

Firstsource Solutions Limited
Profit and Loss account summary
(consolidated figures)

Particulars	Quarter ended		Growth % in Q3 FY23 over Q3 FY22	Quarter ended Sept 30, 2022	Growth % in Q3 FY23 over Q2 FY23
	Dec 31, 2022	Dec 31, 2021			
INCOME					
Income from services	15,033	14,456	4.0%	14,735	2.0%
Other Operating Income	16	182	-91.2%	147	-89.1%
REVENUES FROM OPERATIONS	15,049	14,638	2.8%	14,882	1.1%
EXPENDITURE					
Operating expenses	3,092	2,583	19.7%	3,438	-10.1%
Personnel expenses	9,861	9,676	1.9%	9,527	3.5%
	12,952	12,259	5.7%	12,965	-0.1%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	2,097	2,379	-11.9%	1,917	9.4%
Operating EBITDA %	13.9%	16.3%	-232 Bps	12.9%	105 Bps
Depreciation / amortization	687	617	11.5%	663	3.7%
OPERATING Margin	1,409	1,762	-20.0%	1,254	12.4%
Operating Margin %	9.4%	12.0%	-267 Bps	8.4%	94 Bps
Interest Income / (expense), net	(183)	(143)	-	(187)	-
Other Income / (expense)	610	(5)	-	482	-
PROFIT/(LOSS) BEFORE TAX and exceptional item	1,837	1,614	13.8%	1,549	18.6%
PBT and exceptional item (% of Total Income)	12.2%	11.0%	118 Bps	10.4%	179 Bps
Exceptional Item	-	-	-	-	-
PROFIT/(LOSS) BEFORE TAX (PBT)	1,837	1,614	13.8%	1,549	18.6%
PBT (% of Total Income)	12.2%	11.0%	118 Bps	10.4%	179 Bps
Taxes	257	259	-0.6%	255	0.9%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	1,579	1,355	16.6%	1,294	22.0%
Non - controlling interest	(0)	(0)	-	(0)	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	1,579	1,355	16.6%	1,294	22.0%
PAT Margin %	10.5%	9.3%	124 Bps	8.7%	180 Bps
EARNINGS PER SHARE (Equity shares of par value INR 10/- each)					
Basic	2.32	1.99	16.6%	1.90	22.1%
Diluted	2.25	1.92	17.2%	1.84	22.3%

Note: numbers have rounding off impact

 (As per Indian Accounting Standards)
 In ₹ million, except per share data

Particulars	Nine Months Ended		Growth % in 9M FY23 over 9M FY22
	Dec 31, 2022	Dec 31, 2021	
Income from services	44,293	43,419	2.0%
Other Operating Income	362	354	2.4%
REVENUES FROM OPERATIONS	44,655	43,772	2.0%
Operating expenses	9,846	6,999	40.7%
Personnel expenses	28,985	29,623	-2.2%
	38,831	36,622	6.0%
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	5,824	7,150	-18.6%
Operating EBITDA %	13.0%	16.3%	-329 Bps
Depreciation / amortization	1,989	1,797	10.7%
OPERATING Margin	3,835	5,353	-28.4%
Operating Margin %	8.6%	12.2%	-364 Bps
Interest Income / (expense), net	(546)	(428)	-
Other Income / (expense)	1,145	(15)	-
PROFIT/(LOSS) BEFORE TAX and exceptional item	4,433	4,911	-9.7%
PBT and exceptional item (% of Total Income)	9.9%	11.2%	-129 Bps
Exceptional Item	-	-	-
PROFIT/(LOSS) BEFORE TAX (PBT)	4,433	4,911	-9.7%
PBT (% of Total Income)	9.9%	11.2%	-129 Bps
Taxes	709	870	-18.4%
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	3,724	4,041	-7.9%
Non - controlling interest	(0)	(8)	-
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	3,724	4,050	-8.0%
PAT Margin %	8.3%	9.3%	-91 Bps
EARNINGS PER SHARE (Equity shares of par value INR 10/- each)			
Basic	5.47	5.96	-8.2%
Diluted	5.31	5.74	-7.5%

Particulars	As at	
	Dec 31, 2022	Mar 31, 2022
ASSETS		
Non-Current Assets		
Fixed assets	3,015	3,500
Right-of-use assets	5,382	6,758
Goodwill on consolidation	29,644	27,208
Investment in associate accounted for using the equity method	0	0
Financial assets		
Investments	115	115
Other financial assets	483	529
Deferred tax assets	2,965	2,818
Income tax assets (net)	923	794
Other non-current assets	891	1,154
Total Non-Current Assets	43,418	42,875
Current Assets		
Financial assets		
Current investments	849	1,185
Trade receivables	10,279	9,605
Cash and cash equivalents	1,050	828
Other balances with bank	28	70
Other financial assets	43	536
Other current assets	1,639	1,986
Total Current Assets	13,888	14,212
TOTAL ASSETS	57,307	57,087
EQUITY AND LIABILITIES		
Shareholder's funds		
Equity share capital	6,970	6,970
Reserve and surplus	27,705	23,360
Total equity attributable to equity holders of the Company	34,675	30,329
Non - controlling interest	3	4
Non-current liabilities		
Financial liabilities		
Long-term borrowings	1,788	2,733
Lease liabilities	4,857	6,254
Other Financial Liabilities	554	1,322
Provisions	236	137
Deferred tax liabilities	1,165	959
Total Non-current liabilities	8,600	11,405
Current liabilities		
Financial liabilities		
Short-term and other borrowings	6,031	7,364
Trade payables	2,101	1,781
Lease liabilities	1,414	1,487
Other financial liabilities	2,783	3,346
Other current liabilities	751	838
Provisions	948	527
Provision for tax (net)		6
Total Current liabilities	14,029	15,349
TOTAL LIABILITIES	57,307	57,087

Note: numbers have rounding off impact

Cash Flow Statement
 (consolidated figures)

In ₹ million

Particulars	Quarter ended Dec 31, 2022	Nine months ended Dec 31, 2022
Cash Flow from Operating Activities		
Operating Margin	1,409	3,835
Adjustment: Non Cash and Other Income / (Expense)	667	888
Operating Cash before Working Capital	2,076	4,723
Add: Working Capital Changes	(1,084)	162
Less: Income Taxes Paid	(192)	(547)
Net cash generated from operating activities (A)	800	4,337
Cash Flow from Investing Activities		
Capital Expenditure (net)	(147)	(417)
Proceeds from Current Investments	197	373
Net Cash generated / used in from Investing activities (B)	50	(45)
Cash Flow from Financing Activities		
Net decrease in Borrowings	(709)	(2,278)
Net Interest Paid	(177)	(567)
Payment of lease liabilities	(360)	(1,131)
Purchase of treasury shares (Net)	22	(151)
Net cash used in Financing activities (C)	(1,224)	(4,128)
Net increase/(decrease) in cash and cash equivalents	(374)	165
Cash and cash equivalents at the beginning of the period	1,440	898
Foreign exchange gain on translating Cash and cash equivalents	11	14
Closing Cash and Cash Equivalents (incl other balances with bank)	1,078	1,078
Cash and Cash Equivalents including Current Investments	1,927	1,927

Note: numbers have rounding off impact

Revenue by Industry					
	Quarter Ended			Year Ended	
	Dec 31, 2022	Sept 30, 2022	Dec 31, 2021	Mar 31, 2022	Mar 31, 2021
Banking & Financial Services	41.8%	43.4%	48.3%	49.5%	51.9%
Communications, Media & Tech	21.6%	20.2%	19.6%	19.4%	19.3%
Healthcare	34.2%	34.5%	30.3%	29.2%	26.5%
Diverse Industries	2.4%	1.9%	1.8%	1.9%	2.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Service Line					
	Quarter Ended			Year Ended	
	Dec 31, 2022	Sept 30, 2022	Dec 31, 2021	Mar 31, 2022	Mar 31, 2021
Digitally Empowered Contact Center	50.4%	47.7%	45.9%	45.8%	48.3%
Intelligent Back Office	29.2%	30.9%	44.0%	43.4%	45.1%
Platforms, Automation & Analytics	20.4%	21.4%	10.1%	10.8%	6.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Geography					
	Quarter Ended			Year Ended	
	Dec 31, 2022	Sept 30, 2022	Dec 31, 2021	Mar 31, 2022	Mar 31, 2021
USA	64.9%	67.2%	69.8%	69.2%	67.8%
UK	34.1%	31.3%	28.5%	29.3%	30.9%
Rest of world	1.0%	1.5%	1.7%	1.5%	1.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Delivery location					
	Quarter Ended			Year Ended	
	Dec 31, 2022	Sept 30, 2022	Dec 31, 2021	Mar 31, 2022	Mar 31, 2021
Offshore	25.1%	25.9%	30.8%	29.5%	28.3%
Onshore	74.9%	74.1%	69.2%	70.5%	71.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Client Concentration					
	Quarter Ended			Year Ended	
	Dec 31, 2022	Sept 30, 2022	Dec 31, 2021	Mar 31, 2022	Mar 31, 2021
Client contribution to revenues					
Top customer	15.8%	14.9%	15.2%	15.5%	16.4%
Top 5 customers	38.5%	36.6%	37.6%	39.1%	41.1%

Employee and Seats Metrics					
	Quarter Ended				
	Dec 31, 2022	Sept 30, 2022	Dec 31, 2021		
Total employees (end of period)	23,627	23,932	27,398		
Net Addition	(305)	(1,302)	(437)		
Employees in India	12,489	13,431	16,826		
Employees outside India	11,138	10,501	10,572		
Post 180 days TTM attrition					
Offshore (India and Philippines)	44.4%	45.7%	45.2%		
Onshore (US and Europe)	47.2%	52.0%	59.5%		

Note: Attrition data for Onshore and Offshore till FY2022 was depicted on a quarterly annualized basis. Effective Q1FY23 it will be depicted on a Trailing Twelve Months (TTM) basis