

May 2, 2014

To:

National Stock Exchange of India Limited (Scrip Code: FSL) Fax. No. 66418124 /25/26
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (East),
Mumbai - 400 051

BSE Limited (Scrip Code: 532809) Fax. No. 22723121/2037/2041
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Madam/ Sir,

**Sub: Clause 41: Declaration of Audited Standalone and Consolidated financial
results for the quarter and year ended March 31, 2014**

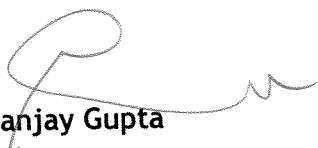
We wish to inform you that the Board of Directors of the Company have, at their meeting held today i.e. May 2, 2014 approved the Audited Standalone and Consolidated financial Results for the quarter and year ended March 31, 2014 copies of which are enclosed herewith alongwith copies of Auditors' Reports thereon.

We are also enclosing herewith copy of Press release relating to the financial results.

We request you to take the above on record.

Thanking you,

For Firstsource Solutions Limited


Sanjay Gupta

VP- Corporate Affairs & Company Secretary

Firstsource Solutions Limited
AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2014

(Rupees, in millions, except per share data and per equity data)

Particulars	Quarter ended			Year ended	
	March 31	December 31	March 31	March 31	March 31
	2014 (Audited)	2013 (Audited)	2013 (Audited)	2014 (Audited)	2013 (Audited)
Income from operations					
Revenue from operations	8,063.43	7,993.54	7,136.79	31,270.23	28,440.18
Other operating income, net	(101.39)	4.09	(11.50)	(211.47)	(254.63)
Total income from operations	7,962.04	7,997.63	7,125.29	31,058.76	28,185.55
Expenses					
Employee benefit expense	5,395.38	5,511.50	4,834.57	21,294.05	19,348.72
Depreciation and amortisation	181.01	189.71	217.54	757.02	683.96
Other expenses	1,577.58	1,554.86	1,460.31	6,143.46	6,041.01
Total expenses	7,153.97	7,256.07	6,512.42	28,194.53	26,273.71
Profit from operations before other income and finance costs	808.07	741.56	612.87	2,864.23	1,911.64
Other income	(10.19)	2.43	(1.09)	20.04	463.95
Profit from ordinary activities before finance costs	797.82	743.99	611.78	2,884.27	2,375.59
Finance costs	197.83	211.61	205.50	851.47	783.65
Profit from ordinary activities before tax	600.09	532.38	403.28	2,032.80	1,591.94
Tax expense	10.37	47.68	1.94	100.89	129.23
Not profit from ordinary activities after tax	589.72	484.70	401.34	1,931.91	1,462.71
Minority interest	1.25	1.60	(0.78)	2.29	(3.21)
Not profit after tax and minority interest	588.47	483.10	402.10	1,929.62	1,459.52
Paid-up equity share capital (Face value of share Rs 10)	6,597.35	6,587.35	6,576.74	6,597.35	6,576.74
Reserves excluding revaluation reserve	-	-	-	14,316.86	10,559.64
Earning Per Share (Rs.): (Not Annualized)					
- Basic	0.89	0.73	0.61	2.93	2.91
- Diluted	0.88	0.71	0.60	2.82	2.82
Particulars of shareholding					
Public shareholding					
- Number of shares of Rs 10	285,758,203	284,758,328	283,697,078	285,758,203	283,697,078
- Percentage of shareholding	43.31%	43.23%	43.14%	43.31%	43.14%
Promoters' and promoter group shareholding					
a) Pledged/ Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	56.69%	56.77%	56.86%	56.69%	56.86%

Notes to financial results:

1. The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on May 2, 2014. The standalone financial results for the quarter and year ended March 31, 2014 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

2. The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and resulting unrealized profits and losses in full. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.

3. Effective year ended March 31, 2009, the company has early adopted Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).

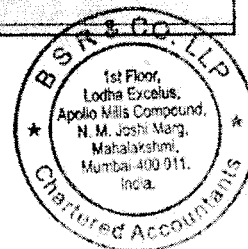
4. Standalone information (Audited)

Particulars	Quarter ended		Year ended	
	2014	2013	2014	2013
Total income from operations	2,188.93	2,196.80	9,173.28	8,808.15
Net profit before taxation	373.13	325.61	1,344.70	1,173.89
Net profit after taxation	373.13	325.61	1,344.70	1,173.89

5. During the quarter and year ended March 31 2014, 999,875 and 2,061,125 Equity shares were issued respectively pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.

6. During the quarter, 11 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.

7. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.



8. Statement of assets and liabilities (Consolidated - Audited)

Particulars	As at March 31,	
	2014	2013
Shareholders' funds		
Share capital	6,597.35	6,576.74
Reserves and surplus	14,316.86	10,559.64
Total Shareholders' funds	20,914.21	17,136.39
Share application money received under ESOP scheme	0.66	-
Minority interest	14.35	11.36
Non-current liabilities		
Long-term borrowings	6,641.60	8,500.64
Deferred tax liabilities, net	317.17	282.90
Other long-term liabilities	199.53	328.92
Long-term provisions	201.04	223.56
Total Non-current liabilities	7,359.34	9,336.05
Current liabilities		
Short-term borrowings	2,458.83	1,628.60
Trade payables	1,129.31	1,361.22
Other current liabilities	4,826.67	4,163.17
Short-term provisions	192.25	87.10
Total Current liabilities	8,606.06	7,240.09
Total - EQUITY AND LIABILITIES	36,894.52	33,723.86
ASSETS		
Non-current assets		
Goodwill on consolidation	25,940.39	23,601.03
Fixed assets		
- Tangible assets	865.45	1,091.90
- Intangible assets	508.44	451.45
- Capital work-in-progress	4.01	18.20
	1,367.90	1,561.55
Non-current investments	28.99	26.81
Long-term loans and advances	1,179.07	1,339.37
Other non-current assets	899.54	651.10
Total Non-current assets	29,413.29	27,179.86
Current assets		
Current investments	26.00	-
Trade receivables	3,019.26	3,865.84
Cash and bank balances	1,863.21	901.01
Short-term loans and advances	410.28	319.73
Other current assets	2,162.46	1,457.44
Total Current assets	7,481.23	6,544.02
TOTAL ASSETS	36,894.52	33,723.86

Particulars	Segment Reporting					
	Quarter ended			Year ended		
	March 31	December 31	March 31	March 31	March 31	March 31
	2014	2013	2013	2014	2014	2013
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment revenue						
a) UK	2,668.12	2,918.02	2,409.92	11,135.07	9,724.53	
b) USA and Canada	3,884.13	3,728.58	3,289.00	14,583.73	13,133.47	
c) India	632.55	666.52	608.61	2,784.20	2,953.17	
d) Rest of the world	678.63	682.42	629.17	2,757.23	2,589.01	
Total	8,063.43	7,993.54	7,136.79	31,270.23	28,440.18	
Less: Inter segment revenue						
Net segment revenue	8,063.43	7,993.54	7,136.79	31,270.23	28,440.18	
Segment results before tax and finance costs						
a) UK	580.65	534.97	207.81	1,905.51	1,007.35	
b) USA and Canada	469.38	428.36	456.43	1,804.27	1,772.68	
c) India	80.97	129.97	84.62	369.13	119.63	
d) Rest of the World	16.02	33.05	82.71	256.36	293.14	
Total	1,147.02	1,127.17	831.57	4,345.27	3,192.78	
i) Finance costs	(197.83)	(211.61)	(206.60)	(851.47)	(783.65)	
ii) Other un-allocable expenditure net of un-allocable income	(349.10)	(383.18)	(219.79)	(1,461.00)	(817.19)	
Profit before tax and minority interest	600.09	532.38	403.28	2,032.80	1,591.94	
Capital Employed						
a) UK	1,475.99	1,844.49	1,911.98	1,475.99	1,911.98	
b) USA and Canada	27,207.95	28,383.99	25,145.84	27,207.95	25,145.84	
c) India	771.28	428.50	578.63	771.28	578.63	
d) Rest of the World	891.29	568.87	628.01	891.29	628.01	
e) Unallocated	1,559.41	1,289.44	1,804.97	1,559.41	1,804.97	
Total	31,895.92	32,315.29	30,669.41	31,895.92	30,669.41	

Notes on segment information

Primary segments

The primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada, India and Rest of the World.

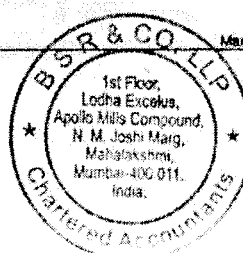
Capital employed

Capital employed comprises trade receivables including unbilled receivables and goodwill on consolidation directly attributable to the reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities and hence, has been included under unallocated.

By order of the Board
For Firstsource Solutions Limited

Mumbai, India
May 2, 2014

Rajesh Surammanam
Managing Director and CEO



B S R & Co. LLP

Chartered Accountants

1st Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalakshmi
Mumbai - 400 011
India

Telephone +91 22 3989 6000
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Independent Auditors' Report

To the Board of Directors of Firstsource Solutions Limited

Report on the Consolidated Quarterly Financial Results and Year to Date Financial Results of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement

We have audited the consolidated financial results of Firstsource Solutions Limited ('the Company') and its subsidiaries for the quarter ended 31 March 2014 and year to date financial results for the period from 1 April 2013 to 31 March 2014 attached herewith, being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us.

Management's Responsibility for the Consolidated Financial Results

These consolidated quarterly financial results as well as year to date consolidated financial results have been prepared on the basis of the consolidated financial statements and in compliance with Clause 41 of the Listing Agreement, which is the responsibility of the Company's management. These consolidated financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standard) Rules, 2006 referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 which, as per a clarification issued by the Ministry of Corporate Affairs, continues to apply under Section 133 of the Companies Act 2013 (which has superseded Section 211(3C) of the Companies Act 1956 w.e.f. 12 September 2013) and other accounting principles generally accepted in India. Additionally, the Company has early adopted Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement, read with AS-31, Financial Instruments – Presentation, along with prescribed limited revisions to other accounting standards, issued by the Institute of Chartered Accountants of India.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial results that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Independent Auditors' Report *(Continued)*

Firstsource Solutions Limited

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated quarterly financial results as well as the year to date consolidated financial results:

- i. include the consolidated quarterly financial results as well as year to date consolidated financial result of the following entities:
 - a. Firstsource Solutions Limited
 - b. Firstsource Group USA, Inc.
 - c. Firstsource Solutions UK Limited
 - d. Firstsource Solutions S.A.
 - e. Firstsource Advantage LLC
 - f. Firstsource Business Process Services, LLC
 - g. MedAssist Holding, Inc
 - h. Firstsource Solutions USA LLC
 - i. Firstsource Transaction Services LLC
 - j. Twin Lake Property LLC-I
 - k. Twin Lake Property LLC-II
 - l. Firstsource Dialog Solutions (Private) Limited
 - m. Anunta Tech Infrastructure Services Limited
 - n. Firstsource BPO Ireland Limited
- ii. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- iii. give a true and fair view of the consolidated net profit and other financial information for the quarter ended 31 March 2014 and year to date results for the period from 1 April 2013 to 31 March 2014.

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Independent Auditors' Report (Continued)

Firstsource Solutions Limited

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 3 to the consolidated financial results that describes the early adoption by the Company of AS 30, Financial Instruments: Recognition and Measurement, read with AS 31, Financial Instruments – Presentation along with prescribed limited revisions to other Accounting Standards issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee for Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956. Consequent to early adoption of AS 30 and the related limited revisions, consolidated profit after taxation for the quarter ended 31 March 2014 is lower by Rs 451 million and for the period from 1 April 2013 to 31 March 2014 is higher by Rs 169 million.

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

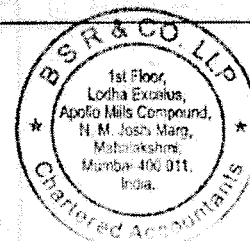
Mumbai
2 May 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W



Bhavesh Dhupelia
Partner
Membership No: 042070

Firstsource Solutions Limited AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2014 (Rupees, in millions, except per share data and per equity data)					
Particulars	Quarter ended			Year ended	
	March 31	December 31	March 31	March 31	March 31
	2014 (Audited)	2013 (Audited)	2013 (Audited)	2014 (Audited)	2013 (Audited)
Income from operations					
Revenue from operations	2,311.46	2,433.17	2,218.92	9,541.72	9,108.37
Other operating income, net	(122.53)	(75.34)	(22.12)	(368.44)	(298.22)
Total income from operations	2,188.93	2,357.83	2,196.80	9,173.28	8,808.15
Expenses					
Employee benefit expense	1,038.61	1,200.85	1,179.33	4,607.91	4,715.57
Depreciation and amortisation	121.45	130.46	137.23	527.19	576.58
Other expenses	672.64	672.01	643.61	2,868.42	2,739.89
Total expenses	1,830.70	2,003.32	1,960.17	7,803.52	8,032.04
Profit from operations before other income and finance costs	358.23	354.51	236.63	1,369.76	776.11
Other income	64.92	51.36	124.74	152.13	925.76
Profit from ordinary activities before finance costs	423.15	405.87	361.37	1,521.89	1,701.87
Finance costs	50.02	43.04	35.76	177.19	527.98
Profit from ordinary activities before tax	373.13	362.83	325.61	1,344.70	1,173.89
Tax expense	-	-	-	-	-
Net profit from ordinary activities after tax	373.13	362.83	325.61	1,344.70	1,173.89
Paid-up equity share capital (face value of share Rs. 10)	6,597.35	6,587.35	6,576.74	6,597.35	6,576.74
Reserves excluding revaluation reserve	-	-	-	7,204.60	5,748.17
Earning per share (Rs.) (not annualised)					
- Basic	0.57	0.55	0.50	2.04	2.33
- Diluted	0.54	0.53	0.49	1.96	2.29
Particulars of shareholding					
Public shareholding					
- Number of shares of Rs. 10	285,758,203	284,758,328	283,697,078	285,758,203	283,697,078
- Percentage of shareholding	43.31%	43.23%	43.14%	43.31%	43.14%
Promoters' and promoter group shareholding					
a) Pledged/ Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	56.69%	56.77%	56.86%	56.69%	56.86%
Notes to financials results : 1. The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on May 2, 2014. 2. Effective year ended March 31, 2009, the Company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI). 3. During the quarter and year ended March 31 2014, 999,875 and 2,061,125 Equity shares were issued respectively pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company. 4. During the quarter, 11 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter. 5. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.					



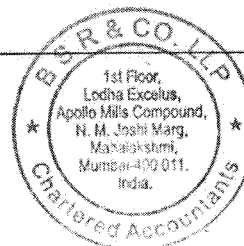
6. Statement of Assets and liabilities (Standalone Audited)

Particulars	As at March, 31	As at March, 31
	2014	2013
EQUITIES AND LIABILITIES		
Shareholders' funds		
Share capital	6,597.35	6,576.74
Reserves and surplus	7,204.60	5,748.17
Total Shareholders' funds	13,801.95	12,324.91
Share application money received under ESOP scheme	0.66	-
Non-current liabilities		
Long-term borrowings	1,217.72	1,127.64
Long-term provisions	62.57	95.59
Total Non-current liabilities	1,280.29	1,223.23
Current liabilities		
Short-term borrowings	661.26	-
Trade payables	305.94	443.61
Other current liabilities	1,599.69	2,162.31
Short-term provisions	41.66	49.92
Total Current liabilities	2,508.55	2,655.84
TOTAL - EQUITY AND LIABILITIES	17,691.45	16,203.98
ASSETS		
Non-current assets		
Fixed assets		
- Tangible assets	447.13	538.96
- Intangible assets	408.90	425.17
- Capital work-in-progress	0.50	17.60
	856.53	981.73
Non-current investments	11,731.28	11,686.07
Deferred tax assets (net)	406.64	406.64
Long-term loans and advances	951.53	868.79
Other non-current assets	899.41	650.67
Total Non-current assets	14,845.39	14,593.90
Current Assets		
Trade receivables	1,852.43	627.18
Cash and bank balances	287.79	253.32
Short-term loans and advances	399.30	249.24
Other current assets	306.54	280.34
Total Current assets	2,846.06	1,510.08
TOTAL - ASSETS	17,691.45	16,203.98

Mumbai, India
May 2, 2014

By order of the Board
For Firstsource Solutions Limited

Rajesh Supramaniam
Managing Director and CEO



B S R & Co. LLP

Chartered Accountants

1st Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalakshmi
Mumbai - 400 011
India

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Independent Auditors' Report

To the Board of Directors of Firstsource Solutions Limited

Report on the Quarterly Financial Results and Year to Date Financial Results of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement

We have audited the financial results of Firstsource Solutions Limited ('the Company') for the quarter ended 31 March 2014 and year to date financial results for the period from 1 April 2013 to 31 March 2014 attached herewith, being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us.

Management's Responsibility for the Financial Results

These quarterly financial results as well as year to date financial results have been prepared on the basis of the financial statements and in compliance with Clause 41 of the Listing Agreement, which is the responsibility of the Company's management. These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standard) Rules, 2006 referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 which, as per a clarification issued by the Ministry of Corporate Affairs, continues to apply under Section 133 of the Companies Act 2013 (which has superseded Section 211(3C) of the Companies Act 1956 w.e.f. 12 September 2013) and other accounting principles generally accepted in India. Additionally, the Company has early adopted Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement, read with AS-31, Financial Instruments – Presentation, along with prescribed limited revisions to other accounting standards issued by the Institute of Chartered Accountants of India.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial results based on our audit of such financial statements. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Handwritten signature

Independent Auditors' Report (Continued)

Firstsource Solutions Limited

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the quarterly financial results as well as the year to date financial results:

- i. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- ii. give a true and fair view of the net profit and other financial information for the quarter ended 31 March 2014 and year to date results for the period from 1 April 2013 to 31 March 2014.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 to the financial results that describes the early adoption by the Company of AS 30, Financial Instruments: Recognition and Measurement, read with AS 31, Financial Instruments – Presentation, along with prescribed limited revisions to other Accounting Standards issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee for Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956. Consequent to early adoption of AS 30 and the related limited revisions, profit after taxation for the quarter ended 31 March 2014 is lower by Rs 448 million and for the period from 1 April 2013 to 31 March 2014 is higher by Rs 208 million.

B S R & Co. LLP

Independent Auditors' Report (Continued)

Firstsource Solutions Limited

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
2 May 2014

Firstsource reports Fiscal 2014 revenues of ₹31,059 million
Y-o-Y growth of 10.2%

Operating EBIT of ₹2,864 million
Up Y-o-Y by 49.8%

PAT (profit after tax) of ₹1,930 million
Up Y-o-Y by 31.6%

EBIT and PAT margins expanded by 2.4% and 1% respectively during the year

Mumbai, May 02, 2014: Firstsource Solutions Limited (NSE:FSL, BSE:532809), a global provider of customized Business Process Management (BPM) services company today reported its consolidated financial results for the quarter and year ended March 2014 according to Indian GAAP.

Financial Highlights for Year ended March 2014:

- Revenues at ₹31,059 million for the year ended March 2014, a growth of 10.2% over corresponding period of the previous year.
- Operating EBIT of ₹2,864 million for the year ended March 2014, up 49.8% over corresponding period of the previous year.
- Profit after tax ₹1,930 million for the year ended March 2014, up 31.6% over corresponding period of the previous year.
- EPS for the year is ₹2.93 (basic) and ₹2.82 (diluted).
- Debt repayment: Firstsource Group USA, wholly owned subsidiary of Firstsource Solutions successfully made the principal repayment of USD 45 million during the year.
- Employee strength at 27,666 as of March 31, 2014. Reduction of 4,200 employees during the year
- As of March 31, 2014, Firstsource derived 48% revenues from the US, 36% from UK and 16% from Rest of World, including India.
- As of March 31, 2014, Firstsource derived 43% revenues from Telecom & Media, 34% from Healthcare, 22% from BFSI and 1% from others.
- As of March 31, 2014, Firstsource has 46 centers, compared to 47 as on March 31, 2013.
 - Added 1 delivery center in Philippines
 - Two centers reduced in India

Firstsource fourth quarter revenues at ₹7,962 million (Y-o-Y growth of 11.7%, flat Q-o-Q),
Operating EBIT at ₹808 million (Y-o-Y growth of 31.8%, Q-o-Q growth of 9.0%)
PAT at ₹588 million (Y-o-Y growth of 46.4%, Q-o-Q growth of 21.8%)

Highlights for the Quarter ended March 31, 2014:

- Revenues of ₹7,962 million, down 0.4% Q-o-Q compared to ₹7,998 million for the quarter ended December 2013 and up 11.7% Y-o-Y compared to ₹7,125 million for the quarter ended March 2013.
- Operating EBIT (earnings before interest and tax) of ₹808 million, up 9.0% Q-o-Q compared to ₹742 million for the quarter ended December 2013 and up 31.8% Y-o-Y compared to ₹613 million for the quarter ended March 2013.
- PAT (profit after tax) of ₹588 million, up 21.8% Q-o-Q compared to ₹483 million for the quarter ended December 2013 and up 46.4% Y-o-Y compared to ₹402 million for the quarter ended March 2013.
- Cash position is at ₹1,889 million.
- Employee strength at 27,666 as of March 31, 2014. Reduction of 2,280 employees in the quarter.
- Q4 annualized attrition (post 180 days) :
 - Offshore (India and Philippines) – 54.8% compared to 49.2% in Q3 FY2014
 - Onshore (US and Europe) – 38.6% compared to 33.8% in Q3 FY2014
 - Domestic (India and Sri Lanka) – 85.6% compared to 92.8% in Q3 FY2014

Business Highlights for FY 2013-14:

• **New business/ client wins:**

- Won a 2 year contract in the Customer Management business with the wireless division of a leading US based telecom company
- Won additional business in Mortgage Back-office and Mortgage telephony for an existing UK based leading banking client
- Secured a contract with a leading utilities and FTSE100 company in the UK for customer management services to the MVNO business
- Signed an additional contract with UK's leading entertainment and communications company to provide a range of services such as Broadband support (Voice) and support for Billing & Technical queries for TV, BB & Telephony products (Web Chat).
- Won an additional contract with an existing client – a leading credit card issuer in the UK. The contract is for CPI (Card Protection) and IPA (Identity Protection) queries.
- Added a new logo to the Healthcare Payer clientele list in US. to provide Claims Adjudication from the US
- Won a Customer Management and Complaints Management contract with a leading UK financial services company.
- Won a Customer Insight Analytics and Consulting contract with a leading Irish Bank
- Secured a contract with a US based multinational wireless technology company to provide high end technical support through email & webchat service.

- **New Center:** Expanded operations in Philippines with the second delivery center in Cebu, a center of excellence in the financial services business.
- **Innovative Productized Services:** Firstsource launched **First Customer Intelligence:** Provides actionable insights from multichannel customer interactions. **FirstChat:** a web-based customer engagement solution to enhance Customer Engagement strategies for organisations and **First Smartomation:** a proprietary process automation solution that integrates multiple systems, creates new interfaces and reduces complex processes. **First Resolve:** An end to end Claims Management solution.
- Firstsource strengthened its **Rights Management solution** (to deliver Licensing and Acquiring Rights and Permissions for 3rd Party copyright content) with the Patent issued to its partner Digi-Express® in the Publishing business.

Commenting on the performance, **Sanjiv Goenka, Chairman, RP-Sanjiv Goenka Group and Firstsource Solutions** said, *"Fiscal 14 has been a year of strong profitable growth with a net profit growth of 31.6% over the past year. We continue to deepen and strengthen our relationship with our clients through new value added services. A conscious decision to terminate non-profitable accounts will yield benefit in the ensuing year. As we step into FY15, our focus continues to be on profitability and margin accretive growth."*

Awards & Accolades

- Recognized as one of UK's leading outsourcing providers by the **National Outsourcing Association (NOA) Awards**. Firstsource also won two other prestigious awards:
 - BPO Project of the Year 2013 (for the work with Sky)
 - Outsourcing Service Provider of the Year.
- Awarded the 'Outsourcing Partnership of the Year' in the **European Call Centre and Customer Service Awards 2013** for our longstanding relationship with Sky.
- Won the **"Outsourcing Excellence Award 2013"** at the 17th Annual Outsourcing Excellence Awards held in Texas, US, for the "Best Business Process" category in partnership with Giffgaff Ltd.
- Awarded 'Employer of the Year 2013' in Northern Ireland by the **UTV Business Eye Awards**. This is in addition to the Business in the Community 'Employer of Choice' and Irish News 'Innovative Employer' awards received in the previous quarters.
- Awarded the Employer of Choice at the annual **Business in the Community Northern Ireland (BITCNI) Awards** in Belfast, Northern Ireland.
- The **Irish News Workplace and Employment Awards** awarded Firstsource the accolade of Innovative Employer Award 2013 in Ireland.
- Received the **Frost & Sullivan '2013 North American – "New Product Innovation award"** for Contact Center Outsourcing for its analytics proposition - First Customer Intelligence.

Industry Rankings & Recognitions

- Firstsource received the Silver accreditation by **Investors-In-People (IIP) for the UK**. This achievement highlights and benchmarks our best practices in relation to investing in people and commitment to continuous improvement.
- Featured among the **100 best BPO companies** by **Global Services' Annual GS100 2013**. The company has received this recognition for the third year in a row.
- Firstsource has been **ranked #24 by The International Association of Outsourcing Professionals (IAOP)** in the 2013 Global Outsourcing 100® rankings.

About Firstsource:

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a leading global provider of customized Business Process Management (BPM) services to the Healthcare, Telecom & Media and Banking & Financial Services industries. The company's clients include Fortune 500, FTSE 100 & Nifty 50 companies. Firstsource has a "rightshore" delivery model with operations in India, Ireland, Philippines, Sri Lanka, UK and U.S. (www.firstsource.com)

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