 31 March 2022 and 31 March 2021:

	31 March 2022	31 March 2021
Particulars	Amount	Amount
Less than one year	730,912	708,677
One to five years	1,617,084	2,347,996
More than five years	-	-
<b>Total</b>	<b>2,347,996</b>	<b>3,056,673</b>

Future cash outflows in respect of certain leasehold properties to which the Company is potentially exposed as a lessee that are not reflected in the measurement of the lease liabilities include exposures from options of extension and termination. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Management has considered all relevant facts and circumstances that create an economic incentive for the Company as a lessee to exercise the option to extend the lease or not to exercise the option to terminate the lease as at 31 March 2022. The Company shall revise the lease term when there is a change in the facts and circumstances.

The Company is using the net operational cash flows including cash inflows from the financial assets to manage the liquidity.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022 and 31 March 2021:

	31 March 2022		31 March 2021	
	Less than 1 Year	More than 1 year	Less than 1 Year	More than 1 year
Trade payables	326,150	-	330,793	-
Lease liabilities	639,725	1,532,589	586,889	2,172,313
Other financial liabilities	132,080	-	818,277	-

# One Advantage LLC

## Notes to the financial statements (Continued)

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

### 21 Related party transactions

Details of related parties including summary of transactions entered into during the year ended 31 March 2022 are summarized below:

Ultimate Holding Company	RPSG Ventures Limited
Holding Company	Firstsource Group USA Inc. Firstsource Solutions Limited Firstsource Business Process Services LLC
Fellow Subsidiaries (where transactions exist)	Medassit Holding, LLC Firstsource HealthPlans and Healthcare services, LLC Firstsource Advantage LLC Sourcepoint Fulfillment Services, Inc Sourcepoint Inc.
Directors	Venkatgiri Vandali Randall Shafer

#### Particulars of related party transactions:

Name of the related party	Description	Transaction value during year ended Amount in USD*		Receivable / (Payable) at Amount in USD	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
Firstsource Solutions Limited	Services rendered by business associates and Others	-	-	-	-
	Recovery of expenses	-	238,255	-	-
	Reimbursement of expenses	182,692	14,256	-	-
	Payable	-	-	(48,280)	(18,593)
Firstsource Group USA Inc	Reimbursement of expenses	-	67,784	-	-
	Recovery of expense	632,179	517,275	-	-
	Receivable	-	-	16,281,092	11,600,926
Firstsource Health Plans and Healthcare Services, LLC	Reimbursement of expenses	4,612	16,614	-	-
	Recovery of expense	-	15,595	-	-
	Payable	-	-	-	(20,313)
Medassit Holding LLC	Reimbursement of expenses	1,293,163	258,775	-	-
	Recovery of expense	194,013	1,178,489	-	-
	Payable	-	-	(32,519)	(519,006)
Firstsource Advantage LLC	Services rendered by business associates and Others	-	-	-	-
	Reimbursement of expenses	223,799	264,977	-	-
	Recovery of expense	33,828	39,432	-	-
	Payable	-	-	(9,321)	(178,290)
Sourcepoint Fulfillment Services, Inc	Reimbursement of expense	-	-	-	-
	Receivable	-	-	-	340,105
Sourcepoint Inc	Reimbursement of expense	17,514	7,415	-	-
	Payable	-	-	-	(7,415)

\*Transfer of funds between the Companies is not considered for related party disclosure of transactions during the year

# One Advantage LLC

## Notes to the financial statements (Continued)

as at and for the year ended 31 March 2022

(Currency : In US Dollar)

### 22 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 Firstsource Solutions Limited ( 'the Holding Company').

### 23 Capital and other commitments and contingent liabilities

The Company has capital commitments of USD 43,000 as at 31 March 2022 (31 March 2021: 6,508). There are no contingent liabilities as at 31 March 2022. (31 March 2021 : USD Nil)

### 24 Subsequent events

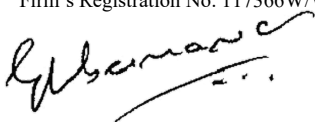
The Company evaluated subsequent events from the balance sheet date through 30 June 2022 and determined there are no material items to report.

As per our report of even date attached.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

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



G. K. Subramaniam

Partner

Membership No: 109839

30 June 2022

Mumbai

For and on behalf of the Board of Directors



Venkatgiri Vandali

Director



Randall Shafer

Director