Firstsource Solutions UK Limited

Annual report and financial statements
Registered number 03999896
31 March 2025

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Company details

Firstsource Solutions UK Limited (Registered number 03999896) having registered office address Lynton House, 7-12 Tavistock Square, London, United Kingdom, WC1H 9LT

Independent Auditor

KNAV Limited
Hygeia Building, Ground Floor, 66-68 College Road, Harrow, Middlesex, HA1 1BE, UK

Directors

Mr Ritesh Idnani
Mr Rajiv Malhotra
Mr Utsav Parekh
Ms Anita Geoghegan
Ms Alison Prentice

Bankers

Barclays Bank PLC
1 Churchill Place, Canary Wharf, London E14 5HP, United Kingdom

CITI Bank Europe PLC
Citigroup Centre 33 Canada Square, London E14 5LB, United Kingdom

ICICI Bank UK PLC
One Thomas More Square, London E1W 1YN United Kingdom

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STRATEGIC REPORT

The directors present their strategic report of Firstsource Solutions UK Limited ("the Company", "we", "our") for the year ended 31 March 2025

Principal activities
The Company's principal activity continues to be that of providing Business Process Outsourcing (BPO) services to UK companies

Business review and Key performance indicators (KPIs)

KPIs for the company are growth in revenue growth in gross profit margins and employee head count

Revenue for the Company decreased from £198,275,985 to £194,057 776, a decrease of 2% over the previous financial year The Company incurred a loss after taxation of £1,869,967, whereas profit in the previous year was £5 737 623 The loss position was mainly due to the cost of growth in the business Revenue declined on account of certain customers moving few services in-house Employee headcount decreased from 4,502 in 2024 to 3,456 during the year primarily due to client-driven changes in resource requirements In terms of revenue, the client base remains strong and consists of prestigious names in the industry

	2025	2024
	(£)	(£)
Revenue	194,057,776	198,275,985
Gross Profit	20,480,575	33 583,857
Gross Profit %	11%	17%

The Company entered into a Share Purchase Agreement ("SPA") on 23 September 2024 to acquire 100% equity interest and control of Ascensos Limited (Ascensos), headquartered in the UK The total purchase consideration under the SPA shall not exceed £42,000 000, including contingent consideration Ascensos is engaged in providing BPM (Business Process Management) services for retail, consumer and e-commerce verticals

Principal risks and uncertainties

A Revenue concentration risk

Risk
The Company relies on a small number of clients for a large proportion of its income, and a loss of any of these clients could adversely affect profitability Furthermore major events affecting the Company s clients, such as bankruptcy change of management, mergers and acquisitions, change in business models or environmental factors could adversely impact business

Strategy
The Company has recognised this risk and has undertaken multiple initiatives over the last few years to rebalance its business portfolio in terms of clients and industry exposure

B Highly competitive environment

Risk
The market for BPO services is rapidly evolving and is highly competitive The Company expects that the competition it faces will continue to intensify The Company faces competition from offshore third party BPO providers, BPO divisions of global IT companies and global "pure play" BPO providers There are also a number of companies who choose to perform their own business processes internally through offshore captive business processing units established specifically for this purpose

Strategy
The Company understands that it needs to retain and grow its leadership position in the industry and to maintain this competitive edge, management realise that they need to be best in class in operations, delivery and quality, as well as ensuring that they have a focused marketing and sales team

The experience of the Company's management team is a key competitive advantage The management team has a track record of managing high growth businesses, possesses domain knowledge in the industries the Company serves and has relevant experience in the geographies in which it operates

STRATEGIC REPORT *(CONTINUED)*

Principal risks and uncertainties (Continued)

C. Long selling cycle

Risk

The Company has a long selling cycle for its BPO services, which requires significant investment of capital, resources and time by both clients and the Company Before committing to use the Company s services, potential clients require management to expend substantial time and resources presenting to them the value of their services and assessing the feasibility of integrating the Company's systems and processes with their own Therefore, the Company's selling cycle, which can range in duration from weeks to months is subject to many risks and delays over which the Company has little or no control, including the clients decision to choose alternatives to its services (such as other providers or in-house offshore resources), timing of its clients' budget cycles and approval processes

Strategy

The Company has clearly focused marketing and sales teams with clear goals who at all times work on a variety of opportunities along with an aggressive transition methodology that helps transition new wins fairly quickly into delivery mode Most of the contracts with existing clients are on a long-term basis which ensures sustainable and scalable business from existing clients

D. Industry and macro-economic risks

Risk and strategy

There seems to be a trend of protectionism/ localisation being followed by most matured economies Due to changes in political and macro-economic factors in the UK along with the ongoing changes in the immigration policies there is an increased resistance from labour unions against the use of foreign labour Since the beginning the Company has recognised this and developed operational capabilities across the globe In the process the Company has successfully transformed itself from an offshore (Business Process Management) BPM Player to a multi shore BPM player, with significant local operational presence in the UK which has helped in winning more business The Company derives the majority of its revenues from onshore services The Company has 8 operations centres with 3 456 employees in the UK

The Company is strategically positioned to benefit from the growth opportunities in its key target industries – telecommunications and media The Company s key strengths within these sectors are its size deep domain expertise, proven track record, ability to provide end-to-end services, multi-shore capabilities and its marquee client base

As an early mover in the BPO industry the Company has been able to achieve critical mass attract senior and middle-management talent establish key client relationships and a track record of operational excellence as well as developing robust and scalable global delivery systems

The Company continues to believe that outsourcing companies with significant process and domain knowledge will be in the best position to provide efficient and effective outsourcing solutions to their customers The Company intends to continue to invest in developing its own proprietary technology platforms and capabilities around technology platforms through strategic partnerships

Section 172 statement

Under section 172 of the Companies Act 2006, the directors of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of all its stakeholders

The Company embraces and promotes the Company's culture and vision to serve the needs of our stakeholders, wherever they are, and to earn the trust of society The culture and vision foster a strong regard for the key stakeholders of the Company and provide a framework through which the directors can make key decisions that are most likely to promote the success of the Company, fulfilling their duties under section 172

The directors report how they have discharged their duties under Section 172 (1) of The Companies' Act 2006, to act in a way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders and in doing so have regard to the matters set out in section 172 (1) *(a) – (f)* as mentioned below

STRATEGIC REPORT (*CONTINUED*)

172 (1)(a) the likely consequences of any decision in the long term

The Company's core strategic purpose is to promote the Company's vision and objectives and in doing so deliver the commercial success of the business. The Board considers the long-term impact of corporate actions and decisions on this strategic purpose and on the interests of the members and the Company's key stakeholders, through careful consideration of appropriate information as provided by subject matter experts, to support decisions

Stakeholders and importance to the Company	Board approach to engagement	Stakeholder considerations
Shareholders of the Company The shareholders of the Company are vital to the future success of the business, having provided investment to support the creation and growth of the Company	The board considers it important to engage with its shareholders on a regular basis The board provides an update to Firstsource Solutions Limited ("the parent company"), providing a narrative on performance using several metrics as well as providing an updated view of future forecasts, where appropriate	A strategy and narrative which can demonstrate - Sustainable year-on-year growth in revenue Sustainable year-on-year growth in profit and value for shareholders Strong and sustainable cash flow and Company liquidity Solid commitment to maintaining and further developing a positive reputation amongst other groups of stakeholders

172 (1)(b) the interests of the Company's employees

The Company is a responsible employer, focused on employee engagement and communication. It promotes a diverse and inclusive workforce and the continued development of its people in a safe working environment. The Company benefits from and promotes the company's employment and employee focused initiatives

Stakeholders and importance to the Company	Stakeholder considerations	Board approach to engagement
Employees We are, at our heart, a business founded on the talents and experience of our people, and their ability to deliver distinctive customer experiences. They are our most valuable asset	Regular group sessions with colleagues across all business areas are held to provide a consistent assessment of employee sentiment and engagement	Proving a fair, competitive and transparent approach to remuneration Providing development opportunities and platforms and a variety of internal career opportunities Providing an attractive and safe place to work and a responsiveness to individual needs arising from the shifting environment

STRATEGIC REPORT (*CONTINUED*)

172 (1)(c) the need to foster the Company s business relationships with suppliers, customers and others

In pursuit of it's vision the Company and Directors act with commitment to suppliers, customer and others The directors act and make decisions determining what suppliers to engage with that exhibit the Company's value and fulfil its objectives The company also seek to enhance customer satisfaction

Stakeholders and importance to the Company	*Stakeholder considerations*	*Board approach to engagement*
Clients Our core function is to provide the people, process technologies, and platforms necessary to help our clients evolve and elevate the experience of their customers and brands Long-term strategic partnerships are the foundations upon which to build long-term shareholder value Trust, loyalty, and transparency are at the heart of our business principles, and underpin our approach to client engagement	Board meetings include a review of customer dynamics and operational risks and opportunities specific to each strategic client	Building a control framework which allows the Company to respond with agility to the varying needs of its clients and their customers, measuring performance against a range of measures (KPIs) specific to each individual client In an evolving consumer landscape, ensuring on-going compliance with clients' own policies procedures, controls and protocols

172 (1)(d) the impact of the Company's operations on the community and environment

The Company is committed to leading the way in adopting and applying the highest standards of good governance ethics and transparency in the industry This includes employees volunteering with the community to do any required work from painting to gardening The Company is committed to environmental sustainability

Stakeholders and importance to the Company	Stakeholder considerations	Board approach to engagement
Community and the environment Being socially responsible is integral to the way we do business We're proud of what we achieve in our local communities Reducing our impact on the environment is of importance to wider society	The board strives to support and promote initiatives to reduce the carbon footprint of the Company	Consistently evolving and applying the Company's approach to environmental policies and adopting climate change mitigation as an integral part of business strategy

172 (1)(e) the desirability of the Company maintaining a reputation for high standards of business conduct

The Company and the Directors are guided by the Company's vision and values when they act and make decisions, thereby maintaining a reputation for quality and integrity This approach and the operational infrastructure of the business as a result ensure maintaining a reputation for high standard of business conduct is a key consideration by the Directors when making key decisions Additionally employees are subject to a code of conduct with a confidential helpline available to all employees where employees can ask a question or voice a concern

STRATEGIC REPORT (*CONTINUED*)

172 (1)(f) the need to act fairly as between members of the Company

For the year under review the company continued to ensure regular communication through various corporate reporting channels This is achieved through formal and informal meetings, publications on the company s intranet and regular various channels of communication

ON BEHALF OF THE BOARD

Mr Rajiv Malhotra - Director
Date 23 December 2025

DIRECTORS REPORT

The directors present their report and audited financial statements of Firstsource Solutions UK Limited ("the Company", "we" "our") for the year ended 31 March 2025

Future developments

The Company has a strong future outlook in the BPO sector Management have renewed contracts with major customers contributing to largest portion of the revenue and providing good growth margin of which one has been successfully extended upto F Y 2032-33 There is a strong business pipeline and the directors expect further contracts to be secured in the year ahead which in turn will result into profitable position

Results and dividends

The loss for the year, after taxation amounted to £1,869,967 (2024 profit of £5,737,623)
No dividends were paid in the year (2024 nil)

Directors

The directors shown below have held office during the whole of the period from 1 April 2024 to the date of this report

Mr Ritesh Idnani
Mr Rajiv Malhotra
Mr Utsav Parekh
Ms Anita Geoghegan - appointed on 12 December 2025
Ms Alison Prentice - appointed on 12 December 2025

Statement of corporate governance

Firstsource Solutions Limited (FSL'), the parent company of Firstsource Solutions UK Limited is a listed company incorporated in India and is complying to the *Corporate Governance Code applicable to it in accordance with the regulatory requirements of India*

The Company did not apply the corporate governance code as applicable for the larger entities in the UK as FSL applied an overseas code which is applicable throughout the group including this Company

FSL Corporate Governance Code is applicable to all its subsidiaries including the Company and the same is accessible in English at https://www firstsource com/investor-relations/corporate-governance
The annual report of FSL which includes a detailed corporate governance statement is accessible on Company s website - www firstsource com

Synopsis of how the FSL Corporate Governance Code applies to the governance arrangements in the Company and its directors is disclosed hereunder
FSL follows a vertical organizational structure wherein the CEO & MD and CFO of FSL are responsible for adhering to the requirements of FSL and all its subsidiaries including the Company

FSL has good governance which facilitates efficient effective and entrepreneurial management that can deliver stakeholder value over long term It is about *commitment to values and ethical business conduct FSL has formulated many policies for enhancing the employees /stakeholder value and adherence to the corporate* governance requirements which are applicable to FSL and all its subsidiaries including the Company Few of them are mentioned below

1) Anti-Bribery and Gifts & Entertainment Policy
2) Business conduct & Ethics Policy
3) Diversity & Equal Opportunities Policy
4) Grievance Policy

Also, FSL has in place various committees, procedures and mechanism for monitoring regulatory compliance for FSL and all its subsidiaries including the Company

The governance policies in place is available at https //www firstsource com/investor-relations/corporate-governance
Statement of directors in performance of their statutory duties in accordance with s172(1) of Companies Act 2006 and Directors' Responsibility forms part of the Strategic Report of the Company

The Company faces several risks of which prominent ones are mentioned in the Strategic report of the Company along with the Company's strategy to mitigate these risks Further, Risk Management Committee of FSL ensure the compliance related to other risk applicable to FSL and all its subsidiaries including the Company

Charitable and political contributions

The Company made no political or charitable donations or incurred any political expenditure during the year (2024 nil)

DIRECTORS' REPORT (CONTINUED)

Financial risk management

Given the size of the Company the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board The policies set by the Board of Directors are implemented by the Company s finance department

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its short-term financial obligations due to inadequate cash flow or mismatches in the maturities of assets and liabilities The Company manages liquidity risk by matching payment and receipt cycles to maintain a healthy cash flow The Company finances working capital requirements through a combination of internally generated funds and available credit lines The directors are confident that adequate resources are available to support the Company's operations and ensure its financial stability Refer going concern disclosure in Directors' report

Credit risk

Credit risk refers to the possibility of financial loss resulting from a counterparty s failure to meet its contractual obligations The Company's exposure to credit risk primarily arises from trade debtors and other receivables To mitigate this risk, the Company deals exclusively with high credit rated counterparties The Company maintains a proactive approach to assessing creditworthiness to minimize potential losses The amounts presented as trade debtors in the balance sheet are net of impairment

Investment impairment risk

The Company regularly evaluates its investments for indicators of impairment in line with applicable accounting standards Where such indicators exist the recoverable amount of the investment is assessed based on the higher of value in use or fair value less costs to sell This process involves detailed cash flow projections, discounting future estimates using market-based pre-tax rates, and considering relevant valuation benchmarks Any impairment provision identified is recognized promptly in the financial statements to ensure transparency and safeguard stakeholder interests Management also monitors macroeconomic factors, foreign exchange fluctuations, and entity-specific performance to mitigate potential impairment risks and maintain robust governance over investment valuations

Research and development

The Company made no expenditure towards research and development during the year (2024 nil)

Statement of engagement with suppliers, customers and others in a business relationship with the company

Please refer to section 172 (1)(c) of strategic report

Post balance sheet events

On 18 July 2025, the Company signed an agreement to acquire 100% stake in Pastdue Credit Solutions Limited (PDC"), engaged in providing white-label, early arrears, and debt collections & recovery services The transaction was completed on 11 December 2025 upon receipt of all regulatory approvals

Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged It is the policy of the Company that the training, career development and promotion of a disabled person should as far as possible, be identical to that of a person who does not suffer from a disability

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance and of the Company as a whole Communication with all employees continues through the various channels of communication

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' Report confirm that so far as they are each aware there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company s auditor is aware of that information

DIRECTORS REPORT (CONTINUED)

Going concern disclosure

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 2. As at the balance sheet date, the Company has a net current liability position of £61 854 299. This is primarily due to the £43,179,517 relating to various facilities to meet short-term working capital needs (refer note 16 - short-term borrowings) and investments made during the year. Also included within creditors is an amount of £31,036 535 owed to group companies. The Company continues to be financially supported by its parent company. As a consequence, the directors consider it appropriate to prepare the financial statements on a going concern basis and these financial statements do not include any adjustment should this support not be provided.

Streamlined Energy and Carbon Reporting (SECR)

The Company's responsible and sustainable business approach is rooted in what matters to the wide range of stakeholders. The Corporate Responsibility team of FSI sets the strategic direction for meeting the Company's commitment to society and supports the integration and implementation of programmes and non-financial reporting throughout the Company. The Company has transitioned to energy-efficient technology within its offices to reduce the carbon footprint.

Key initiatives
Energy-efficient data center
Refurbished IT system
Sensor-based low-energy LED lighting
Use of renewable energy certificates (REGOs)
Installation of Smartracks in largest DC for minimizing power requirement

Statement of carbon emissions in compliance with Streamlined Energy and Carbon Reporting (SECR)
SECR covering energy use and associated greenhouse gas emissions relating to gas, electricity and transport, intensity ratios and information relating to energy efficiency actions.

	31-Mar-25	31-Mar-24
Total energy use covering electricity, gas and transport (kWh)	2 392,607	1 195,685
Total emissions generated through combustion of gas (tCO2e)	-	-
Total emissions generated through use of purchased electricity (tCO2e)	403	324
Total emissions generated through business travel (tCO2e)	539	159
Total gross emissions (tCO2e)	942	483
Intensity ratio (total gross emissions) (tCO2e per 1000 sq. ft.)	123	362
Emissions avoided by purchasing renewable electricity (tCO2e)	298	248
Total annual net emissions (tCO2e)	644	236

Quantification and Reporting methodology

The boundaries of this report are based on operational control. The Company reports the emissions with refrence to the latest Greenhouse Gas Protocol Corporate Accounting and reporting Standard (GHG Protocol) which is assured by a third party. In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emssions are for those within the UK only that come under the operational boundary. The Company's energy use and emissions disclosures are aligned with financial reporting for the UK.

The 2024 UK Government (DEFRA) GHG Conversion Factors for Company Reporting are used to convert energy use in the Company's operations to emissions of CO2e. Carbon emissions factors for purchased electricity calculated according to the 'location-based grid average' method, along with Transmission and Distribution and Well To Tank factors. Data sources include energy invoices from suppliers as well as internal systems. In 2024/25 the Company purchased renewable energy at its Birmingham, Derby, London, Londonderry, Middlesbrough and Pontypridd sites which is shown in the emissions avoided entry above.

DIRECTORS' REPORT (CONTINUED)

Energy efficiency action

During the current reporting period no additional energy efficiency actions have been taken

Auditor

In accordance with Section 485 of the Companies Act 2006, a resolution for the re-appointment of KNAV Limited as auditor of the Company has been proposed

ON BEHALF OF THE BOARD

Mr Rajiv Malhotra - Director
Date 23 December 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of the Company's profit or loss for that year

In preparing the financial statements the directors are required to

select suitable accounting policies and apply them consistently,

make judgements and estimates that are reasonable and prudent,

state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements, and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Company comply with the Companies Act 2006 They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

ON BEHALF OF THE BOARD

Mr Rajiv Malhotra - Director
Date 23 December 2025

Independent Auditor's Report to the Members of Firstsource Solutions UK Limited

Opinion

We have audited the financial statements of Firstsource Solutions UK Limited (the 'Company') for the year ended 31 March 2025, which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and the related notes to the financial statements, including a summary of significant accounting policies The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice)

In our opinion, the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report

Other information

The directors are responsible for the other information contained within the annual report The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact

We have nothing to report in this regard

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors
As explained more fully in the Directors' responsibilities statement set out on page eleven, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

In preparing the financial statements the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the 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 ISAs (UK) 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 financial statements

Extent to which the audit is capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliances with laws and regulations We designed procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through verbal and written communications with those charged with governance and other management, and via inspection of the company's regulatory and legal correspondence

We discussed with those charged with governance and other management the policies and procedures regarding compliance with laws and regulations

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the Company

The potential effect of these laws and regulations on the financial statements varies considerably

Firstly, the Company is subject to laws and regulations that directly affect the financial statements, including the Company's constitution relevant financial reporting standards, company law and tax legislation and we assess the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigations Based on our understanding of the Company and the industry, discussions with the management, we identified the regulation around employment legislation as those most likely to have such an effect

International Auditing Standards (UK) limit the required procedures to identify non-compliance with these laws and regulations to the procedures, and no procedures over and above those already noted are required These limited procedures did not identify any actual or suspected non-compliance with which laws and regulations that could have a material impact on the financial statements

Our audit procedures included

- enquiry of management about the Company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance,
- examining supporting documents for all material balances, transactions and disclosures,
- review of the minutes of the meetings conducted by the Board of Directors and shareholder's resolution,
- enquiry of management and review and inspection of relevant correspondence with any legal firms
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions,
- analytical procedures to identify any unusual or unexpected relationships
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements,
- review of accounting estimates for biases

These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards (UK) For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls We are not responsible for preventing non-compliance with laws and regulations or fraud and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www frc org uk/auditorsresponsibilities This description forms part of our Auditor's report

Use of our report
This report is made solely to the Company's members, as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed

Kalbinder Sanghera (Senior Statutory Auditor)
for and on behalf of KNAV Limited

Hygeia Building,
Ground Floor,
66-68 College Road,
Harrow
Middlesex
HA1 1BE

Date 24/12/2025

2025-136-UK

Firstsource Solutions UK Limited
Profit and Loss Account and Other Comprehensive Income
for the year ended 31 March 2025

	Notes	2025 £	2024 £
Turnover	*2*	**194,057,776**	198,275 985
Cost of sales		**(173,577,201)**	(164,692,128)
Gross profit		**20,480,575**	33,583,857
Administrative expenses		**(21,368,416)**	(25,913 049)
Other operating income	*3*	**2,687,261**	2,836,573
Operating Profit		**1,799,420**	10,507,381
Loss on sale of fixed assets		**(231,751)**	(370,300)
Interest payable and similar charges	*7*	**(3,329,464)**	(2,559,716)
(Loss) / Profit before taxation		**(1,761,795)**	7,577,365
Tax	*8*	**(108,172)**	(1,839,742)
(Loss) / Profit for the financial year after taxation		**(1,869,967)**	5,737,623
Total comprehensive (loss) / income for the year		**(1,869,967)**	5,737 623

The notes on pages 19 to 34 form part of these financial statements

Firstsource Solutions UK Limited
Balance Sheet at 31 March 2025

	Notes	2025 £	2024 £
Fixed assets			
Tangible assets	*9*	**2,824,848**	2,960,018
Intangible assets	*10*	**172,078**	86,154
Investments	*11*	**90,060,446**	53,594,294
		93,057,372	56,640,466
Debtors amounts falling due after one year	*13*	**18,511,774**	20,617,347
Current assets			
Debtors amounts falling due within one year	*12*	**40,109,405**	30,817,067
Cash at bank and in hand		**2,067,262**	2,503,254
		42,176,667	33,320,321
Creditors amounts falling due within one year	*15*	**(60,851,449)**	(55,583,107)
Short term borrowings	*16*	**(43,179,517)**	(7,000,000)
Net current liabilities		**(61,854,299)**	(29,262,786)
Total assets less current liabilities		**49,714,847**	47,995,027
Creditors amounts falling due after more than one year	*17*	**(3,150,000)**	-
Net assets		**46,564,847**	47,995 027
Capital and reserves			
Called up share capital	*19*	**2,834,672**	2,834,672
Profit and loss account		**43,730,175**	45,160,355
Total equity		**46,564,847**	47,995,027

The notes on pages 19 to 34 form part of these financial statements

These financial statements were approved by the board of directors on 23 December 2025 and signed on its behalf by

Rajiv Malhotra
Director
Company registered number 3999896

Firstsource Solutions UK Limited

Statement of Changes in Equity for the year ended 31 March 2025
(Amount in £)

	Called up share capital	Profit & loss account*	Total equity
Balance as at 1 April 2023	2,834,672	39,422,732	42,257,404
Net profit for the year	-	5,737,623	5,737,623
Total comprehensive income for the year	-	5,737,623	5 737,623
Balance as at 31 March 2024	2,834,672	45,160 355	47,995,027
Balance as at 1 April 2024	2,834,672	45,160,355	47,995,027
Net loss for the year	-	(1,869,967)	(1 869,967)
Additions to capital contribution reserve	-	439 787	439 787
Total comprehensive loss for the year	-	(1 430,180)	(1,430,180)
Balance as at 31 March 2025	**2,834,672**	**43,730,175**	**46,564,847**

*Included within profit and loss acount is the capital contribution reserve amounting to £1,301,783 (2024 £861,996) towards share based payments

The notes on pages 19 to 34 form part of these financial statements

Notes to the Financial Statements (Notes)

General Information

Firstsource Solutions UK Limited ("the Company") is a company limited by shares incorporated, domiciled and registered in the United Kingdom The registered number is 3999896 and the registered address is Lynton House, 7-12 Tavistock Square London, United Kingdom WC1H 9LT

1 Accounting policies

1 1 Basis of preparation

The financial statements are prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102")* and Companies Act 2006

The Company's parent undertaking Firstsource Solutions Limited (the parent company), includes the Company in its consolidated financial statements The consolidated financial statements of Firstsource Solutions Limited are available to the public and may be obtained from 5th Floor, Mindspace, New Link Road, Malad (W) Mumbai 400 064, India

The Company had prepared consolidated financial statements for Firstsource Solutions UK Limited and its subsidiaries for the year ended 31 March 2024 The Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements As a consequence, the company has availed the section 401 exemption and has presented the standalone financial statements for the year ended 31 March 2025

These financial statements are prepared on a going concern basis under the historical cost convention The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates It also requires management to exercise its judgement in the process of applying the company's accounting policies The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in 1 16

The accounting policies set out below from 1 3 have, unless otherwise stated, been applied consistently to all periods presented in these financial statements

Financial Reporting Standard 102 - reduced disclosure exemptions

As a qualifying entity under FRS 102, the Company may take advantage of a wider set of disclosure exemption These include

- *Statement of Cash Flow*
- Reconciliation of the number of shares outstanding at the beginning and end of the period [4 12(a)(iv)]
- Certain financial instrument disclosures
- Certain share-based payment disclosures [26 18(b) 26 19–26 21, 26 23]
- Key management personnel compensation in total [33 7]

1 2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 2 of the other information As at the balance sheet date, the Company has a net current liability position of £61,854,299 This is primarily due to the £43,179,517 relating to various facilities to meet short-term working capital needs (refer note 16 - short-term borrowings) and investments made during the year Also included within creditors is an amount of £31,036 535 owed to group companies The Company continues to be financially supported by its parent company As a consequence, the directors consider it appropriate to prepare the financial statements on a going concern basis and these financial statements do not include any adjustment should this support not be provided

1 3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, restoration costs and borrowing costs capitalised

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets
The Company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Leasehold improvements lease term or the estimated useful life of the asset, whichever is shorter

Fixtures, fittings & equipment 2 - 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the Company expects to consume an asset s future economic benefits The effect of any change is accounted for prospectively

Tangible assets are derecognized on disposal or when no future economic benefits are expected On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit and loss account and included in loss on sale of fixed assets

Accounting policies (*continued*)

1 4 Intangible assets

Intangible assets acquired by the Company are stated at cost less accumulated amortisation and accumulated impairment losses

Amortisation

Amortisation is charged to the profit and loss on a straight-line basis over the estimated useful lives of intangible assets Intangible assets are amortised from the date they are available for use The estimated useful lives are as follows

- Computer software 2 – 4 years

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date

1 5 Investments

Investments in subsidiary undertakings and other Investments are stated at cost less accumulated impairment losses The carrying value of investments is reviewed for impairment on an annual basis or when events or changes in circumstances indicate that the carrying value of the investments may not be recoverable An estimate is made by management of the carrying value of the investments and an impairment loss recognised when the carrying value of the investment exceeds the recoverable amount

1 6 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs Trade and other creditors are recognised initially at transaction price less attributable transaction costs Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any Impairment losses in the case of trade debtors If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions

The Company has a factoring arrangement on a without recourse basis Per the arrangement, trade debtors are assigned to the factor and, upon receipt of cash proceeds, the related trade debtors are derecognised from the balance sheet The arrangement is such that the customers remit cash directly to the Company and the Company transfers the due amount to the factor

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down In this case, the fee is deferred until the draw-down occurs

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts Bank overdrafts are shown within borrowings in current liabilities

1 7 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and the loss event that had a negative effect on the estimated future cash flows of that asset that can be estimated reliably

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset s original effective interest rate

For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date Interest on the impaired asset continues to be recognised through the unwinding of the discount Impairment losses are recognised in profit and loss account When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss account

Accounting policies (*continued*)

1 8 Classification of financial instruments issued by the Company

In accordance with FRS 102 22 financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and

(b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

1 9 Foreign currency

The Company's functional and presentation currency is the pound sterling (GBP (£))
Transactions in foreign currencies are recorded using the spot exchange rate ruling at the dates of the transactions Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

1 10 Leases

Leases in which the company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases All other leases are classified as operating leases Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments The present value of the minimum lease payments is calculated using the interest rate implicit in the lease

Operating lease
Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation, in which case the payments related to the structured increases are recognised as incurred Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense

Finance lease
Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability

1 11 Turnover

Revenue from contact centre and transaction processing services comprises both time/unit price and fixed fee-based service contracts Revenue from time/unit price-based contracts is recognised on completion of the related services and is billed in accordance with the contractual terms specified in the customer contracts Revenue from fixed fee-based service contracts is recognised on achievement of performance milestones specified in the customer contracts Revenue is recognised as the services are rendered and billed in accordance with the respective contractual terms specified in the contracts

Accrued Income represent costs incurred and revenues recognised on contracts to be billed in subsequent periods as per the terms of the contract

Directly attributable costs incurred to fulfil a customer contract are capitalised as deferred contract cost and amortised on a systematic basis over the period of the contract, consistent with the pattern of service to the customer

The Company continually reassesses the estimated discounts, rebates, price concessions refunds credits,incentives, performance bonuses, etc against each performance obligation at the end of each reporting period and recognises these changes as changes to the transaction price (i e revenue) of the applicable performance obligation

Accounting policies (*continued*)

1 12 Other operating income

The Company provides marketing services through to the parent company for which it is remunerated on cost plus mark-up basis The revenue from these services are recognized in other operating income

1 13 Interest receivable and interest payable

Other interest receivable and similar income include interest receivable on funds invested
Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method
Interest payable and similar charges include interest on borrowings and charges arising from factoring arrangements

1 14 Taxation

Tax on the profit or loss for the year comprises current and deferred tax Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income

Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements The following timing differences are not provided for differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the Group is able to control the reversal of the timing difference

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date Deferred tax balances are not discounted

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits

1 15 Employee benefits

Short term benefits

Short term benefits including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment plan under which the company pays fixed contributions into a separated entity and has no legal or constructive obligation to pay further amounts Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees The contributions are recognised as an expense when they are due Amounts not paid are shown in accruals in the balance sheet The assets of the plan are held separately from the company in independently administered funds

1 16 Judgements and key sources of estimation

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company s accounting policies and the reported amount of assets, liabilities, income and expenses Actual amounts may differ from these estimates Estimates and underlying assumptions are reviewed on an ongoing basis Revisions to estimates are recognised prospectively 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 below

Accounting policies (*continued*)

Critical accounting estimates
Useful lives of fixed assets

The charge in respect of periodic depreciation 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

Impairment of Investments

Investments are tested for impairment at each reporting period and whenever there is an indication that the recoverable amount of investments is less than its carrying amount based on a number of factors including operating results business plans future cash flows and economic conditions The recoverable amount of investments is determined based on higher of enterprise value and fair value less cost to sell

Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins Cash flow projections take into account past experience

Recoverability of Trade Debtors

Judgements are required in assessing the recoverability of overdue trade debtors and determining whether a provision against those receivables is required Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment

1 16 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 Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects the current market assessment of the time value of money and risk specific to the liability

1 17 Share capital

Ordinary shares are classified as equity Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction *net of tax, from the proceeds*

1 18 Share based payments

The parent company operates equity-settled, share-based compensation plans The fair value of share entitlements granted is recognised as an employee expense in the profit and loss account with a corresponding increase in a capital contribution reserve over the period that the employees become unconditionally entitled to the awards

1 19 **Reclassifications**

Certain reclassifications have been made to the 2024 financial statements to conform with the 2025 financial statements presentations Such reclassifications do *not have an effect on the net profit as previously reported*

Notes (continued)

2 Turnover

All turnover of the Company for the year has been derived from its principal activity

Revenue by geographical area is as follows

	2025	2024
	£	£
UK	194,057,776	198,275,985
	194,057,776	198,275,985

3 Other operating income

	2025	2024
	£	£
Other operating income	2,687,261	2,836,573
	2,687,261	2,836,573

The Company has reclassified £2,794,345 in the year ended 31 March 2024 from cost of sales to other operating income to confirm with the current year classification

4 Expenses and auditor's remuneration

Included in profit/loss are the following

	2025	2024
	£	£
Loss on disposal of tangible assets	(231,751)	(370 300)
Exchange gains	36,491	5 770
Impairment of trade debtors	137,364	-
Depreciation and amortisation expense	1,745,600	2,089,684
Operating lease expense	2,868,106	4,168,900
Auditor's remuneration		
Audit of these financial statements	37,000	33 869

Notes (continued)

5 Staff Numbers

The average number of persons employed by the Company (including directors) during the year was

	2025 No	2024 No
Operations	3,456	4,502

The aggregate staff costs were as follows

	2025 £	2024 £
Wages and salaries	87,185,965	101,943,367
Social security costs	7,119,765	8 076 184
Pension costs	1,969,647	2,355,354
	96,275,377	112,374,905

6 Directors' emoluments

	2025 £	2024 £
Directors emoluments	605,733	615,245
Company contributions to money purchase pension schemes	-	-
	605,733	615 245

The aggregate emoluments of the highest paid director were £605,733 (2024 £615 245) and company pension contributions of nil (2024 nil) were paid to a money purchase pension scheme on his behalf

Retirement benefits are not accruing to any directors under money purchase scheme (2024 nil)

Notes (continued)

7 Interest payable and similar charges

	2025	2024
	£	£
Interest costs	3,329,464	2,559 716

8 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income & equity	2025 £	2024 £
Current tax		
Current tax on income for the year	361,755	1,175,273
Total current tax	361,755	1 175 273
Deferred tax		
Origination and reversal of timing difference	(283,632)	681 036
Adjustment in respect of prior years	30,049	(16,567)
Total deferred tax (note 14)	(253,583)	664 469
Total tax on profit on ordinary activities	108,172	1 839 742

Reconciliation of effective tax rate
Tax assessed for the year is lower (2024 lower) than the standard rate of corporation tax in the UK for the year ended 31 March 2025 of 25% (2024 25%) The differences are explained below

(Loss) / profit before taxation	(1,761,795)	7 577 365
Tax using the UK corporation tax rate of 25% *(2024 25%)*	(440,449)	1 894 341
Effects of		
Non-deductible expenses	452,494	23 534
Adjustment in respect of prior years	30,049	(16,567)
Others	66,078	(61 566)
Total tax expense included in profit and loss	108,172	1 839 742

Tax rate changes
There has been no change to corporation tax rates for the financial year ended 31 March 2025 Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements

Notes (continued)

9 Tangible fixed assets

	Leasehold property	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2024	7,592,549	7,175 974	14,768,523
Additions	681 086	1,108,640	1 789,726
Disposals	(1,106,533)	(1 041 920)	(2,148,453)
At 31 March 2025	**7,167,102**	**7,242,694**	**14,409,796**
Accumulated depreciation			
At 1 April 2024	5,324,007	6 484,498	11 808,505
Charge for year	1 198,390	495 714	1,694,104
On disposals	(935,881)	(981,780)	(1,917 661)
At 31 March 2025	**5,586,516**	**5,998,432**	**11,584,948**
Net book value			
At 31 March 2025	**1,580 586**	**1,244,262**	**2,824,848**
At 31 March 2024	2 268 542	691,476	2 960,018

Assets held under finance lease

Included in the net book value of fixtures fittings and equipment is nil (2024 nil) in respect of assets held under finance lease Depreciation for the year on these assets was nil (2024 £10,444)

Notes (continued)

10 Intangible assets

	Software £	Total £
Cost		
At 1 April 2024	3 058,109	3,058,109
Additions	138 375	138,375
Disposals	(825,171)	(825,171)
At 31 March 2025	**2,371,313**	**2,371,313**
Accumulated amortisation		
At 1 April 2024	2,971 955	2 971 955
Charge for year	51,496	51 496
On disposals	(824 216)	(824,216)
At 31 March 2025	**2,199,235**	**2,199,235**
Net book value		
At 31 March 2025	**172 078**	**172,078**
At 31 March 2024	86,154	86 154

Notes (continued)

11 Investments

	In Firstsource B P O Ireland Limited	In Ascensos Limited	In Firstsource Group USA, Inc	Total
	£	£	£	£
Balance as at 1 April 2023	196,794	-	53,397,500	53,594,294
Balance as at 31 March 2024	196,794	-	53,397 500	53,594,294
Balance as at 1 April 2024	196 794	-	53,397,500	53,594,294
Additions (refer note (a))	-	36,550 812	-	36,550,812
Less Impairment loss recognised	(84,660)		-	(84 660)
Balance as at 31 March 2025	112,134	36 550 812	53,397,500	90,060,446

Impairment loss is recognised on investment in Firstsource B P O Ireland Limited The recoverable amount of the investment has been determined based on fair value of net assets of subsidiaries

(a) Firstsource Solutions UK Limited on 23 September 2024, has acquired 100% equity interest and control of the businesses of Ascensos Limited ('Ascensos'), and its subsidiaries, headquartered in UK for a purchase consideration not to exceed £42 000 000 (as per Share Purchase Agreement), including contingent consideration of £9 450,000 payable over the next two years

The undertakings in which the company's interest is more than 20% are as follows

Company	Country of incorporation	Class and percentage of shares held
Firstsource Solutions S A	Argentina	99 98% of ordinary share capital
Firstsource B P O Ireland Limited	Ireland	100% of ordinary share capital
Firstsource BPO South Africa (Pty) Limited	South Africa	100% of ordinary share capital
Ascensos Limited	United Kingdom	100% of ordinary share capital

12 Debtors - amounts falling due within one year

	2025	2024
	£	£
Trade debtors*	15,602,744	12,255,466
Deferred contract cost	2 691,591	2 550 413
Accrued income	14,545,352	14,242 841
Amounts owed by fellow group undertakings	5,161,139	-
Prepayments	1,658,768	1,768,347
Corporation tax	449,811	-
	40,109 405	30,817,067

*Trade debtors are stated after impairment of trade debtors of £137,364 (2024 nil)
Amounts owed by fellow group undertakings are unsecured interest free and repayable on demand

Deferred contract cost relates to directly attributable costs incurred to fulfil a customer contract of £2 691 591 (2024 £2,550,413) included in current portion and £15,857 318 (2024 18,219,445) included in non-current portion

The Company has reclassified the following as of 31 March 2024 to conform with the current year presentation which are as follows
1) £810 266 included in current portion of prepayments and £612,506 included in non-current portion of prepayments as of 31 March 2024 have been reclassified to other receivables (non-current)
2) £523 962 of deferred tax assets included in current assets as of 31 March 2024 have been reclassified to non-current assets to conform with the current year classification

13 Debtors amounts falling due after one year

	2025	2024
	£	£
Prepayments	454,139	451 168
Deferred contract cost	15,857,318	18,219 445
Other Receivables	1,422,772	1,422,772
Deferred tax asset (note 14)	777,545	523,962
	18 511,774	20 617 347

Notes (continued)

14 Deferred Tax

	2025	2024
	£	£
At beginning of the year	523,962	1 188,431
Debit to the profit and loss account for the year	253,583	(664 469)
At end of year	777,545	523,962
Deferred tax on account of		
Tangible Fixed Assets	426,777	523 962
Carried forward losses	350,768	-
Total	777,545	523,962

15 Creditors amounts falling due within one year

	2025	2024
	£	£
Contingent Consideration*	6,300,000	-
Trade creditors	969,229	875,233
Amounts owed to parent and fellow group undertakings	31,036,535	30 660 195
Corporation tax	-	1,175,273
Taxation and social security	5,041 806	6 010,646
Other creditors	6,980,221	8,716 077
Accruals	8,493,926	6 846,556
Advance receipt from customers	2,029,732	1 299 127
	60,851,449	55,583 107

*Contingent consideration payable is linked to achievement of gross margin for reference period as per terms of Share purchase agreement between the Company and erstwhile owners of Ascensos Limited (refer Note 11)

Amounts owed to parent and fellow group undertakings are unsecured, interest free and repayable on demand
£600,000 of other receivables included in current portion as of 31 March 2024 has been reclassified to other creditors as the Company has the right to set-off

Other creditors include an amount of £6,863,667 (2024 £6 538 738) collected by the Company on behalf of the factor
Creditors include pension contributions payable amounting to £497,780 (2024 £579 780)

The amount due in respect of taxation and social security is comprised as follows

	2025	2024
	£	£
VAT	3,375,062	3,909,174
Apprenticeship Levy	29,210	39 373
National Insurance Payable	1,637,534	2,062,099
	5,041,806	6,010,646

Notes (continued)

16 Short Term Borrowings

	2025	2024
	£	£
Lines of Credit and Bank Overdrafts		
Facility -1 Refer Note (a)	20,000,000	-
Facility -2 Refer Note (b)	19,000 000	7 000,000
Facility -3 Refer Note (c)	4,179,517	-
	43,179,517	7,000,000

a) The Company has access to an uncommitted fund based facility (the facility) As at year end the company has utilised £20,000,000 The facility is guaranteed by the parent company Working capital lines of credit from banks carry interest rates ranging between 3 00% and 7 50% The facility is unsecured

b) The Company has access to an uncommitted credit facility As at year end, the company had outstanding balance of £19,000 000 Working capital lines of credit from banks carry interest rates ranging between 3 00% and 7 50% The facility is guaranteed by the parent company The facility is unsecured

c) The Company holds a Sterling business overdraft facility dedicated to working capital purposes As at year end, the Company had utilised £4 179,517 Working capital lines of credit from banks carry interest rates ranging between 3 00% and 7 50% The facility is guaranteed by the parent company The facility is unsecured

17 *Creditors amounts falling due after more than one year*

	2025	2024
	£	£
Contingent Consideration*	3,150,000	-
	3 150,000	-

*Contingent consideration payable is linked to achievement of gross margin for reference period as per terms of share purchase agreement between the Company and erstwhile owners of Ascensos Limited (refer Note 11)

Notes (continued)

18 Related party transactions

The Company has provided disclosure relating to transactions and balances with related parties as follows

Name of the related party	Description	Transaction value during year		Receivable / (Payable) at	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Firstsource Solutions Limited	Reimbursement of expenses	3,190,145	7 543,643	-	-
	Services received from parent company	74,841,316	49 092 825	-	-
	Provision of marketing services	2 646,648	2 794 345		
	Recovery of expense	76,373	266 532	-	-
	Payable to parent company	-	-	(30,605 332)	(30 587,875)
Firstsource Group USA Inc	Reimbursement of expenses	4,276	21,520	-	-
	Recovery of expense	488	5 198	-	-
	Payable	-	-	(21,471)	(15,463)
Firstsource Health Plans and Healthcare Services LLC	Reimbursement of expenses	-	-	-	-
	Reimbursement of expenses	-	42 840	-	-
	Payable	-	-	(44 052)	(44,052)
Firstsource BPO South Africa (Pty) Limited	Reimbursement of expenses	6,954	-	-	-
	Recovery of expense	653	1,800	-	-
	Receivable	-	-	16,785	23,086
MedAssist Holding LLC	Reimbursement of expenses	6,904	34 901	-	-
	Payable	-	-	(41,805)	(34,901)
Sourcepoint Inc	Recovery of expense	2,272	-	-	-
	Receivable	-	-	2,272	-
Firstsource Advantage LLC	Reimbursement of expenses	56,964	5,335	-	-
	Services rendered to business associates and others		758,420	-	-
	Recovery of expense	87,072	41 595	-	
	Receivable	-	-	3,387	(990)
Ascensos Limited	Advances given	5 138,695	-	-	-
	Receivable	-	-	5,138 695	-
Ascensos South Africa (RF) (PTY) Ltd	Services received by the company	873 875	-	-	-
	Payable	-	-	(323,875)	-

Notes (continued)

19 Called up share capital

Company	2025	2024
	£	£
Authorised		
3 500,000 ordinary shares of £1 each	3,500,000	3 500 000
Allotted, called up and fully paid - presented as equity		
2,834,672 ordinary shares of £1 each	2 834,672	2 834 672

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at all meetings

20. Commitments

The Company has the following future minimum lease payments under non-cancellable operating leases for each of the following period

Particulars	2025 Land and buildings	2024 Land and buildings
	£	£
Within one year	2,750 956	3,329,369
In the second to fifth years inclusive	7,489,238	8,431,957
Over five years	346 156	1 066 480
	10,586,350	12 827 806

Post the year ended 31 March 2025, the Company has provided corporate guarantee to its subsidiary company upto £15,000 000 for banking and credit facilities

Notes (continued)

21 Financial instruments	2025	2024
Financial assets at fair value through profit or loss	-	-
	-	-
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	15 602 744	12 255 466
Cash at bank and in hand	2,067,262	2,503,254
Other receivables	1,422,772	1,422 772
Accrued income	14,545 352	14,242,841
Deposits	433,101	445,224
	34,071 231	**30 869.557**
Financial liabilities at fair value through profit or loss		
Contingent consideration	9 450,000	-
	9,450,000	-
Financial Liabilities that are debt instruments measured at amortised cost		
Short term borrowings	43,179,517	7 000 000
Trade and other creditors	16,443 376	16,437,866
Amounts owed to parent and fellow group undertakings	31,036,535	30,660 195
	90,659 428	**54 098 061**

22. Contingent Liabilities

There are no contigent liabilities to be reported as on balance sheet date

23 Controlling party

The Company is a subsidiary undertaking of Firstsource Solutions Limited a company incorporated in India The ultimate controlling party is RPSG Ventures Limited (formerly known as CESC Ventures Limited)

The largest group in which the results of the Company are consolidated is that headed by Firstsource Solutions Limited The consolidated financial statements are available to the public and may be obtained from website -www firstsource com/investor-relations/financial-Information and copies can be obtained from -1st floor Athena Towers, Mindspace Goregaon West Mumbai - 400 064, India

24 Subsequent events

The Company evaluated subsequent events from the balance sheet date through 23 December 2025 and determined there are no material items to report except as disclosed below

On 18 July 2025 the Company signed an agreement to acquire 100% stake in Pastdue Credit Solutions Limited (PDC '), engaged in providing white-label early arrears, and debt collections & recovery services The transaction was completed on 11 December 2025, upon receipt of all regulatory approvals

KNAV
PARTNERS BEYOND BOUNDARIES

Companies House
Crown Way
Cardiff
CF14 3UZ

Our Ref AS/PP/FIR12

29th December 2025

Dear Sirs,

Re **FirstSource Solutions UK Limited**
Company No. 03999896

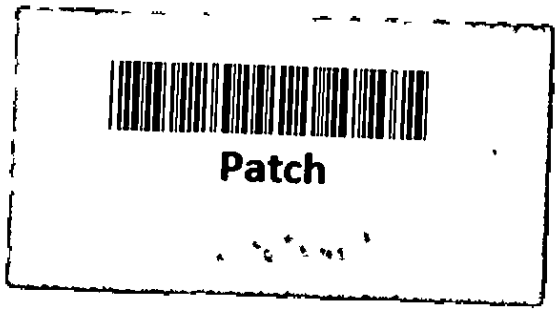
Please find enclosed herewith the following in respect of our above-named client

1 Annual Report and Financial Statements for the year ended 31 March 2025 (FRS102)
2 Firstsource Solutions – Group Annual Report for the year ended 31 March 2025 .

Yours faithfully,

KNAV

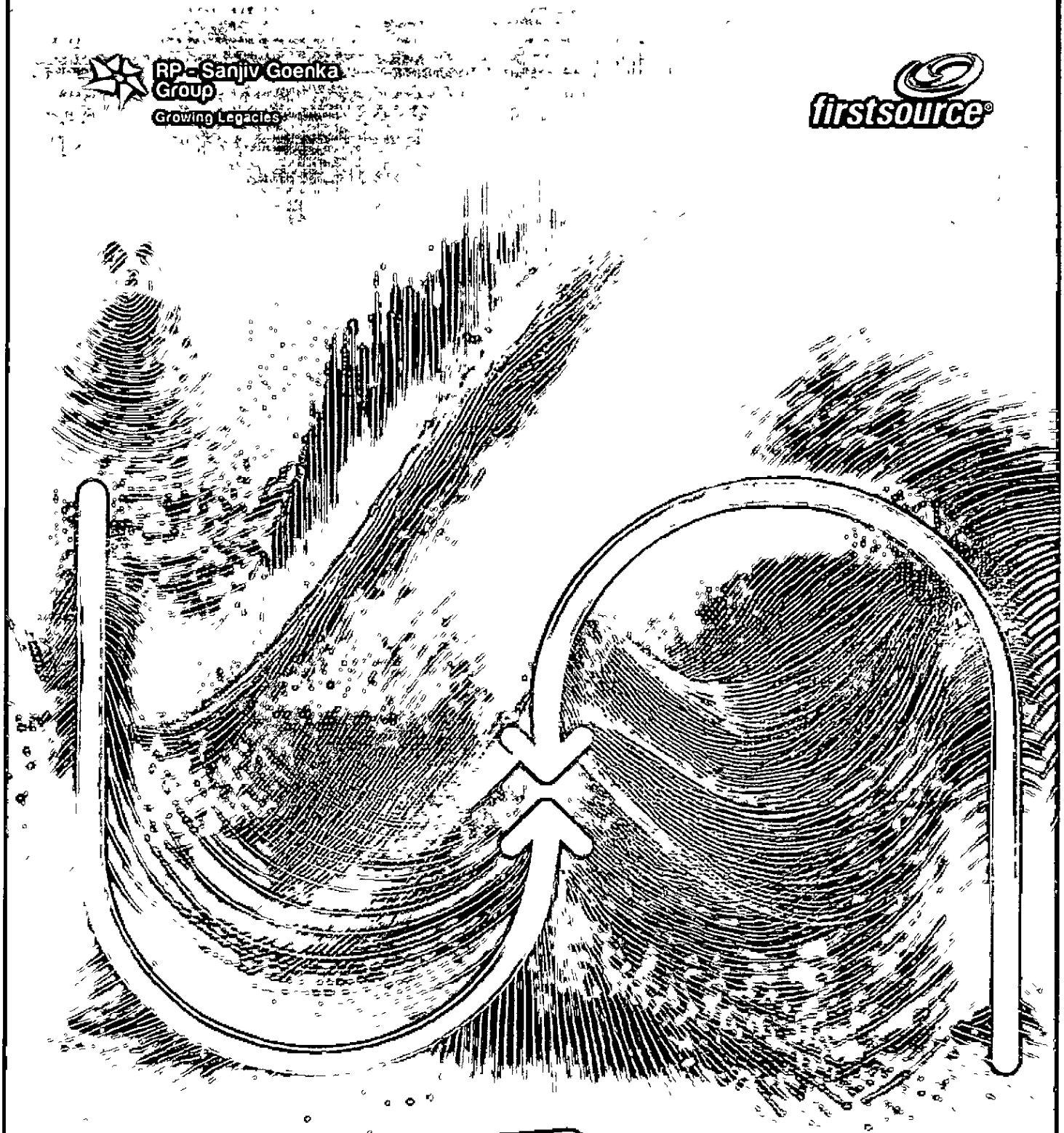
KNAV Limited


Patch

RP - Sanjiv Goenka Group

Growing Legacies

firstsource®



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ANNUAL REPORT 2024-25

Independent auditor's report

To the Members of FIRSTSOURCE SOLUTIONS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Firstsource Solutions Limited** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group) which includes the Group's share of loss in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended on that date and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements)

In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated 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 (Ind AS), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31 2025 and their consolidated profit their consolidated total comprehensive income their consolidated changes in equity and their consolidated cash flows for the year ended on that date

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act ("SA's) Our responsibilities under those Standards are further described in the Auditor's responsibility for the Audit of the Consolidated Financial Statements section of our report We are independent of the Group and its associates 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 consolidated 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements

Key audit matters

Key audit matters are those matters that In our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters We have determined the matters described below to be the key audit matters to be communicated in our report

Sr No	Key Audit Matter	Auditor s Response
1	**Revenue recognition and measurement in respect of un-invoiced amounts** (Refer Note 9 of the Consolidated Financial Statements) The Group, in its contracts with customers promises to transfer distinct services (performance obligations") to its customers which may be rendered in the form of customer management transaction processing (including revenue cycle management in the healthcare industry) and debt collection services Revenue is recognized based on the pattern of benefits from the performance obligations to the customer in an amount that reflects the consideration received or expected to be received in exchange for the services ("transaction price) The agreed contractual terms for service deliveries that are based on unit-of-work time and material or a specified contingency (such as recovery of dues or disbursement of loans) adjusted for rebates volume discounts incentives or penalties ("variable consideration) At each reporting date revenue is accrued for work performed that may not have been invoiced Identifying whether the Group s performance has resulted in a billable service that is collectable where the service deliveries have not been acknowledged by customers as of the reporting date involves a fair amount of judgment Recognition of revenue before acknowledgment of receipt of services by customer could lead to an over or understatement of revenue and profit, whether intentionally or in error	**Principal audit procedures performed included the following** a) We gained an understanding of the Group s processes in collating the evidence supporting delivery of services for each disaggregated type of revenue We also obtained an understanding of the design of key controls for quantifying units of services that would be invoiced and the application of appropriate prices for each of such services b) We tested the design and operating effectiveness of management s key controls in collating the units of services delivered and in the application of accurate prices for each of such services for a sample of the un-invoiced revenue entries c) We have tested a sample of un-invoiced revenue entries with reference to the manual records used for tracking inputs relating to the services delivered to confirm the units of services delivered and contractual rates for the application of appropriate price for each of services We also tested the adjustments on account of volume discounts and committed service levels of performance With regard to incentives our tests were focused to ensure that accruals were restricted to only those items where contingencies were minimal d) We have performed substantive analytical procedures to evaluate the reasonableness of un invoiced revenues recognized Un invoiced revenues from fixed fee based service contracts were not significant resulting in lower risk relating to cut off and accuracy Therefore we focused our attention on time and unit priced based service contracts in performing substantive analytical procedures These procedures involved developing sufficiently precise expectations using a plausible and predictable relationship among appropriately disaggregated data e) We also extended our testing up to the date of approval of the consolidated financial statements by the Board of Directors of the Company to verify adjustments if any that may have been necessary for services delivered prior to the reporting date and/or collections against those f) We evaluated the delivery and collection history of customers against whose contracts un-invoiced revenue relating to period more than a month is recognized g) For the samples selected we tested cut-offs for revenue recognized against un invoiced amounts by matching the revenue accrual against accruals for corresponding cost
2.	**Impairment of the carrying value of goodwill on consolidation** (Refer Note 5 of the Consolidated Financial Statements) The Group's evaluation of goodwill for Impairment involves the comparison of the recoverable amount of each cash generating unit ("CGU") to its carrying value The recoverable amount (determined to be value in use) of a CGU is the higher of its fair value less cost to sell and its value in use The Group used the discounted cash flow model to determine the value in use which requires management to make significant estimates and assumptions related to forecasts of future revenues operating margins, discount rates and terminal growth rates Changes in these assumptions could have a significant impact on either the recoverable amount, the amount of goodwill impairment charge if any or both The goodwill balance was ₹36 799 24 million as at March 31 2025 which is allocated to Healthcare Collection, Customer Management and Mortgage as CGUs The recoverable amount of each reporting unit exceeds its carrying value as of the measurement date and therefore no impairment was recognized	**Principal audit procedures performed** Our audit procedures related to forecasts of future revenue, operating margin and free cash flows and selection of the discount rate for the Group included the following among others a) We tested the effectiveness of controls over the forecasts of future revenue operating margin and free cash flows and the selection of the discount rate b) We evaluated management s ability to reasonably forecast future revenues and operating margins by comparing actual results to management s historical forecasts c) We evaluated the reasonableness of management s revenue and operating margin forecasts by comparing the forecasts to historical revenues and operating margins d) With the assistance of our fair value specialists who has specialized skill and knowledge we evaluated the reasonableness of the valuation methodology and discount rate by testing the source information underlying the determination of the discount rate

Sr No	Key Audit Matter	Auditor's Response
	We identified this as a key audit matter basis the nature of the Group s operations the method used to determine the recoverable amount of the CGUs, and the difference between its recoverable amount and carrying value and because forecasts of future revenue operating margin free cash flows and selection of the discount rate for each CGU involved subjective judgment	and the mathematical accuracy of the calculation for significant CGUs e) We performed through sensitivity analysis on the key assumptions to ascertain the extent of change in those assumptions that would be required for the goodwill to be impaired

Information other than the financial statements and auditor's report thereon ("Other Information")

The Company s Board of Directors is responsible for the preparation of the other information The other information comprises the information included in the Director's report including Annexures thereto Management Discussion and Analysis Report, Business Responsibility Report and report of Corporate Governance, but does not include the consolidated financial statements standalone financial statements and our auditor s report thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the consolidated financial statements our responsibility is to read the other information compare with the unaudited financial information of the associate to the extent it relates to it s associate, and in doing so, place reliance on the unaudited financial information certified by the Board of Directors of the Company and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated Other information so far as it relates to it s associate is traced from their unaudited financial information certified by the Board of Directors of the Company

If based on the work we have performed we conclude that there is a material misstatement of this other information we are required to report that fact We have nothing to report in this regard

Responsibilities of management and board of Directors for the consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position consolidated financial performance including other comprehensive income consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with the other accounting principles generally accepted in India including Ind AS

The respective Boards of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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 financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid

In preparing the consolidated financial statements the respective Managements and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations or has no realistic alternative but to do so

The respective Boards of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate

Auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements

As part of an audit in accordance with SAs we exercise professional judgment and maintain professional skepticism throughout the audit We also

Identify and assess the risks of material misstatement of the consolidated 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management

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 ability of the Group and its associate 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 consolidated 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 Group and its associate to cease to continue as a going concern

Evaluate the overall presentation structure and content of the consolidated financial statements including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group and its associate to express an opinion on the consolidated financial statements We are responsible for the direction supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 work and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding among other matters the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the Key Audit Matters We describe these matters in our auditor s report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other matters

(a) We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of ₹ 7 72 million as at March 31 2025 total revenues of ₹ Nil and net cash outflows amounting to ₹ 1 97 million for the year ended on that date, as considered in the consolidated financial statements This financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors

(b) The consolidated financial statements also include the Group s share of net loss of ₹Nil million (less than ₹0 01 million) for the year ended March 31, 2025, as considered in the consolidated financial statements in respect of an associate whose financial information has not been audited by us The financial information is unaudited and has been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-section (3)

of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial information In our opinion and according to the information and explanations given to us by the Board of Directors of the Company, this financial information is not material to the Group

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management

Report on other legal and regulatory requirements

1 As required by Section 143(3) of the Act based on our audit and on the consideration of the unaudited financial information of the associate referred to in the Other Matters section above we report, to the extent applicable that

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group including relevant records so far as it appears from our examination of those books

In respect of one associate where the accounts are unaudited we are unable to comment on the reporting requirement mentioned in para above

c) The Consolidated Balance Sheet the Consolidated Statement of Profit and Loss including Other Comprehensive Income the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements

d) In our opinion the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act

e) On the basis of the written representations received from the directors of the Company as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India none of the directors of the Group companies incorporated in India is disqualified as on March 31 2025 from being appointed as a director in terms of Section 164 (2) of the Act

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in Annexure A which is based on the reports of the Statutory auditors of the Company and its subsidiary company incorporated in India Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies

g) With respect to the other matters to be included in the Auditor s Report in accordance with the requirements of Section 197(16) of the Act as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act

h) With respect to the other matters to be included in the Auditor s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended in our opinion and to the best of our information and according to the explanations given to us

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate

(ii) Provision has been made in the consolidated financial statements as required under the applicable law or accounting standards for material foreseeable losses, if any on long-term contracts including derivative contracts

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India

(iv) a) The respective Managements of the Company and its subsidiary company which is incorporated in India whose financial statements have been audited under the Act have represented to us that to the best of their knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiary to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding whether recorded in writing or otherwise that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The respective Managements of the Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act, have represented to us that to the best of their knowledge and belief no funds have been received by the Company or by the subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise that the Company or the subsidiary shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee security or the like on behalf of the Ultimate Beneficiaries

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us for the Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above contain any material misstatement

In respect of one associate where the accounts are unaudited we are unable to comment on the reporting requirement under Rule 11 (e)

(v) The amount of dividend is in accordance with Section 123 of the Act and

a) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act

b) The Company has not proposed final dividend for the year

(vi) Based on our examination which included test checks the Company and its subsidiary companies incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended 31 March 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems

Further during the course of our audit we did not come across any instance of the audit trail feature being tampered with Additionally the audit trail has been preserved by the Company and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention

In respect of one associate where the accounts are unaudited, we are unable to comment on the reporting requirement under Rule 11 (g)

2 (a) With respect to the matters specified in clause (xxi) of paragraph 3 and 4 of the Companies (Auditor s Report) Order 2020 (CARO7 "the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor s report according to the information and explanations given to us, and based on the CARO report issued by the auditor of the subsidiary included in the consolidated financial statements to which reporting under CARO is applicable provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO report by the subsidiary auditor and provided to us we report that in respect of the companies where audit has been completed under Section 143 of the Act the auditor of such company has not reported any qualifications or adverse remarks in their CARO report except for the following

Name of the Company	Firstsource Provider Services Private Limited
CIN	U72200TN2011PTC082717
Nature of relationship	Subsidiary
Clause Number of CARO report with qualification or adverse remark	Clause – iii (c)

(b) With respect to an associate, viz Nanobi Data and Analytics Private Limited (U72200KA2012PTC062235) included in the consolidated financial statements of the Company as the audit (under Section 143 of the Act) of the associate has not yet been completed, the report of the auditor covering matters specified in paragraphs 3 and 4 of the Order was not provided to us

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm s Registration No 117366W/W-100018)

MUKESH JAIN

Partner

(Membership No 108262)

Gurugram April 28 2025 (UDIN 25108262BMNTFV3067)

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under Report on Other Legal and Regulatory Requirements section of our report of even date)

Report on the internal financial controls with reference to consolidated financial statements under clause (i) of sub-section 3 of section 143 of the companies act, 2013 (the "Act") of firstsource solutions limited

We have audited the internal financial controls with reference to consolidated financial statements of Firstsource Solutions Limited (the 'Company'), its subsidiary company and its associate company incorporated in India as of that date in conjunction with our audit of the consolidated financial statements of the Group as at and for the year ended March 31, 2025

Management's and board of directors' responsibilities for internal financial controls

The respective Company's management and Boards of Directors of the Company, its subsidiary company and its associate company, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the Guidance Note) These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the respective company's policies the safeguarding of its assets the prevention and detection of frauds and errors the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company its subsidiary company and its associate company which are companies incorporated in India, based on our audit

We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013 to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial reporting statements was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over with reference to consolidated financial statements and their operating effectiveness Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk 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

We believe that the audit evidence we have obtained, including the unaudited financial information of an associate which is a company incorporated in India referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Company, its subsidiary company and its associate company which are companies incorporated in India

Meaning of internal financial controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles A company s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition use or disposition of the Company's assets that could have a material effect on the financial statements

Inherent limitations of internal financial controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not be detected Also projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the unaudited financial information of an associate referred to in the Other Matters paragraph below the Company its subsidiary company and its associate company, which are companies incorporated in India have, in all material respects an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note

Other matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to a subsidiary company which is a company incorporated in India is based solely on the corresponding reports of the auditors of such company incorporated in India

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to an associate company, which is a company incorporated in India is based solely on the unaudited financial information certified by the Board of Directors of the Company

Our opinion is not modified in respect of the above matters

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No 117366W/W 100018)

MUKESH JAIN

Partner

(Membership No 108262)

(UDIN: 25108262BMITFV3087)

Gurugram 28 April 2025

Consolidated Balance Sheet

as at March 31 2025

(₹ in million)

	Note	March 31, 2025	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3(i)	2 762 80	1 641 02
Capital work-in-progress	3(ii)	451 41	170 51
Right of-use assets	4	9 125 76	6,355 29
Goodwill on consolidation	5(i)	36 799 24	29 824 60
Other intangible assets	5(ii)	1,247 50	648 58
Investment in associate accounted for using the equity method		0 07	0.07
Financial assets			
Investments	6(i)	115 21	115 05
Other financial assets	7(i)	1 026.48	777.01
Deferred tax assets	18	2 734 83	2 920 61
Income tax assets (net)	18	713 53	808 79
Others non-current assets	8(i)	1 684 65	2 086 10
Total non-current assets		**58,981 86**	**45 468 73**
Current assets			
Financial assets			
Investments	6(ii)	615 63	300 27
Trade receivables	9		
- Billed		11 877 13	8 606 78
- Unbilled		5 183 18	3 001 40
Cash and cash equivalents	10	1 542 12	1 737 74
Other balances with banks	11	127 81	136 65
Other financial assets	7(ii)	206 32	68 10
Other current assets	8(ii)	2 688 28	1 488 18
Total current assets		**22,240 47**	**15 347.31**
Total assets		**79 222.33**	**60 756 04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	6 569 91	6 569 91
Other equity	12A	34 000.39	30 034 12
Total equity attributable to equity holders of the Company		**40 976.30**	**37 004 03**
Non-controlling interest		3 96	3 84
Total equity		**40,980.26**	**37,007.87**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Long-term borrowings	13(i)	3 419 00	
Lease liabilities		8 069 81	5 713 83
Other financial liabilities	15(i)	580 48	
Provisions	16(i)	240 82	187 79
Deferred tax liabilities	18	1 645 11	1 470 58
Total non-current liabilities		**13 955.22**	**7 371.80**
Current liabilities			
Financial liabilities			
Short-term and other borrowings	13(ii)	11 907 85	8 048 78
Trade payables	14	3 976 20	3 055.81
Lease liabilities		2 295 88	1 455.55
Other financial liabilities	15(ii)	4 208 59	2 047 30
Other current liabilities	17	1,105 52	1 056 66
Provisions	16(ii)	843.34	468.89
Provision for tax (net)	18	149 39	205.09
Total current liabilities		**24,286.85**	**18,376.37**
Total equity and liabilities		**79 222.33**	**60 756.04**
Material accounting policies	2		

The accompanying notes from 1 to 35 are an integral part of these consolidated financial statements

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No 117366W/W 100018

Mukesh Jain
Partner
Membership No. 106262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka Chairman (DIN 00074796)	Pradip Kumar Khaitan Director (DIN 00004821)	Ritesh Mohan Idnani Managing Director and CEO (DIN 08403188)
Shashwat Goenka Vice-Chairman (DIN 03485121)	Utsav Parekh Director (DIN 00027642)	Subrata Talukdar Director (DIN 01794978)
Sunil Mitra Director (DIN 00113473)	T C Suseel Kumar Director (DIN 06453310)	Vanita Uppal Director (DIN 07285115)
	Rekha Sethi Director (DIN 06809515)	Dr Rajiv Kumar Director (DIN 02385076)
Mumbai April 28 2025	Pooja Nambiar Company Secretary	Dinesh Jain President and CFO

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in million)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	19	79 803 14	63,362 45
Other income net	20	(8 67)	368 44
Total income		**79,794 47**	**63,730 89**
EXPENSES			
Employee benefit expenses	21	49 957 80	39 093 25
Depreciation and amortization expenses	3,4&5(iii)	3 270 35	2 602 24
Finance costs	22	1 478 76	1 033 85
Other expenses	23	17,769 14	14 704.80
Total expenses		**72 476 05**	**57,434.14**
Profit before exceptional item, share in net profit of associate and tax		**7 318 42**	**6 296 75**
Exceptional items, net (income) (refer note 33)		(88 09)	-
Profit before share in net profit of associate and tax		**7,406 51**	**6,296 75**
Share in net profit of associate		-	-
Profit before tax		**7 406 51**	**6 296 75**
Tax expenses			
Current tax		1 294 64	900 54
Deferred tax		167 36	248 96
Profit for the year		**5,944 51**	**5,147 25**
Other comprehensive income			
Items that will not be reclassified subsequently to the statement of profit and loss			
Remeasurement of the net defined benefit liability / asset		29 69	6 46
Items that will be reclassified subsequently to the statement of profit and loss			
Net changes in fair value on derivatives designated as cash flow hedges		(294 67)	223 17
Deferred tax on items that will be reclassified to statement of profit and loss		60 53	(37 10)
Exchange difference on translation of foreign operations		837 02	311 89
Total other comprehensive income, net of taxes		**432 57**	**504 42**
Total comprehensive income for the year		**6,377 08**	**5 651 67**
Profit attributable to			
Owners of the Company		5 944 55	5 147 29
Non-controlling interest		(0 04)	(0 04)
		5,944 51	**5,147 25**
Total comprehensive income attributable to			
Owners of the Company		6,376 96	5,651 33
Non controlling interest		0 12	0 34
		6,377 08	**5,651 67**
Earning per equity share			
Weighted average number of equity shares outstanding during the year			
- Basic	30	688 845 126	684 300 832
- Diluted	30	705 666,630	701,621 410
Earning per equity share			
- Basic	30	8 63	7 52
- Diluted	30	8 42	7 34
Material accounting policies	2		

The accompanying notes from 1 to 35 are an integral part of these consolidated financial statements

As per our report of even date attached

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

Mukesh Jain
Partner
Membership No 106262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

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Sunil Mitra Director (DIN 00113473)	T C Suseel Kumar Director (DIN 06453310)	Vanita Uppal Director (DIN 07285115)
	Rekha Sethi Director (DIN 06809515)	Dr Rajiv Kumar Director (DIN 02385076)
Mumbai April 28 2025	Pooja Nambiar Company Secretary	Dinesh Jain President and CFO

Consolidated statement of changes in equity

as at and for the year ended March 31, 2025

(₹ in million)

		Attributable to owners of the Company										
		Reserves and Surplus					Items of other comprehensive income					
	Equity share capital	Treasury shares	Special Economic Zone re investment reserve	Securities premium	Other reserves	Retained earnings	Employee stock option reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation/ subsidiaries	Total	Attributable to Non controlling interest	Total equity
Balance as at April 1 2024	6 969 91	(707 73)	-	2,251 22	30 41	20 009 92	470 59	96 99	7,882 72	37 004 03	3 84	37 007.87
Other comprehensive income for the year (Net of tax)		-		-		29 69		(234 14)	636 86	432.41	0 16	432 57
Profit for the year				-	-	5 944 55				5 944 55	(0 04)	5 944 51
Dividend (net)		-				(2 758 57)				(2 758 57)	-	(2 758 57)
Share based payment							715 88			715 88		715 88
Treasury shares		(116 58)				(99 64)	(145 78)		-	(382 00)		(382 00)
Transfer to retained earning for options forfeited						13 91	(13 91)					-
Balance at the end of 31 march 2025	6,969 91	(824 31)	-	2,251.22	30.41	23 139 86	1 026 78	(137 15)	8 519 58	40 976 30	3 96	40 980.26

Consolidated statement of changes in equity

as at and for the year ended March 31 2025

(₹ in million)

		Attributable to owners of the Company										
		Reserves and Surplus					Items of other comprehensive income					
	Equity share capital	Treasury shares	Special Economic Zone re-investment reserve	Securities premium	Other reserves	Retained earnings	Employee stock option reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation/ subsidiaries	Total	Attributable to Non controlling interest	Total equity
Balance as at April 1, 2023	6,969 91	(1,158 14)	15 28	2,251 22	30 41	17,425 98	651 66	(89 08)	7,571 21	33,688 45	3 50	33,871 95
Other comprehensive income for the year (Net of tax)						6 46		185 07	311 51	504 04	0 38	504 42
Profit for the year				-		5,147 29			-	5 147 29	(0 04)	5,147 25
Dividend (net)						(2 405 94)				(2 405 94)		(2,405 94)
Share based payment						-	31 34	-		31 34		31 34
Treasury shares		450 41	-		-	(188 31)	(203 25)	-		58 85		58 85
Utilized from Special Economic Zone re investment reserve	-		(15 28)			15 28	-	-	-			
Transfer to retained earning for options forfeited	-				-	9 16	(9 16)					
Balance at the end of March 31, 2024	6,969 91	(707 73)		2 251 22	30 41	20,009 92	470 59	96 99	7 882.72	37 004 03	3 84	37 007 87

As per our report of even date attached

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

Mukesh Jain
Partner
Membership No 108262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka Chairman (DIN 00074796)	Pradip Kumar Khaitan Director (DIN 00004821)
Shashwat Goenka Vice Chairman (DIN 03488121)	Utsav Parekh Director (DIN 00027642)
Sunil Mitra Director (DIN 00113473)	T C Suseel Kumar Director (DIN 06453310)
	Rekha Sethi Director (DIN 06809515)
Mumbai April 28 2025	Pooja Namblar Company Secretar

Ritesh Mohan Idnani Managing Director and CEO (DIN 09403188)	
Subrata Talukdar Director (DIN 01794978)	
Vanita Uppal Director (DIN 07288115)	
Dr Rajiv Kumar Director (DIN 02385078)	
Dinesh Jain President and CFO	

Consolidated statement of cash flows

for the year ended March 31 2025

(₹ in million)

	March 31, 2025	March 31, 2024
Cash flow from operating activities		
Net profit before tax and non-controlling interest	7 406.51	6 296 75
Adjustments for		
Depreciation and amortization	3 270.35	2 602.24
Allowance for expected credit loss/ bad debts written off net	110.31	322 64
Loss on sale of property plant and equipment, net	49 98	55 91
Foreign exchange loss/(gain) net unrealized	325 24	(31 33)
Finance costs	1 478 76	1 033 85
Interest income	(26 84)	(9 88)
Exceptional items net (income) (refer note 33)	(88 09)	
Adoption of amendment to Ind AS 37		(334 45)
Profit on sale/redemption of investments	(68 45)	(62 11)
Change in fair value of liabilities for purchase of non controlling interest and contingent consideration		(335.28)
Employee stock compensation expense	715 88	31.34
Operating cash flow before changes in working capital	13 173 65	9 569 68
Changes in working capital		
Increase in trade receivables	(4 208.57)	(1 545 95)
Increase in loans and advances and other assets	(1 233 46)	(1 274 12)
Increase in liabilities and provisions	498 06	408 68
Net changes in working capital	(4,943 97)	(2 411 39)
Income taxes paid	(1 218 72)	(717 75)
Net cash generated from operating activities (A)	7 010 96	6 440 54
Cash flow from investing activities		
Purchase of current investments	(26 458.68)	(16 877 00)
Proceeds from sale of current investments	26 298 88	17 234 34
Payment towards acquisition of businesses	(5 098 86)	
Interest income received	26 84	9 88
Purchase of property plant and equipment	(2 411 95)	(851 04)
Proceeds from sale of property plant and equipment	175 86	0 61
Redemption of/(Investment in) short term fixed deposits	0 50	(33 00)
Earmarked balances with banks	8 55	(63 72)
Net cash used in investing activities (B)	(7 458 96)	(579 93)
Cash flow from financing activities		
Proceeds from short-term borrowings, net	5 198 48	1 277 99
Proceeds from long term borrowings	3 382.11	
Repayment of long term borrowings	(1 793 68)	(1 561 24)
Interest paid on lease liabilities and others	(1 579 22)	(1 010 70)
Purchase of treasury shares net	(362 00)	58 65
Purchase of non controlling interest in subsidiary	(224 82)	(583 32)
Payment of lease liabilities	(1 636 38)	(1 110 14)
Dividend paid (net)	(2 758 57)	(2 405 94)
Net cash generated from/(used in) financing activities (C)	225 92	(5 634 50)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(222 08)	226 11
Cash and cash equivalents at the beginning of the year	1 747 74	1 515 40
Foreign exchange gain on translating cash and cash equivalents	16 46	6 23
Cash and cash equivalents at the end of the year	1 542 12	1 747 74

Consolidated statement of cash flows

for the year ended March 31, 2025

Notes to the Consolidated 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

(₹ in million)

	March 31 2025	March 31 2024
Balances with banks		
- In current accounts	2 957 25	2 348 21
Remittance in transit		457 86
	2,957.25	2,806 07
Less Current account balances held in trust for customers	1 415 13	1 058.33
Cash and cash equivalents	1 542.12	1 747 74

Reconciliation of liabilities from financing activities for the year ended March 31, 2025

(₹ in million)

	As at March 31 2024	Proceeds	Repayment	Effects of change in Foreign exchange	As at March 31, 2025
Long Term Borrowings	1 376 18	3 382 11	(1 793 68)	454 39	3 419 00
Short Term Borrowings	6,672 58	5,198 48		36 89	11 907 95
Total Liabilities from financing activities	8,048 76	8,580 59	(1 793 68)	491 28	15,326 95

Reconciliation of liabilities from financing activities for the year ended March 31, 2024

(₹ in million)

	As at March 31 2023	Proceeds	Repayment	Effects of change in Foreign exchange	As at March 31, 2024
Long Term Borrowings	2 917 04		(1 561 24)	20 38	1 376 18
Short Term Borrowings	5 271 02	1 277 99		123 57	6 672 58
Total Liabilities from financing activities	8 188 06	1277 99	(1 561 24)	143 95	8 048 76

As per our report of even date attached

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

Mukesh Jain
Partner
Membership No.. 108262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka Chairman (DIN 00074796)	Pradip Kumar Khaitan Director (DIN 00004821)	Ritesh Mohan Idnani Managing Director and CEO (DIN 06403166)
Shashwat Goenka Vice-Chairman (DIN 03486121)	Utsav Parekh Director (DIN 00027842)	Subrata Talukdar Director (DIN 01794978)
Sunil Mitra Director (DIN 00113473)	T C Suseel Kumar Director (DIN 06453310)	Vanita Uppal Director (DIN 07289115)
	Rukha Sethi Director (DIN 06809515)	Dr Rajiv Kumar Director (DIN 02385076)
Mumbai April 28 2025	Pooja Nambiar Company Secretary	Dinesh Jain President and CFO

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

1 Company overview

Firstsource Solutions Limited (the Company') was incorporated on December 6 2001 The Company is engaged in the business of providing customer management services like contact center transaction processing and debt collection services including revenue cycle management in the healthcare industry

The Company is a public limited company incorporated and domiciled in India having registered office at Mumbai, Maharashtra India The Company is listed on the Bombay Stock Exchange and National Stock Exchange in India

These consolidated financial statements are approved for issue by the Board of Directors on April 28 2025

Basis of Preparation and statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values 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

The list of entities with percentage holding is as below

Sr No.	Subsidiaries/Entities	Country of incorporation and other particulars	Percentage of holding by voting rights	Year of consolidation
1	Firstsource Solutions UK Limited (FSL UK)	A subsidiary of Firstsource Solutions Limited, incorporated under the laws of United Kingdom.	100%	2002 2003
2	Firstsource Solutions S.A (FSL-Arg)	A subsidiary of Firstsource Solutions UK Limited incorporated under the laws of Argentina	99 98%	2006-2007
3	Firstsource BPO Ireland Limited (FSL Ireland)	A subsidiary of Firstsource Solutions UK Limited incorporated under the laws of Ireland	100%	2011 2012
4	Firstsource Dialog Solutions (Private) Limited (FDS)	A subsidiary of Firstsource Solutions Limited incorporated under the laws of Sri Lanka	74%	2011 2012
5	Firstsource Process Management Services Limited (FPMSL)	A subsidiary of Firstsource Solutions Limited incorporated under the laws of India	100%	2010-2011
6	Firstsource Group USA, Inc. (FG US)	A subsidiary of Firstsource Solutions Limited incorporated in the State of Delaware, USA	100%	2009-2010
7	Firstsource Business Process Services LLC (FBPS)	A subsidiary of FG US incorporated in the State of Delaware USA.	100%	2009-2010
8	Firstsource Advantage LLC (FAL)	A subsidiary of FBPS incorporated under the laws of the State of New York USA.	100%	2004-2005
9	One Advantage LLC (OAL)	A subsidiary of FBPS, incorporated in the state of Delaware USA	100%	2014-2015
10	Medassist Holding LLC (MedAssist)	A subsidiary of FG US incorporated under the laws of the State of Delaware USA.	100%	2014-2015
11	Firstsource Solutions USA LLC	A subsidiary of MedAssist incorporated in the State of Delaware USA	100%	2009-2010
12	Firstsource Health Plans and Healthcare Services, LLC	A subsidiary of Firstsource Solutions USA LLC incorporated under the laws of the State of Delaware USA	100%	2011 2012
13	Sourcepoint, Inc	A subsidiary of FG US incorporated in the State of Delaware USA	100%	2016-2017
14	Sourcepoint Fulfillment Services Inc. (Sourcepoint FFS)	A subsidiary of Sourcepoint, Inc	100%	2016-2017
15	PatientMatters, LLC (PM)	A subsidiary of Firstsource Solutions USA LLC incorporated in the State of Delaware USA	100%	2020-2021
16	Medical Advocacy Services for Healthcare Inc (MASH)	A subsidiary of PatientMatters LLC incorporated in the State of Texas USA	100%	2020-2021
17	Kramer Technologies LLC (KT)	A subsidiary of PatientMatters LLC incorporated in the State of Delaware USA	100%	2020-2021
18	The StoneHill Group Inc	A subsidiary of Sourcepoint Inc incorporated in the State of Georgia USA	100%	2021 2022
19	American Recovery Service Incorporated	A subsidiary of FBPS incorporated in the State of California USA	100%	2021 2022
20	Firstsource Solutions México, S de R L de C V	A subsidiary of FG US incorporated in the city of Monterrey Mexico	100%	2021 2022
21	Firstsource Solutions Jamaica Limited	A subsidiary of FG US incorporated in the state of Jamaica	100%	2022 2023
22	Firstsource Employee Benefit Trust	A trust of Firstsource Solutions Limited incorporated under the laws of India	100%	2019-2020
23	Firstsource BPO South Africa (Pty) Limited	A subsidiary of Firstsource Solutions UK Limited incorporated under the laws of South Africa	100%	2023-2024
24	Firstsource Solutions Australia Pty Limited	A subsidiary of Firstsource Solutions Limited incorporated under the laws of Australia	100%	2023-2024
25	Firstsource Provider Services Private Limited w e f October 10 2024 (Formerly known as Quintessence Business Solutions & Services Private Limited)	A subsidiary of Firstsource Solutions Limited incorporated under the laws of India (acquired w e f May 3 2024).	100%	2024 2025
26	Quintessence Health LLC	A subsidiary of Firstsource Provider Services Private Limited incorporated under the laws of Delaware USA (acquired w e f May 3 2024)	100%	2024 2025
27	Ascensos Limited	A subsidiary of Firstsource Solutions UK Limited, incorporated under the laws of United Kingdom (acquired w e f September 23 2024)	100%	2024 2025
28	Ascensos South Africa (RF) (PTY) Ltd	A subsidiary of Ascensos Limited incorporated under the laws of South Africa (acquired w e f September 23 2024)	100%	2024 2025
29	Ascensos Trinidad Limited	A subsidiary of Ascensos Limited incorporated under the laws of Trinidad & Tobago (acquired w e f September 23 2024)	100%	2024 2025
30	Ascensos Contact Centres Romania SRL	A subsidiary of Ascensos Limited incorporated under the laws of Romania (acquired w e f September 23 2024)	100%	2024 2025
31	AccunAI India Services Private Limited	A subsidiary of Firstsource Solutions Limited incorporated under the laws of India (acquired w e f February 7 2025)	100%	2024 2025
32	Firstsource Solutions Limited Colombia S.A S	A subsidiary of FG US incorporated under the laws of Colombia (incorporated w e f March 7 2025)	100%	2024 2025
33	Nanobi Da a and Analytics Private Limited (Nanobi)	Associate of the Company	22.93%	2016-2017

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

2 Material accounting policies

2 1 Functional currency and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR) which is also the functional currency of the Company and its Indian subsidiaries whereas the functional currency of foreign subsidiaries and branch is the currency of their country of domicile

2 2 Basis of measurement

These consolidated financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values

2 3 Basis of consolidation

These consolidated financial statements are prepared in accordance with the principles and procedures prescribed under Ind AS 110 -'Consolidated Financial Statements' for the purpose of preparation and presentation of consolidated financial statements

The financial statements of the 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 or transactions and resulting unrealized profits in full Unrealized losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered Non-controlling interest represent part of net profit or loss and net assets of subsidiaries that are not directly or indirectly owned or controlled by the Group and is excluded The consolidated financial statements are prepared using uniform accounting policies for transactions and other similar events in similar circumstances across the Group Associates are entities over which the Group has significant influence but not control Significant influence is the right to participate in the financial and operating key decisions of the investee but is not control or joint control over those policies Investments in associates are accounted for using the equity method of accounting Under this method the investment in associate is carried in the balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate less any provisions for impairment. The consolidated statement of profit and loss reflects the Group s share of the results of operations after tax (net of dividend received) of the associate

Non-controlling interests are measured at their proportionate share of the acquiree's net identifiable assets at the date of balance sheet Changes in the Group s equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

Subsidiaries are entities controlled by the Company The Company controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has ability to affect those returns through this power over the entity The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases

2 4 Use of estimates

The preparation of the consolidated 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 consolidated financial statements are prudent and reasonable Actual results could differ from those estimates Any revisions to accounting estimates are recognized 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 4 1

2 4 1 Critical accounting estimates

a) Income taxes

The Group s three major tax jurisdictions are India, United Kingdom and the United States of America though the Group also files tax returns in other overseas jurisdictions Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions Also refer to Note 2 12

b) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103 Business Combinations Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued at the date of acquisition in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree Significant estimates are required to be made in determining the value of contingent consideration and intangible assets These valuations are conducted by independent valuation experts These measurements are based on the information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management

c) Property, plant and equipment

The charge in respect of periodic depreciation 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 Group 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

d) Impairment of goodwill

Goodwill is tested for impairment at each reporting period and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results business plans, future cash flows and economic conditions The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes

Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates weighted average cost of capital and estimated operating margins Cash flow projections take into account past experience

e) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and identification of lease requires significant judgment 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 Group 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 Group 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 5 Revenue recognition

The Group In its contracts with customers promises to transfer distinct services rendered either in the form of customer management healthcare (transaction processing and revenue cycle management) or collection

Each distinct service results in as simultaneous benefit to the corresponding customer Also the Group has an enforeable 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 the case of time and material based contracts, revenue is the product of the efforts expended and the agreed transaction price per unit

The Group continually reassesses the estimated discounts rebates, price concessions refunds credits incentives performance bonuses etc (variable consideration) against each performance obligation each reporting period and recognises changes to estimated variable consideration as changes to the transaction price (I e , revenue) of the applicable performance obligation

Dividend income is recognized when the right to receive dividend is established

For all instruments measured either at amortized 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 Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses

2 6 Government grants

Revenue grants are recognized when reasonable certainty exists that the conditions precedent will be / are met and the grants will be recognized on a systematic basis over the period necessary to match them with the related costs which they are intended to compensate

2 7 Goodwill

Goodwill represents the cost of business acquisition in excess of the Group s interest in the net fair value of identifiable assets liabilities and contingent liabilities of the acquiree When the net fair value of the identifiable assets liabilities and contingent liabilities acquired exceeds the cost of business acquisition a gain is recognized immediately in Other Comprehensive Income Goodwill is measured at cost less accumulated impairment losses

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

2 8 Property, plant and equipment

Property plant and equipment 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 on fixed assets is provided pro-rata to the period of use based on management s best estimate of useful lives of the assets as summarized below

Asset category	Useful life (in years)
Tangible assets	
Leasehold improvements	Lease term or 5 years whichever is shorter
Computers	2 – 4
Service equipment	2 – 5
Furniture and fixtures	2 – 5
Office equipment	2 – 5
Vehicles	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 asse s la different from the useful lives as prescribed under Part C of Schedule II to the Act.

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

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds Borrowing costs directly attributable to acquisition or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are recognized as a part of the cost of such asset Other borrowing costs are recognized as an expense in the period in which they are incurred

2 9 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)
Intangible assets	
Goodwill on acquired assets	5 years or estimated useful life whichever is shorter
Process know-how	4
Domain name	3
Software	2 – 4
Customer contracts	3 – 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 are different from the useful lives as prescribed under Part C of Schedule II to the Act.

Process know-how relates to process design and is amortized on a straight-line basis over a period of four years Software purchased capitalized together with the related hardware and amortized over the best estimate of the 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 capitalization 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 amortization 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 lifecycle and actions of competitors

2 10 Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group

Notes to the consolidated financial statements

as at and for the year ended March 31, 2025

2 11 Impairment

a) Financial assets

The Group recognizes 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 intial recognition

b) Non-financial assets

i Goodwill

Goodwill is tested for impairment at each reporting period and whenever there is an indication that goodwill may be impaired relying on a number of factors including operating results business plans and future cash flows For the purpose of impairment testing goodwill acquired in a business combination is allocated to the Group s cash generating units (CGU') or groups of CGU s expected to benefit from the synergies arising from the business combination A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use Value-in use is the present value of future cash flows expected to be derived from the CGU

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU An impairment loss on goodwill is recognized in the consolidated statement of profit and loss and is not reversed in the subsequent period

ii Intangible assets and property plant and equipment

Intangible assets and property plant and equipment 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 CGU to which the asset belongs

If such assets are considered to be impaired, the impairment to be recognized 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 recognized for the asset in prior years

2 12 Employee benefits

a) Post employment benefits

Gratuity

The Gratuity scheme is a defined benefit plan for all employees of the Indian entities The Company s net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods that benefit is discounted to determine its present value and the fair value of any plan assets is deducted The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation

The obligation is measured at the present value of the estimated future cash flows The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability Gains or losses through re-measurement of the net defined benefit liability / (asset) are recognized in other comprehensive income and other components are recognized in the consolidated statement of profit and loss The actual return of portfolio of plan assets in excess of yields computed by applying the discount rate used to measure the defined benefit obligation are recognized in other comprehensive income The effect of any plan amendments are recognized in consolidated statement of profit and loss

Defined contribution plans

In accordance with Indian regulations all employees of the Indian entities receive benefits from a Government administered provident fund scheme This is a defined contribution retirement plan in which both, the company

Notes to the consolidated financial statements

as at and for the year ended March 31, 2025

and the employee contribute at a determined rate Monthly contributions payable to the provident fund are charged to the consolidated statement of profit and loss as incurred

The subsidiaries in the United States of America have a savings and investment plan under Section 401 (k) of the Internal Revenue Code of the United States of America Contributions made under the plan are charged to the statement of profit and loss in the period in which they accrue The Group has no further obligation to the plan beyond its monthly contribution Other retirement benefits are accrued based on the amounts payable as per local regulations

b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided A liability is recognized for the amount expected to be paid e g under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably

c) Other long-term employee benefits

Compensated absences

Provision for compensated absences cost is made based on actuarial valuation by an independent actuary

Where employees of the Group are entitled to compensated absences the employees can carry-forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at termination of employment for the unutilised accrued compensated absence The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement

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

d) Share based compensation

The Group operates equity-settled share based compensation plans The fair value of the employee services received in exchange for the granting of the options and the discount on the shares granted are recognized as an expense, together with a corresponding increase in equity, over the period in which the performance and / or service conditions are fulfilled ending on the date on which the relevant employees become fully entitled to the award (i e the vesting date) Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable On each balance sheet date the Group revises its estimates of the number of options that are expected to become exercisable The impact of the revision of original estimates if any, is recognized immediately in the Statement of Profit and Loss with a corresponding adjustment to equity

2 13 Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the period Current tax and deferred tax are recognized in the consolidated statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively

Current income taxes

The current tax payable by the Company and its subsidiaries in India is income tax payable after taking credit for tax relief available for export operations in Special Economic Zones (SEZs) The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates

Advance taxes and provisions for current income taxes are presented in the consolidated balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis

Deferred income taxes

Deferred income tax is recognized using the balance sheet approach Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction

Deferred income tax assets are recognized 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 recognized

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recognized Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be settled

For operations carried out in SEZs deferred tax assets or liabilities if any have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability Accordingly MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be recognized

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date are recognized subsequently if new information about facts and circumstances change Acquired deferred tax benefits recognized within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date All other acquired tax benefits realised are recognized in the statement of profit and loss

2 14 Leases

The Group enters into contract as a lessee for assets taken on lease The Group 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 recognized 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 Group 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 recognized in the statement of profit and loss

The Group 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 Group 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 Group 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 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 Group changes its assessment whether it will exercise an extension or a termination option

2 15 Foreign currency

Functional currency

Functional currency and presentation currency

The consolidated financial statements of the Group are presented in the Indian Rupee (INR) which is also the functional currency of the Company (excluding its foreign branch) and its Indian subsidiary whereas the functional currency of foreign subsidiaries and foreign branch is the currency of their country of domicile

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

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 consolidated 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 realized 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 relevant functional currencies using the exchange rate in effect on the date of the transaction

Gains or losses on Revenue from operations including gains or losses on derivative transactions are accounted in other operating income and gains or losses other than on Revenue from operations are accounted in Other Income

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue expense and cash flow items using the average exchange rate for the respective periods The gains or losses resulting from such translation are included in currency translation reserves under other components of equity

When a subsidiary is disposed off in full the relevant amount of Foreign currency translation reserves is transferred to the statement of profit and loss However when a change in the parent s ownership does not result in loss of control of a subsidiary, such changes are recorded through equity

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date

2 16 Earnings per equity share

The basic earnings per equity share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares which may be issued on the conversion of all dilutive potential shares unless the results would be anti-dilutive

2 17 Provisions and contingencies

The Group 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 Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and risk specific to the liability

Contingent assets are not recognized in the consolidated 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 recognized in the period in which the change occurs

2 18 Financial Instruments

2 18 1 Initial recognition

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument Financial assets and liabilities are initially measured at fair value Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability

2 18 2 Classification and subsequent measurement

a) Non-derivative financial instruments

i) Cash and cash equivalents

The Group 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 Group 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 recognized in consolidated 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 approximates 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 Group after deducting all of its liabilities

Equity instruments are recognized by the Group at the proceeds received net of direct issue cost

b) Derivative financial instruments

Cash flow hedge

The Group designates certain foreign exchange forwards as hedge instruments in respect of foreign exchange risks These hedges are accounted for as cash flow hedges

The Group uses hedging instruments that are governed by the policies which are approved by the Board of Directors which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Group The hedge instruments are designated and documented as hedges at the inception of the contract The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis The ineffective portion of designated hedges is recognized immediately in the consolidated statement of profit and loss

The effective portion of change in the fair value of the designated hedging instrument is recognized in Other comprehensive income and accumulated under Cash flow hedge reserve

Hedge accounting is discontinued when the hedging instrument expires or is sold terminated or no longer qualifies for hedge accounting Any gain or loss recognized in Other comprehensive income and accumulated in equity till that time remains and is recognized in statement of profit and loss when the forecasted transaction is no longer expected to occur the cumulative gain or loss accumulated in statement of changes in equity is transferred to the consolidated statement of profit and loss

c) Share capital

Ordinary shares

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

2 18 3 De-recognition of financial instrument

The Group 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-recognized from Group s balance sheet when obligation specified in the contract is discharged or cancelled or expired

2 18 4 Fair value of financial instrument

In determining the fair value of its financial instrument the Group uses the methods and assumptions based on market conditions and risk existing at each reporting date Methods of assessing fair value result in general approximation of value and such value may never actually be realized For all other financial instruments the carrying amounts approximate the fair value due to short maturity of those instruments

Notes to the consolidated financial statements

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2 19 Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations

The cost of an acquisition is measured at the fair value of the assets transferred equity instruments issued and liabilities incurred or assumed at the date of acquisition which is the date on which control is transferred to the Group The cost of acquisition also includes the fair value of any contingent consideration Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition

Business combinations between entities under common control is accounted for at carrying value

Transaction costs that the Company incurs in connection with a business combination such as legal fees due diligence fees, and other professional and consulting fees are expensed as incurred

2 20 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 Group are segregated

2 21 Onerous contracts

Provisions for onerous contracts are recognized 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

2 22 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time MCA has not notified any new standards or amendments to the existing standards applicable to the Group which are effective for any period on or after April 1 2025

Notes to the consolidated financial statements

as at March 31, 2025

3 Property, plant and equipment

(₹ in million)

(i)

	Tangible assets						Total
	Leasehold improvements	Computers	Service equipment	Office equipment	Furniture and fixture	Vehicles	
Gross block							
As at April 1 2024	2 301 65	2 659 07	648 27	1,333 94	355 05		7 295 98
Additions / adjustments during the year	843 81	804 46	164 77	263.75	45 49		4,122.08
Assets acquired on acquisition	43 45	58 62		26 31	18 31	6 03	152.72
Deletions during the year	(209 20)	(421 86)	(127 95)	(164 22)	(32.67)		(1 045 96)
Foreign exchange on translation	46 07	41 84	4.58	23 87	11 02		127.38
As at March 31, 2025	2 935 52	3,142 13	687 67	1 483.65	397.20	6.03	8 652 20
Accumulated depreciation / amortization							
As at April 1 2024	1 549 33	2 265 93	496 69	1,044 87	288 14		5 654 96
Charge for the year	399.37	340 44	37 25	142.03	25 84	3 01	948 54
On deletions / adjustments during the year	(194 62)	(313.69)	(127.58)	(153.36)	(31 53)	-	(820 98)
Foreign exchange on translation	31 60	41 21	4 07	19 50	10 40		106.78
As at March 31 2025	1 785 68	2 333.89	410.43	1 053.04	302.85	3 01	5 889 30
Net block							
As at March 31 2025	1 149 84	808.44	277 24	430 01	94.35	3 02	2,762 90
As at March 31 2024	752 32	393 14	149 58	289 07	56 91		1 641 02

(₹ in million)

	Tangible assets						Total
	Leasehold improvements	Computers	Service equipment	Office equipment	Furniture and fixture	Vehicles	
Gross block							
As at April 1 2023	2,270 85	2 474 30	623 63	1,304.20	368 83		7 041 81
Additions / adjustments during the year	301.04	406 80	35.36	114 90	21 03		879 13
Deletions during the year	(302 88)	(252.93)	(14 45)	(101 39)	(39 90)		(711 55)
Foreign exchange on translation	32 84	30 90	1 73	16 23	5 09		86 58
As at March 31 2024	2,301.65	2 659 07	646.27	1 333.94	355.05		7 295.98
Accumulated depreciation / amortization							
As at April 1 2023	1 441 68	2,056 34	476 51	1 010 08	307 84		5,302 45
Charge for the year	325 53	251 81	31 74	112 78	24 54		746 48
On deletions / adjustments during the year	(247 95)	(65 85)	(12 70)	(89.50)	(38 90)		(454 81)
Foreign exchange on translation	20 07	23 54	1 14	11 53	4 46		60.74
As at March 31 2024	1 549.33	2,265.93	496 69	1,044.87	298.14		5 654 96
Net block							
As at March 31 2024	752.32	393 14	149.58	289 07	56.91		1 641 02
As at March 31 2023	829 17	417 96	147 12	294 12	60 89		1 739 26

(ii) Capital work-in-progress

(₹ in million)

	March 31 2025	March 31, 2024
Capital work-in-progress	491 41	170 91
	491 41	170 91

All Capital work-in-progress have ageing of less than 6 months and completion is not due

Notes to the consolidated financial statements
as at March 31 2025

4 Leases

The details of Right-of-use assets held by the Group are as follows

(₹ in million)

	As at April 1 2024	Assets acquired on acquisition	Addition during the year	Deletions during the year	Depreciation for the year	Foreign exchange on translation	Net Carrying value as at March 31, 2025
Leasehold properties	6 288 56	1 282.05	3 449.55	(946 98)	(1 721 67)	106 81	8 458 32
Service equipment	59 41	-	690 81	-	(85 29)	0.35	665 28
Vehicles	7 32	-		-	(5 16)	-	2 16
	6,355 29	1,282 05	4 140 36	(946 98)	(1,812 12)	107 16	9 125 76

(₹ in million)

	As at April 1 2023	Assets acquired on acquisition	Addition during the year	Deletions during the year	Depreciation for the year	Foreign exchange on translation	Net Carrying value as at March 31 2024
Leasehold properties	4 865 79		2 814 12	(126.29)	(1 336 44)	71.38	6 288 56
Service equipment	80 02	-	32.24		(52 20)	(0 65)	59 41
Vehicles	12 48		-		(5 16)	-	7 32
	4,958 29		2,846 36	(126 29)	(1 393 80)	70 73	6 355 29

Rent includes expense towards short term lease payments amounting to ₹ 248 49 (March 31 2024 ₹ 200 44) expense towards low value leases assets amounting to ₹ 604 89 (March 31 2024 ₹ 752 71) and common area maintenance charges for leased properties amounting to ₹ 308 41 (March 31 2024 ₹ 266 96) during the year ended March 31 2025

5 (i) Goodwill on consolidation

(₹ in million)

	Healthcare	Banking and Financial Services	Communication Media and Technology	Diverse	Total
Gross carrying value as on April 1 2023	19 727 76	8 069 85	1 652 15		29 449 76
Effect of translation adjustment	298 31	119 70	17 13		435 14
Gross carrying value as on March 31 2024	20 026 07	8 189 55	1 669 28		29,884 90
Addition during the year	2 859 52		-	3 575 76	6 235 28
Effect of translation adjustment	497 11	202 24	28 71	(49 00)	679 06
Gross carrying value as on March 31 2025	23,182 70	8 391 79	1 697 99	3,526 76	36,799 24

Acquisition of Quintessence Business Solutions & Services Private Limited (QBSS)

The Company on May 3 2024, has acquired 100% equity interest and control of the businesses of Quintessence Business Solutions & Services Private Limited ("QBSS") headquartered at Chennai and its subsidiary Quintessence Health LLC ("QBSS LLC") a US based limited liability company for a purchase consideration not to exceed US$39 25 mn (equivalent to ₹ 3 278 11 mn as per the Share Purchase Agreement) including contingent consideration of US$ 13 35 mn payable over the next two years QBSS and QBSS LLC render revenue cycle management services to the US Healthcare market The acquisition will expand and strengthen the Group's capabilities in the US Healthcare industry Of the purchase consideration paid ₹ 468 79 mn has been allocated to the fair value of identified net assets and ₹ 2 659 52 mn has been allocated to goodwill (non-deductible for tax)

Notes to the consolidated financial statements
as at March 31 2025

The purchase price has been allocated based upon determination of fair values at the date of acquisition as follows

(₹ in million)

Components	Acquiree's carrying value	Fair value adjustments	Purchase price allocated
Net assets	168 58	-	168 58
Intangible assets (net of deferred tax)		300 21	300.21
Total	168 58	300 21	468 79
Goodwill			2 659 52
Total purchase price paid			3 128 31
Amount of consideration paid in cash			3 128 31

Net assets include cash and cash equivalents acquired of ₹ 92 58 mn

Acquisition of Ascensos Limited (Ascensos)

The Company through its wholly-owned subsidiary Firstsource Solutions UK Limited on September 23, 2024 has acquired 100% equity interest and control of the businesses of Ascensos Limited ("Ascensos") and its subsidiaries headquartered at UK for a purchase consideration not to exceed GBP 42 mn (as per Share Purchase Agreement) including contingent consideration of GBP 9 45 mn payable over the next two years Ascensos and its subsidiaries render BPM services for the retail, consumer and e commerce verticals Of the purchase consideration paid ₹ 525 22 has been allocated to the fair value of identified net assets and ₹ 3 577 44 has been allocated to goodwill (non-deductible for tax)

The purchase price has been allocated based upon determination of fair values at the date of acquisition as follows

(₹ in million)

Components	Acquiree s carrying value	Fair value adjustments	Purchase price allocated
Net assets	20 13	-	20 13
Intangible assets (net of deferred tax)	-	508 77	508 77
Total	20 13	508 77	528 90
Goodwill			3 575 76
Total purchase price paid			4 102 66
Amount of consideration paid in cash			4 102.66

Net assets include cash and cash equivalents acquired of ₹ 110 91 mn

Acquisition of AccunAI India Services Private Limited (AccunAI)

The Company during the year has acquired 100% equity interest and control of the businesses of AccunAI India Services Private Limited ("AccunAI"), for a purchase consideration of ₹ 80 25 mn on February 7 2025 Of the purchase consideration paid ₹ 80 25 mn has been allocated to the fair value of software Net assets include cash and cash equivalents acquired of ₹ 6 22 mn

Notes to the consolidated financial statements
as at March 31 2025

(ii) Other intangible assets

(₹ in million)

	Domain name	Software	Process know how	Customer contracts	Total
Gross block					
As at April 1 2024	6 72	1 848 50	56 78	1 241 91	3 253 91
Additions / adjustments during the year	-	193 30	-	-	193 30
Assets acquired on acquisition	-	126 12		1 066 84	1,192 96
Deletions during the year		(393 48)			(393 48)
Foreign exchange on translation		36 50		17 01	53 51
As at March 31, 2025	6 72	1,910 93	56 78	2 325 76	4,300 19
Accumulated depreciation/amortization/ impairment					
As at April 1 2024	6 72	1 723 38	56 78	818 05	2 604 93
Charge for the year		169 69		623 70	793 39
On deletions / adjustments during the year		(392 63)		-	(392 63)
Foreign exchange on translation		31 64		15 26	46 90
As at March 31 2025	6 72	1 532 08	56 78	1 457 01	3 052 59
Net block					
As at March 31, 2025	-	378 85		868 75	1,247 60
As at March 31 2024		225 12		423 86	648 98

(₹ in million)

	Domain name	Software	Process know-how	Customer contracts	Total
Gross block					
As at April 1, 2023	6 72	1 870 33	54 95	1 212 78	3 144 78
Additions / adjustments during the year	-	87 99		-	87 99
Deletions during the year		(29 67)			(29 67)
Foreign exchange on translation		19 85	1 83	29 13	50 81
As at March 31 2024	6 72	1 948 50	56 78	1,241 91	3 253 91
Accumulated depreciation / amortization					
As at April 1, 2023	6 72	1 542 79	54 95	525 23	2,129 69
Charge for the year		189 97		271 99	461 96
On deletions / adjustments during the year	-	(26 78)		-	(26 78)
Foreign exchange on translation	-	17 40	1 83	20.83	40 06
As at March 31 2024	6.72	1 723 38	56 78	818 05	2 604 93
Net block					
As at March 31, 2024	-	225 12	-	423 86	648 98
As at March 31 2023	-	327 54		887 55	1 015 09

Notes to the consolidated financial statements
as at March 31 2025

6 Investments

(i) Non-current

(₹ in million)

	March 31 2025	March 31 2024
Unquoted		
Investment in associate		
- Equity accounting		
838 705 (March 31 2024 838 705) fully paid compulsorily convertible cumulative preference shares of ₹ 10 each of Nanobi Data and Analytics Private Limited	87.92	87 92
At amortised cost		
Philippines treasury bills	27 29	27 13
	115 21	115 05

These securities have been earmarked in favor of Securities and exchange commission Philippines in compliance with Corporation Code of Philippines

(ii) Investments - Current

(₹ in million)

	March 31 2025	March 31 2024
Investments carried at fair value through statement of profit and loss		
Mutual and other funds (quoted)	615.63	300 27
	615 63	300 27

7 Other financial assets

(₹ in million)

	March 31 2025	March 31 2024
(Unsecured considered good)		
(i) **Other non-current financial assets**		
Deposits	926 45	680 12
Foreign currency forward contracts (net)	100 01	98 89
	1,026.46	777 01
(ii) **Other current financial assets**		
Foreign currency forward contracts (net)		31 45
Loans and advances to employees	48 81	36 65
Other receivables	157 51	
	206 32	68 10

8 Other assets

(₹ in million)

	March 31 2025	March 31 2024
(Unsecured, considered good)		
(i) **Other non-current assets**		
Capital advances	15 90	38 02
Deferred contract cost	1 810 56	1 930 95
Unexpired rebate from customer		64 34
Prepaid expenses	138 19	52 79
	1 964 65	2 086 10

Notes to the consolidated financial statements
as at March 31 2025

(₹ in million)

	March 31 2025	March 31 2024
(ii) Other current assets		
Deferred contract cost	457 29	280 08
Unexpired rebate from customer		85 10
Prepaid expenses	1 701 35	776 48
Indirect tax recoverable	440 40	272 61
Other advances	289 24	71 91
	2,888 28	1,486 16

9 Trade receivables

(₹ in million)

	March 31 2025	March 31 2024
(Unsecured)		
Considered doubtful	1 269 81	848 22
Less Allowance for expected credit loss	1 269 81	848 22
		-
Considered good	11 677 13	8 606 78
	11,677 13	8 606 78
Unbilled revenues	5 183 18	3 001 40
	5,183 18	3 001 40

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 Group either severally or jointly

Trade receivables Ageing Schedule

As on March 31, 2025

(₹ in million)

	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 receivable – considered good	5 819 04	5 257 83	600 26				11 677 13
Undisputed Trade receivable – considered doubtful		9 45	217 35	372 70	291 08	379 23	1 269 81
	5 819 04	5 267 28	817 61	372.70	291 08	379.23	12,946 94

As on March 31 2024

(₹ in million)

	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 receivable – considered good	3 966 30	4 427 46	189 93	23 09			8 606 78
Undisputed Trade receivable – considered doubtful		11 92	271 49	321 84	60 11	182 86	848 22
	3,966.30	4 439 38	461 42	344.93	60 11	182 86	9 455 00

Notes to the consolidated financial statements
as at March 31 2025

10 Cash and cash equivalents

(₹ in million)

	March 31, 2025	March 31 2024
Balances with banks		
- in current accounts	2 957 25	2 348 21
Remittances-in-transit		457 86
	2,957 25	2 806 07
Less Current account balance held in trust for customers	1 415 13	1 058 33
	1,542 12	1 747 74

11 Other balances with banks

(₹ in million)

	March 31 2025	March 31, 2024
Short term fixed deposits	32 50	33 00
Earmarked balances with banks		
- Unclaimed dividend	38.50	39 56
- Unspent amount of Corporate social responsibility	56 81	64 30
	127 81	136 86

12 Share capital

(₹ in million)

	March 31 2025	March 31 2024
Authorised		
872 000 000 (March 31 2024 872 000 000) equity shares of ₹ 10 each	8 720 00	8 720 00
	8,720 00	8 720 00
Issued, subscribed and paid-up		
696 099 216 (March 31 2024 696 099 216) equity shares of ₹ 10 each fully paid-up	6,969.91	6 969 91
	6,969 91	6,969 91

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

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	696 990 826	6 969 91	696,990,826	6 969 91
At the end of the year	696 990 826	6 969 91	696 990 826	6 969 91

b Particulars of shareholders holding more than 5% equity shares

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	% of total shares	Number of shares	% of total shares
RPSG Ventures Limited	373 976 673	53.66%	373 976 673	53 66%
HDFC Small Cap Fund	54,282 561	7 79%	58 322 707	8.37%

c Shares held by holding company

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	Amount	Number of shares	Amount
RPSG Ventures Limited	373 976,673	3 739 77	373,976 673	3,739 77

Notes to the consolidated financial statements
as at March 31 2025

d Employee stock options

During the year ended March 31 2025 the Company granted 8 343 871 (March 31, 2024 5 709 000) options at an exercise price of ₹ 10 (March 31, 2024 ₹ 10 00)

e Shares reserved for issue under options

16 602 716 (March 31 2024 13 391 679) number of shares are reserved for employees for issue under the employee stock options plan (ESOP) amounting to ₹ 166 03 (March 31 2024 ₹ 133 92)

f Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets The equity shareholders are entitled to receive dividend as declared from time to time The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company

On winding up of the Company the holders of equity shares will be entitled to receive the residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held

g Dividend

During the year ended March 31 2025, the Company has declared interim dividend of ₹ 4 per share (March 31 2024 3 50) the Company has incurred a net cash outflow of ₹ 2 758 57 (March 31 2024 2,405 94) (excluding dividend paid on treasury shares)

h Treasury Shares - pursuant to ESOP 2019 PLAN

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	9 376 800	707 73	15 589 182	1,158 14
Purchased during the year	1 714 706	404 13	100 000	18 54
Allotted during the year	(3 359,532)	(287 55)	(6 312 282)	(468 95)
At the end of the year	7,732 074	824 31	9 376 900	707 73

As per Ind AS 32 the consideration paid for treasury shares including any directly attributable incremental costs is presented as a deduction from total equity until they are cancelled, sold or reissued

12A Other equity

(₹ in million)

	March 31 2025	March 31 2024
Securities premium		
At the commencement of the year	2 251 22	2 251 22
At the end of the year	2,251 22	2 251 22
Treasury shares		
At the commencement of the year	(707 73)	(1 158 14)
Add Movement during the year	(116 58)	450 41
At the end of the year	(824 31)	(707 73)
Special Economic Zone re-investment reserve		
At the commencement of the year		15 28
Less Transfer to retained earnings on utilization		(15 28)
At the end of the year	-	
Other Reserve		
At the commencement of the year	30 41	30 41
At the end of the year	30 41	30 41

Notes to the consolidated financial statements
as at March 31 2025

(₹ in million)

	March 31 2025	March 31 2024
Employee stock option reserve		
At the commencement of the year	470.59	651 66
Add Share based payments	715 88	31 34
Less Treasury shares	(145 78)	(203 25)
Less Transfer to retained earning for options forfeited	(13 91)	(9 16)
At the end of the year	1 026 78	470.59
Effective portion of cash flow hedges (Other comprehensive income)		
At the commencement of the year	98 99	(89 08)
Add Movement during the year	(234 14)	186 07
At the end of the year	(137 15)	98 99
Exchange differences on translating the financial statements of a foreign operation / subsidiaries (Other comprehensive income)		
At the commencement of the year	7 882 72	7 571 21
Add Movement during the year	636 86	311 51
At the end of the year	8 519 58	7 882 72
Retained earnings		
At the commencement of the year	20 009 92	17 425 98
Add Net profit for the year	5 944 55	5 147.29
Add Treasury shares	(99 64)	(188 31)
Add Transfer to retained earning for options forfeited	13 91	9 16
Add Other comprehensive income for the year	29 69	6 48
Add Utilised from Special Economic Zone re-investment reserve		15 28
Less Dividend (net)	(2 758 57)	(2 405 94)
At the end of the year	23 139 86	20 009 92
Total other equity	34,006 39	30 034 12

13 Borrowings

(i) Non-current borrowings

(₹ in million)

	March 31 2025	March 31 2024
Unsecured		
Loan from banks (refer note a)	3 419 00	
	3,419 00	-

(ii) Short-term and other borrowings

(₹ in million)

	March 31 2025	March 31 2024
Unsecured		
Line of credit from banks (refer note b)	11 907 95	6 672 58
	11 907 95	6,672 58
Current maturities of long-term borrowings		
- Loan from Banks (refer note a)	-	1 376 18
	-	1 376 18
	11,907 95	8 048 76

Notes

a Loan from banks carry interest in the range of 2%- 8% for a period of 3 years repayable in quarterly / half yearly instalments

b Line of credit from bank carries floating interest rate in the range of 3 00% to 8 00%, these are working capital lines

Notes to the consolidated financial statements
as at March 31 2025

14 *Trade Payables*

(₹ in million)

	March 31 2025	March 31 2024
Trade Payables	3 976 20	3 055 81
	3 976 20	3,055 81

As at March 31, 2025

(₹ in million)

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 2 years	2-3 years	More than 3 years	
Total outstanding dues of creditors other than micro enterprises and small enterprises	*3 153 58*	822 62	-			3 976 20
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
	3,153 58	822.62	-			*3 976 20*

As at March 31, 2024

(₹ in million)

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 2 years	2 3 years	More than 3 years	
Total outstanding dues of *creditors other than* micro enterprises and small enterprises	2 485 51	570 30				3 055 81
Total outstanding dues of micro enterprises and small enterprises	-					-
	2 485 51	570 30			-	3,055 81

15 Other financial liabilities

(i) Other non-current financial liabilities

(₹ in million)

	March 31 2025	March 31, 2024
Contingent Consideration non-current	580 48	-
	580 48	-

(ii) Other current financial liabilities

(₹ in million)

	March 31 2025	March 31 2024
Book credit in bank account	230.51	153 84
Foreign currency forward contracts	229 64	-
Interest accrued but not due	57 56	159 02
Employee benefits payable	2 671 88	1 416 56
Creditors for capital goods	36 48	74 74
Unclaimed dividends	38 62	39 66
Contigent conside ations	943 90	
Liability for Purchase of Non-controlling Interest		204 48
	4,208 59	2 047 30

Notes to the consolidated financial statements
as at March 31 2025

16 *Provisions*

(i) Non-current

(₹ in million)

	March 31 2025	March 31 2024
Provisions for employee benefits	240 82	187 79
	240.82	187 79

(ii) Current

(₹ in million)

	March 31 2025	March 31 2024
Provisions for employee benefits	643.34	466 89
	643 34	466.89

17 Other liabilities

(₹ in million)

	March 31 2025	March 31 2024
Other current liabilities		
Value added tax	470 37	378 34
Tax deducted at source	212 54	95 78
Advance from customer	101 71	175 38
Statutory Dues	320 90	190 09
Liabilities towards customer contracts		219 37
	1,105 52	1 058 96

18 Taxation

As at March 31, 2025

(₹ in million)

Taxation	Opening Balance	Additions through Business Combination	Recognised in Profit and loss	Recognised *in Other* Comprehensive Income	Exchange	Closing Balance
Deferred tax assets on account of						
Property plant and equipment and intangibles	386 04	(273 50)	34 74		5 78	153 06
Other employee benefits payable	65 81	13 31	22.03			100 95
Lease liabilities	103 55		44 14		(5 41)	142 23
Unutied tax losses	6.85					6.85
Minimum alternate tax credit carried forwa d	2 332.09		(206.26)			2 125.83
Employee stock options	45 40	-	42.85			88 25
Business losses carried forward		-	37 84		0 99	38.83
Foreign currency forward contracts	(18 93)			60.53	-	41 60
Accrued expenses / allowance for doubtful debts		37 00				37 00
	2,920 61	(223.19)	(24 66)	60 53	1.36	2,734 65
Deferred tax liability on account of						
Goodwill	2 409 42	-		-	59 78	2 469 20
Business losses carried forward	(647.54)		202 46	-	(13 77)	(458 85)
Property plant and equipment and intangibles	47 37		(12.30)		1 05	36 12
Other employee benefits payable	(63 13)		(7 24)		(1 65)	(72 02)
Lease liabilities	(78 43)		14 74	-	(7.88)	(71.57)
Accrued expenses / allowance for doubtful debts	(197.31)	-	(54 96)		(5.50)	(257 77)
	1 470.38		142.70		32.03	1 645.11

Notes to the consolidated financial statements
as at March 31 2025

As at March 31, 2024

(₹ in million)

Taxation	Opening Balance	Additions through Business Combination	Recognised in Profit and loss	Recognised in Other Comprehensive Income	Exchange	Closing Balance
Deferred tax assets on account of						
Property plant and equipment and intangibles	256 48	-	128 92		(1.36)	388 04
Other employee benefits payable	58 80		6 81		-	65 61
Lease liabilities	82.16		20 67		0 72	103 55
Unused tax losses	6 85					6 85
Minimum alternate tax credit carried forward	2 348.93	-	(16 84)			2,332 09
Employee stock options	72 85	-	(27 45)			45 40
Accrued expenses / allowance for doubtful debts	101 82		(106.48)		4 66	
Foreign currency forward contracts	18 17	-		(37 10)		(18.93)
	2 948.08	-	5.63	(37 10)	4.02	2,920 61
Deferred tax liability on account of						
Goodwill	2 373 74	-			35.68	2 409 42
Business losses carried forward	(864 29)	-	228 77		(10 02)	(647 54)
Property plant and equipment and intangibles	80 57		(34 16)		0 96	47 37
Other employee benefits payable	(54 81)	-	(7 44)		(0 88)	(63 13)
Lease liabilities	(78.94)	-	1 69	-	(1 18)	(78 43)
Accrued expenses / allowance for doubtful debts	(183 54)	-	(9 81)		(4 16)	(197.31)
Provision for onerous contracts	(76.75)	-	77 34		(0 59)	
	1 195.08	-	254 59		19 81	1 470.38

(₹ in million)

	March 31 2025	March 31 2024
Income tax assets (net)	713 93	808 79
Provision for tax (net)	(149 39)	(205 09)
	564 54	603 70

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Profit before income taxes	7 406 51	6 298 75
Enacted tax rates in India	34 94%	34 94%
Computed expected tax expense	2 588 13	2,200 34
Income Exempt from Tax and Tax Holidays	(728 04)	(770.36)
Expenses not deductible for tax purposes	28 49	83 44
Effect of differential overseas tax rate	(102 80)	(281 24)
ESOP cost allowed for tax purpose	(128 53)	(54 11)
Previous years tax adjustments	(189 80)	-
Others	(5 45)	(8.57)
Income tax expense	1,462.00	1 149 50

Notes to the consolidated financial statements
for the year ended March 31 2025

19 Revenue from operations

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Sale of services	79 721 00	63 325.28
Other operating income net	82 14	37 17
	79,803 14	63 362 45

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2025 and March 31 2024 by geography

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
UK	25,534 70	22 239 20
USA	53 923 55	41 012 04
Asia and Rest of World	262 75	74 04
Total	79 721 00	63 325 28

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

20 Other income, net

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Profit on sale / redemption of current investments, net	88 45	62.11
Foreign exchange (loss) / gain net	(62 99)	17 08
Interest income	26 84	9 88
(Loss) on sale of property plant and equipment net	(49 88)	(55 91)
Miscellaneous income, net	9 01	335 28
Total	(8.67)	368 44

21 Employee benefits expense

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Salaries and wages	45,372 99	35 922 47
Contribution to provident and other funds	1 960 25	1 675 12
Staff welfare expenses	1 902 51	1 457 57
Employee stock compensation expense	715 88	31 34
Directors sitting fees	6 17	6 75
	49 057 80	39 093 25

Notes to the consolidated financial statements
for the year ended March 31, 2025

22 Finance costs

(₹ in million)

	Year ended	
	March 31, 2025	March 31 2024
Interest expense		
– *on working capital demand loan and others*	940 43	716 01
Interest expense on leased liabilities	538 33	317 84
	1 478 76	1 033 85

23 Other expenses

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Connectivity expenses	436.53	506 84
Communication expenses	1 743 73	1 561 50
Technology and applications support cost	2 343 59	1 549 90
Legal and professional fees	2 084 56	1 368 10
Services rendered by business associates and others	4 338 71	3 614 04
Repairs maintenance and upkeep	967 96	676 60
Travel and conveyance	783 01	629 37
Car hire charges	528 90	379 86
Marketing and support fees	884 27	683 44
Electricity water and power consumption	424.32	309 24
Recruitment and training expenses	362 12	511 61
Bank administration charges	361 56	382 02
Rates and taxes	359 07	281 79
Rent, net	1 161 79	1 220 11
Insurance	325 11	286 72
Contribution to Corporate Social Responsibility	72 90	75 30
Allowance for expected credit loss/ bad debts written-off net	110 31	322 64
Auditors remuneration and expenses		
– for audit fees	20 80	19 50
– for taxation matters	1 20	0 60
– for other services	2 78	3 45
– for reimbursement of expenses	1 16	1.20
Miscellaneous expenses net	456 74	318 97
	17 759 14	14,704 80

Notes to the consolidated financial statements
as at and for the year ended March 31 2025

24 Financial Instruments

I Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2025 were as follows

(₹ in million)

Taxation	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Investments	27 29	615 63		642 92	642 92
Trade receivables	16 860 31			16 860.31	16 860 31
Cash and cash equivalents	1 542 12			1 542 12	1 542 12
Other balances with banks	127 81			127 81	127 81
Other financial assets	975 26		100 01	1 075 27	1 075 27
Total	19 532 79	615 63	100 01	20,248 43	20 248 43
Financial liabilities					
Borrowings	15 326 95	-		15 326 95	15 326 95
Lease Liabilities	10 365 67	-		10 365 67	10 365 67
Other financial liabilities	4 559 43	(5 81)	235 45	4 789 07	4 789 07
Trade payables	3 976 20		-	3,976 20	3 976 20
Total	34 228 25	(5 81)	235 45	34 457 89	34,457 89

The carrying value and fair value of financial instruments by categories as at March 31 2024 were as follows

(₹ in million)

Taxation	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Investments	27 13	300 27	-	327 40	327 40
Trade receivables	11 608 18	-		11 608 18	11 608 18
Cash and cash equivalents	1 747 74		-	1 747 74	1,747 74
Other balances with banks	136 86			136 86	136 86
Other financial assets	791 10	12 41	115 93	919 44	919 44
Total	14,311 01	312 68	115 93	14 739 62	14 739 62
Financial liabilities					
Borrowings	8 123 09		-	8 123 09	8 123 09
Lease Liabilities	7 209 19			7 209 19	7 209 19
Other financial liabilities	1 842 82	204 48		2 047 30	2 047 30
Trade payables	3,055 81	-	-	3 055 81	3 055 81
Total	20 230 91	204 48	-	20,435 39	20 435 39

II Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method The different levels have been defined as follows

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i e as prices) or indirectly (i e derived from prices)

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31 2025

(₹ in million)

Taxation	March 31, 2025	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Investments				
Investment in mutual and other funds	615 63	615 63	-	
Other financial assets				
Foreign currency forward contracts	100 01	-	100 01	
Other financial liabilities				
Foreign currency forward contracts	(229 64)	-	(229 64)	-
Total	486 00	615.63	(129 63)	

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as March 31, 2024

(₹ in million)

Taxation	March 31 2024	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Investments				
Investment in mutual and other funds	300 27	300.27		
Other financial assets				
Foreign currency forward contracts	128.34		128 34	
Other financial liabilities				
Liability for Purchase of Non-controlling Interest	(204 48)			(204 48)
Total	224 13	300 27	128 34	(204 48)

The fair value of other financial assets and liabilities approximate the carrying value

The fair value of Mutual and other funds is based on quoted price Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace The fair value of equity instruments and preference instruments is based on inputs that are not based on observable market data

III Financial risk management

Financial risk factors

The Group s activities are exposed to a variety of financial risks market risk credit risk and liquidity risk The Group 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 Group is foreign exchange risk The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures The Group 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 Group operates internationally and a major portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its services from India for contracts in the overseas geographies, primarily in the United States of America and United Kingdom and purchases from overseas suppliers in foreign currencies The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future Consequently the results of operations may be affected as the Rupee fluctuates against these currencies

The following table analyzes foreign currency risk as of March 31 2025

(₹ in million)

	USD	GBP	PHP	Others	Total
Total financial assets	35 78	631.39		265 15	932 32
Total financial liabilities	1 793.46	635 18		-	2,428 64

The following table analyzes foreign currency risk as of March 31, 2024

(₹ in million)

	USD	GBP	PHP	Others	Total
Total financial assets	106 73	237 25	55 04	75 97	474 99
Total financial liabilities			234 72		234 72

Others includes LKR Euro etc.

5% appreciation/depreciation of the respective foreign currencies with respect to functional currency Firstsource Solutions Limited and its subsidiaries would result in increase/decrease in the Group s profit before tax approximately ₹ 569 62 for the year ended March 31 2025 (March 31 2024 ₹ 218 08)

Derivative financial instruments

The Group holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures The counterparty for these contracts is generally a bank These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace

The following table gives details in respect of outstanding foreign currency forward and option contracts

(₹ in million)

	March 31 2025		March 31 2024	
	Foreign Currency in million	₹ in million	Foreign Currency in million	₹ in million
Forward and option contracts				
In USD	423 60	36 612.09	102 00	8,581 56
In GBP	377 15	43 431 48	223 32	24 218 36
Total		80 043 57		32 799 92

The foreign exchange forward contracts mature within sixty months

The table below analyses the derivative financial instruments into relevant maturity grouping based on the remaining period as of the balance sheet date

(₹ in million)

	March 31, 2025	March 31 2024
Forward and option contracts in USD		
Not later than one month	3,358 04	1 670 33
Later than one month and not later than three months	4 356 83	2 126 09
Later than three months	28 897 22	4 785 14
Total	36,612 09	8,581 56
Forward and option contracts in GBP		
Not later than one month	3 223 38	1 921 09
Later than one month and not later than three months	2 526 70	2 694 84
Later than three months	37 681 39	19 602 43
Total	43 431 47	24 218 36

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

The movement in Hedging Reserve for derivatives designated as cash flow hedges is as follows

(₹ in million)

	March 31 2025	March 31 2024
Balance at the beginning of the year	96 99	(69 08)
Changes in the fair value of effective portion of cash flow hedges	(294 67)	223 17
Deferred tax movement	60 53	(37 10)
Balance at the end of the year	(137 15)	96 99

The following table summarises approximate gains / (loss) on the Company's other comprehensive income on account of appreciation / depreciation of underlying foreign currencies

(₹ in million)

	March 31, 2025	March 31 2024
5% Appreciation of the underlying foreign currencies	(2 044.89)	(1,322 08)
5% Depreciation of the underlying foreign currencies	2 004 71	1 286.22

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 ₹ 11 677 13 and ₹ 8 606 78 as of March 31 2025 and March 31 2024 respectively and unbilled revenue amounting to ₹ 5 183 18 and ₹ 3 001 40 as of March 31 2025 and March 31 2024 respectively Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in the United States United Kingdom Philippines and other locations Credit risk has always been managed by the Group by continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business

The following table gives details in respect of percentage of revenues generated from top five customers

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Revenue from top five customers	31 20%	36 22%

c) *Liquidity risk*

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset The Group'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 Group's reputation

The following are contractual maturities of Lease Liabilities on an undiscounted basis as at March 31 2025 and March 31 2024

(₹ in million)

	March 31 2025	March 31 2024
Less than one year	2,802 55	1 908 63
One to five years	7 618 08	5 448 33
More than five years	1 005 06	1 012 97
Total	11,423 69	8 369 93

Future cash outflows in respect of certain leasehold properties to which the Group 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 Group 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 Group as a lessee to exercise the option to extend the lease or not to exercise the option to terminate the lease as at March 31 2025 The Group shall revise the lease term when there is a change in the facts and circumstances

Notes to the consolidated financial statements

as at and for the year ended March 31, 2025

The table below provides details regarding the contractual maturities of significant financial liabilities as at *March 31 2025 and March 31, 2024*

(₹ in million)

	March 31 2025		March 31 2024	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Trade payables	3 976 20	-	3 055 81	
Borrowings	11 907 95	3 419 00	8 080 92	42 17
Lease Liabilities	2 295 86	8 069 81	1 495.56	5 713 63
Other financial liabilities	4 208 59	580 48	2 047 30	

Management expects the recoveries from current financial assets as at the year end and the net cash inflows from operations during the ensuing financial year to be sufficient for the Group to be able to meet these obligations of lease and other significant financial liabilities In addition, the Group also has unused lines of credit

25 Related party transactions

Details of related parties including summary of transactions entered into during the year ended March 31 2025 are summarized below

Holding Company	RPSG Ventures Limited
Subsidiaries	The related parties where control exists are subsidiaries as referred to in Note 1 to the consolidated financial statements
Associate	Nanobi Data and Analytics Private Limited (Nanobi)
Key Managerial Personnel	Ritesh Mohan Idnani
	Dinesh Jain
Non-Executive Directors	Dr Sanjiv Goenka
	Anjani Agrawal (ceased to be director w e f May 11, 2024)
	Subrata Talukdar
	Shashwat Goenka
	Pradip Kumar Khaitan
	Dr Rajiv Kumar (appointed w e f May 3 2024)
	Sunil Mitra
	Pratip Chaudhuri (ceased to be director w e f April 1 2024)
	Vanita Uppal
	Rekha Sethi
	T C Suseel Kumar
	Utsav Parekh
Companies under common control (where transactions exists)	RPSG Resources Private Limited
	CESC Ltd
	PCBL Limited

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

Particulars of related party transactions

(₹ in million)

Name of the related party	Description	Transaction value during the period ended		Receivable / (Payable) as at	
		March 31 2025	March 31 2024	March 31 2025	March 31 2024
RPSG Ventures Limited	Dividend paid	1 495 91	1 308 92		-
CESC Limited	Recovery of expenses	0 01		-	(0 01)
PCBL Limited	Recovery of expenses	1 18		-	(0 30)
RPSG Resources Private Limited	Receipt of services	115 00	103 88		(40 66)
	Brand equity	235 00	108.20	-	(35 86)
Non executive directors	Sitting fees	5 70	6 75		
Key Management Personnel and relatives	Remuneration	448 45	355 50		
	Dividend paid	0 60	1 05	-	

The sales to and purchases from related parties are made on terms equivalent to that prevails in arm s length transactions

(₹ in million)

Description	Year ended	
	March 31 2025	March 31 2024
Short-term employee benefits	272 03	275 14
Share based payments	178 41	80.36
Dividend paid	0 60	1 05

26 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM), in deciding how to allocate resources and in assessing performance Operating segments are identified based on the internal organization at the Balance Sheet date With the objective of internal financial reporting and decision making of the Group the CODM has reviewed the manner in which the Group views the business risks and returns and monitors its operations Accordingly the group has identified business segment which comprises of Banking and Financial Services (BFS) Healthcare Communication Media and Technology (CMT) and Diverse Industries

Revenues and expenses directly attributable to the segments are reported under each reportable segment The accounting principles used in the preparation of the segment information are consistently applied to record revenue and expenditure in individual business segments

Assets and liabilities used in the Group s business are not directly identified to any of the operating segments as these are used interchangeably between segments Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation Hence assets and liabilities have not been identified to any of the reportable segments by the Group

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Business segment		
Segment revenue		
Banking and Financial Services	27 119 16	24,856 63
Healthcare	27 823 87	20,874 04
Communication Media and Technology	16 897 74	14 113 39
Diverse Industries	7 880 23	3 481 22
Less Inter Segment Revenue	-	-
Net segment revenue	79,721 00	63,325 28

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

(₹ in million)

	Year ended	
	March 31, 2025	March 31 2024
Segment results before tax and finance costs		
Banking and Financial Services	4 482 28	3 490 02
Healthcare	3,701 40	2,721 81
Communication Media and Technology	2 839 61	2 879 00
Diverse Industries	918 10	659 18
Total	11,941 39	9,750 21
Finance costs	(1 478 76)	(1 033 85)
Other un-allocable expenditure net of un-allocable income	(3 144 21)	(2 419 61)
Profit before tax, exceptional item and share in net profit / (loss) of associate	7 318 42	6 296 75
Exceptional items net (income) (refer note 33)	88 09	-
Share in net profit / (loss) of associate		
Profit before taxation minority interest and other comprehensive income	7,406 51	6,296 75
Taxation	1 462 00	1 149 50
Non-controlling interest	(0 04)	(0 04)
Profit attributable to owners of the Company	5,944 55	5,147 29

Entity wide disclosure

Geographical information Revenues based on domicile of the customer are as follows

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Geographical information		
Segment revenue		
UK	25,534 70	22 239.21
US	53 923 55	41 012 03
Asia and Rest of World	262 75	74 04
Total	79 721 00	63 325.28

Geographical information Other non-current assets

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Geographical information		
Other non-current assets		
UK	1,757 77	1,978 59
US	149 45	84 10
Asia	57 43	23 41
Total	1 964 65	2 086 10

27 Employee stock option plan

Employee stock option Scheme 2003 ('Scheme 2003')

The Employee Stock Option Scheme 2003 (the Scheme) approved by the Board of Directors and the members of the Company and administered by the Nomination & Remuneration Committee (the Committee) is effective October 11 2003 The key terms and conditions included in the scheme are in line with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 (as amended by SEBI (shared based employee benefits) Regulations 2014)

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

As per the Scheme the Committee issued stock options to the identified employees at an exercise price equal to the fair value on the date of grant and there stock options would vest in tranches over a period of four years as stated below and shall be exercised within a period of ten years from the date of the grant of the options

(₹ in million)

Period within which options will vest unto the eligible employee	% of options that will vest
End of 12 months from the date of grant of options	25 00
End of 18 months from the date of grant of options	12 50
End of 24 months from the date of grant of options	12 50
End of 30 months from the date of grant of options	12 50
End of 36 months from the date of grant of options	12 50
End of 42 months from the date of grant of options	12.50
End of 48 months from the date of grant of options	12.50

Firstsource Solutions Limited Employee Stock Option Plan 2019 ('ESOP 2019 PLAN')

The Company established ESOP 2019 Plan pursuant to approval of the Board of Directors and the shareholders at the Annual General Meeting on August 2 2019 and administered by the Committee The key terms and conditions included in the ESOP 2019 Plan are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended

As per the ESOP 2019 Plan the Committee will issue stock options to the identified eligible employees/ director(s) of the Company and its Subsidiaries at an exercise price which will be the face value of the Shares or any higher price which may be decided by the Committee considering the prevailing market conditions and the norms as prescribed by the Securities and Exchange Board of India (SEBI) and other relevant regulatory authorities Further the stock options under the said plan would vest & be exercisable in tranches as determined by the Committee

The ESOP 2019 Plan is proposed to include grants to identified eligible employees under the Long Term Incentive Structure (LTI) The LTI will be tenure based or performance based as per the vesting conditions below

(₹ in million)

Period within which options will vest unto the participant	% of options that will vest	
	Tenure based	Performance based
End of 12 months from the date of grant of options	25 00	15 00
At the end of every quarter after year 1 till end of year 4 from date of grant	6 25	
End of 24 months from the date of grant of options	-	20 00
End of 36 months from the date of grant of options		25 00
End of 48 months from the date of grant of options		40 00

Attainment of options can range between 0% and 150% of tranche eligible for vesting for the respective performance measurement period Each tranche is separate Performance and vesting in one period has no bearing on performance and vesting in another period

Under both the above structures grants will be issued at face value of the shares or any higher price which may be decided by the Committee and will have an exercise period up to ten years as per the Scheme and as determined by the Committee

The ESOP 2019 Plan shall be implemented by the Firstsource Employee Benefit Trust (the Trust) which will be administered by the Committee The Company shall provide financial assistance to the Trust for secondary acquisition of equity shares of the Company for the purpose of implementation of ESOP 2019 Plan The terms and conditions for the financial assistance provided shall be in Compliance with the Companies Act 2013 read with Companies (Share Capital and Debenture) Rules 2014 and SEBI regulations

During the year ended March 31 2025 the Trust has purchased 1 714 708 (March 31, 2024 100,000) equity shares through secondary acquisition As on 31 March 2024 the trust holds 7 732,074 (March 31, 2024 9 376 900) number of equity shares

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

GRANTS TO THE MANAGING DIRECTOR & CEO (MD & CEO) UNDER ESOP 2019 PLAN

In view of the Shareholder s approval via postal ballot on October 30 2023 through a special resolution wherein it was approved that the MD & CEO shall be entitled to participate in the equity based LTI of the Company The Committee on September 1 2023 has approved the grant of 4 500 000 options under ESOP Plan 2019 at the face value of ₹ 10/- of the shares to the MD and CEO which is performance based structure The brief details of these grants are mentioned herein below

A Grants under Performance Based Structure

No of Stock Options	Vesting Date	Vesting Conditions
4,500 000	May 15 2028	Continued employment and increase in the Company's compound annual growth rate revenue (CAGR) and earnings before interest and taxes margin (EBIT)

Performance period may be further defined in consultation with the Nomination & Remuneration Committee

Employee stock option activity during the year ended March 31, 2025

A) Under ESOS Scheme 2003 and ESOP 2019 Plan are as follows

(₹ in million)

Name of the related party	Exercise Range	March 31, 2025		March 31 2024	
		Shares arising out of options	Weighted Average period in months	Shares arising out of options	Weighted Average period in months
Outstanding at the beginning of the year	10 00	12 554 004	98.60	20 812 287	104 17
	10 01 - 60 00	565 650	24 44	1 046 875	45 71
	60 01 - 75 00	272 025	52 87	450 305	77 23
		13,391 679		22,309,467	
Granted during the year	10 00	8 343 871		5 709 000	
	10 01 60 00				
	60 01 75 00			-	
		8 343,871		5 709 000	
Forfeited during the year	10 00	1 455 056		8 093 101	
	10 01 - 60 00	17 000		67 500	
	60 01 - 75 00	5 000		73 905	
		1 477,056		8 234 506	
Exercised during the year*	10 00	3 142 257		5 674 182	
	10 01 - 60 00	133 650		333 725	
	60 01 - 75 00	83,625		104 375	
		3 359 532		6 312 282	
Expired during the year	10 00	296 246			
	10 01 60 00	-		80 000	
	60 01 75 00				
		296,246		80 000	
Outstanding at the end of the year	10 00	16 004,316	55 68	12 554 004	98 60
	10 01 60 00	415 000	14 76	565 650	24 44
	60 01 - 75 00	183 400	40 80	272 025	52.87
		16,602,716		13,391,679	
Exercisable at the end of the year	10 00	2 354 607	18.35	4 188 151	81 85
	10 01 60 00	415 000	14 76	565 650	24 44
	60 01 75 00	183,400	40 80	272 025	52.87
		2 953,007		5 025,826	

The weighted average share price of these options was ₹ 13 98 and ₹ 12 26 for the year ended March 31, 2025 and March 31 2024 respectively

Notes to the consolidated financial statements

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The key assumptions used to estimate the fair value of options are

(₹ in million)

	March 31 2025	March 31, 2024
Dividend yield	0% to 4%	0% to 4%
Expected Life	2 7 years	2 7 years
Risk free interest rate	6 50% to 9 06%	6.50% to 9 06%
Volatility	0% to 75%	0% to 75%
Model Used	Black & Scholes	Black & Scholes

The expense arises from equity settled share-based payment transaction amounting to ₹ 715 88 and ₹ 31 34 for the year ended March 31 2025 and March 31 2024 respectively

28 Employee benefits

The Group has a defined benefit gratuity plan in India (funded) The Group s defined benefit gratuity plan is a final salary plan for India employees which requires contributions to be made to a separately administered fund

The gratuity plan is governed by the Payment of Gratuity Act, 1972 Under the Act Indian employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member s length of service and salary at retirement age The fund has the form of a trust and it is governed by the Board of Trustees which consists of an equal number of employer and employee representatives The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy

Each year the Board of Trustees reviews the level of funding in the India gratuity plan Such a review includes the asset liability matching strategy and investment risk management policy This includes employing the use of annuities and longevity swaps to manage the risks The Board of Trustees decides its contribution based on the results of this annual review Generally investments are in debt mutual funds Annual contributions at a level such that no plan deficits (based on valuation performed) will arise

Gratuity plan

The following table sets out the status of the gratuity plan

Reconciliation of opening and closing balances of the present value of the defined benefit obligation and fair value of planned assets

(₹ in million)

	March 31 2025	March 31 2024
Change in present value of obligations		
Obligations at beginning of the year	227 08	183 91
Acquired during the year	35 01	
Service cost	81 39	62 83
Interest cost	17.35	12.34
Actuarial (gain)/loss	(29 69)	(6 49)
Benefits paid	(34 38)	(25 51)
Obligations at the end of the year	298 78	227 08
Change in plan assets		
Fair value of plan assets at beginning of the year	39 29	46 88
Return on Plan Assets excluding interest income	(0 27)	(0 03)
Interest income	2 70	2.51
Contributions	48 77	15 11
Benefits paid	(32 53)	(25 18)
Fair value of plan assets at end of the year	55 96	39 29
Reconciliation of present value of the obligation and the fair value of plan assets		
Present value of the defined benefit obligations at the end of the year	298 78	227 08
Fair value of plan assets at the end of year	(55 96)	(39 29)
Funded status being amount of liability recognized in the balance sheet	240 82	187 79

Notes to the consolidated financial statements

as at and for the year ended March 31, 2025

(₹ in million)

	March 31 2025	March 31 2024
Gratuity cost for the year		
Service cost	81.39	62.83
Interest cost	14 65	9 83
Net gratuity cost	96 04	72 66
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial (gains) / losses	(29 69)	(6 49)
(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	0 27	0 03
Total actuarial (gain)/loss recognized in (OCI)	(29 42)	(6 46)
Category of Assets	Total Amount	Target Allocation %
Gratuity Fund (LIC of India and Birla Sunlife Insurance Co Ltd)	44 27	100 00%
Total Itemized Assets	44 27	100 00%
Assumptions		
Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult
Interest rate	7 01%	7 08%
Rate of growth in salary levels	6 00%	6 00%

The estimates of future salary increase considered in actuarial valuation take account of inflation seniority promotion and other relevant factors such as supply and demand factors in the employment market

The Company continues to fund to the trust in next year by reimbursing the actual payouts

Gratuity cost, as disclosed above is included under Employee benefit expense

a) Contribution to Provident fund

The provident fund charge during the year amounts to ₹ 435 97 (March 31 2024 ₹ 285 10)

b) Compensated absences

(₹ in million)

Actuarial assumptions	March 31 2025	March 31 2024
Interest rate	7 01%	7 08%
Rate of growth in salary levels	6 00%	6 00%

29 Statement pursuant to requirement of Schedule III to the Companies Act, 2013 relating Company's interest in subsidiary companies

(₹ in million)

Sr No.	Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
	Firstsource Solutions Limited	25.49%	25 758 45	71.84%	4,270 44	-49.60%	(214 57)	63 60%	4 055 87
	Subsidiaries Indian								
1	Firstsource Process Management Services Limited	0 04%	39 50	0 03%	1 89	0.00%		0 03%	1.89
2	Firstsource Provider Services Private Limited	0 77%	778.29	4 75%	282 49	3.38%	14 64	4 66%	297 13
	Subsidiaries Foreign								
1	Firstsource Solutions UK Limited	5.39%	5 448 21	2 53%	(150 21)	62.22%	269 15	1 87%	118 94
2	Firstsource BPO Ireland Limited	0 01%	11 73	-0 03%	(1 79)	0 07%	0 30	-0 02%	(1 49)

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

(₹ in million)

Sr No.	Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
3	Firstsource Dialog Solutions (Private) Limited	0 02%	15.24	0.00%	(0 13)	0 10%	0 45	0 01%	0 32
4	Firstsource Solutions S.A.	0 00%	-		-	0.00%		0 00%	
5	Firstsource Group USA, Inc.	30.95%	31,270.94	33.88%	(2 014.21)	64 30%	278.13	-27 22%	(1,736 08)
6	Firstsource Advantage LLC	1.67%	1 685.69	5.67%	337.30	1 78%	7 71	5 41%	345.01
7	Firstsource Business Process Services LLC	7 85%	7,927.88	0 00%	0 06	34.81%	150.59	2.36%	150 65
8	MedAssist Holding LLC	15 59%	15 754 72	21 31%	1,266 78	17 06%	(73 89)	18 71%	1 192.89
9	Firstsource Health Plans and Healthcare Services LLC	2.64%	2,663 12	28 03%	1 666 20	4 76%	20 60	26 45%	1 686.80
10	One Advantage LLC	0 21%	207 48	6.25%	371 68	-0 02%	(0.07)	5.83%	371.61
11	Sourcepoint Fulfillment Services Inc	0 29%	290 74	-0 73%	(43 42)	1 87%	(8 08)	-0.81%	(51.50)
12	Sourcepoint, Inc.	7 76%	7,838 59	-5.98%	(355.74)	12.33%	(53.35)	-6 42%	(409 09)
13	PatientMatters, LLC	-4 14%	(4 180 04)	0.22%	13.03	1 69%	(7.30)	0 09%	5 73
14	Medical Advocacy Services for Healthcare, Inc	2.72%	2 746 02	-0.01%	(0.36)	2.59%	(11 19)	-0 18%	(11 55)
15	Kramer Technologies LLC	1 41%	1 428 92	1 74%	103 55	0.02%	0.07	1.62%	103.62
16	The StoneHill Group, Inc	0.06%	63.83	-0.45%	(26 74)	0.21%	0.91	-0 41%	(25.83)
17	American Recovery Service Incorporated	0 94%	946.39	4 32%	256 73	3.07%	13 27	4 23%	270 00
18	Firstsource Solutions México S de R.L. de C.V	-0 23%	(227 76)	1 90%	(112.81)	8 27%	35 78	1 21%	(77 03)
19	Firstsource Solutions Jamaica Limited	0 00%	-	0 00%		0.00%		0 00%	-
20	Firstsource BPO South Africa (Pty) Limited	0 00%	(2.24)	-0 03%	(1.82)	0 00%	(0.01)	-0 03%	(1.83)
21	Firstsource Solutions Australia Pty Limited	-0 12%	(121 76)	-2.16%	(128.52)	0 71%	3.05	1 97%	(125.47)
22	Quintessence Health LLC	-0 13%	(134 64)	-0.47%	(27 91)	-0.07%	(0.30)	-0 44%	(28 21)
23	Ascensos Limited	0 17%	171 65	0.22%	13.24	0.51%	2 21	0 24%	15.45
24	Ascensos South Africa (RF) (PTY) Ltd	0 32%	318.63	2 65%	157 55	0.53%	2.30	2.51%	159 85
25	Ascensos Trinidad Limited	-0 06%	(65.23)	-0.20%	(11 66)	-0.03%	(0 13)	-0 18%	(11 79)
26	Ascensos Contact Centres Romania SRL	0 41%	412.27	1.50%	88.91	0.53%	2.30	1 43%	91 21
27	AccurAI India Services Private Limited	0 00%	(2.72)	-0.17%	(10.02)	0.00%		-0 16%	(10 02)
28	Firstsource Solutions Limited Colombia S.A.S	0 00%		0 00%		0 00%	-	0 00%	-
	Total	100 00%	101,044 90	100.00%	5,944 5	100.00%	432.57	100.00%	6 377 08
Less	Minority interests in all subsidiaries		3 96		(0.04)		0 16		0 12
Add	Adjustments		(60,064 64)				-		
	Total		40,976.30		5,944.55		432.41		6,376.96

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

30 Computation for calculating diluted earning per share

(₹ in million)

	Year ended	
	March 31, 2025	March 31, 2024
Number of shares considered as basic weighted average shares outstanding	688 845 126	684 300 932
Add Effect of potential issue of shares/ stock options	16,821,504	17 320 478
Number of shares considered as weighted average shares and potential shares outstanding	705 666 630	701 621 410
Net profit after tax attributable to shareholders	5 944 55	5 147 29
Net profit after tax for diluted earnings per share	5 944 55	5,147 29

Not considered when anti dilutive

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period, excluding equity shares purchased by the Group and held as treasury shares

Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the period for assumed conversion of all dilutive potential equity shares Employee share options are dilutive potential equity shares for the Group

31 Capital and other commitments and contingent liabilities

(₹ in million)

		March 31 2025	March 31 2024
a)	The estimated amount of contracts remaining to be executed on capital account and not provided for (net), against which advances paid are ₹ 15 90 (March 31 2024 ₹ 38 02)	921 41	495 36
b)	Claims not acknowledged as debts	1 35	1.35
c)	Guarantees given to the customer and others	-	10 00
d)	Outstanding in respect of the Company has a purchase commitment towards Nanobi Data and Analytics Private Limited for the Optionally Convertible Debentures of ₹100 per unit of 120 000 units	12 00	12.00

Guarantees given pertain to guarantees given to customers and the Government of India Customs and Central Excise department towards future duty obligations

Direct tax matters

Income tax demands amounting to ₹1 930 98 (March 31 2024 ₹ 1 917 41) for the various assessment years are disputed in appeal by the Company In respect of which it has favorable decisions supporting its stand based on the past assessment or otherwise and hence, the provision for taxation is considered adequate The Company has paid ₹ 10 38 (March 31 2024 ₹ 10 38) tax under protest against the demand raised for the assessment year 2004-05 ₹ 12 50 (March 31, 2024 ₹ 12 50) tax under protest against the demand raised for the assessment year 2009-10 ₹ 80 00 (March 31 2024 ₹ 80 00) tax under protest against the demand raised for the assessment year 2011-12 ₹ 5 00 (March 31, 2024 ₹ 5 00) tax under protest against the demand raised for the assessment year 2014-15 ₹ 2 50 (March 31 2024 ₹ 2 50) tax under protest against the demand raised for the assessment year 2015-16

Indirect tax matters

Service tax demands amounting to ₹ 192 52 (March 31 2024 ₹ 192 52) in respect of service tax input credit and FCCB issue expenses is disputed in appeal by the Company The Company expects favorable appellate decision in this regard

Goods and Service tax demands amounting to ₹ 80 88 in respect of GST departmental audit findings is disputed in appeal by the Company The Company expects favourable appellate decision in this regard The Company has paid ₹ 5 93 tax under protest against the demand raised

The Company's pending litigations comprise of claims against the Company and pertaining to proceedings pending with Income tax and service tax The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable In the financial statements The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements

Notes to the consolidated financial statements

as at and for the year ended March 31 2025

32 Long-term contracts

The Group has a process whereby yearly all long-term contracts (including derivative contracts) are assessed for material foreseeable losses At the year end the Group has reviewed and ensured that adequate provision as required under any law / Accounting Standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of account

33 Exceptional items

Exceptional items comprise of fair value adjustment on the contingent consideration payable on account of an earlier business combination resulting in a credit of ₹ 651 44 an impairment charge of ₹ 283 70 of intangible assets on account of earlier business combinations one time costs on account of expected credit loss of ₹ 129 65 with respect to certain customer contracts which have been terminated and special bonus of ₹ 150

34 Corporate social responsibility ('CSR')

As per Section 135 of the Companies Act 2013, funds have been contributed by the Company to the RP Sanjiv Goenka Group CSR Trust (RPSG CSR Trust) and are to be utilized on the activities which are specified in Schedule VII to the Act The areas identified by the CSR trust includes activities for promoting healthcare art / culture sports and education as the four priority areas to be pursued in phases and in a manner aligned with the CSR rules and regulations The trust has informed that they are working on an ongoing project to set up school which will offer IB and IGCSE courses

Gross amount required to be spent by the Company during the year is ₹ 72 90 (March 31 2024 ₹ 75 30)

(₹ in million)

	March 31 2025	March 31 2024
Opening balance	64 30	
Contribution accrued for the year	72 90	75.30
Contribution to RPSG CSR Trust during the year	(64.30)	-
Amount spent by the Company during the year	(16 09)	(11 00)
Closing balance payable	56 81	64 30

Unspent amount of ₹ 56 81 and ₹ 64 30 has been transferred to a earmarked special bank account on March 28 2025 and March 31 2024 for the year ended March 31 2025 and March 31 2024 respectively

35 Subsequent events

The Board of directors at its meeting held on April 28, 2025 has approved the consolidated financial statements as at and for the year ended March 31 2025

As per our report of even date attached

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

Mukesh Jain
Partner
Membership No. 108262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka	Pradip Kumar Khaitan	Ritesh Mohan Idnani
Chairman	Director	Managing Director and CEO
(DIN 00074796)	(DIN 00004821)	(DIN 06403168)
Shashwat Goenka	Utsav Parekh	Subrata Talukdar
Vice-Chairman	Director	Director
(DIN 03486121)	(DIN 00027642)	(DIN 01784978)
Sunil Mitra	T C Suseel Kumar	Vanita Uppal
Director	Director	Director
(DIN 00113473)	(DIN 06453310)	(DIN 07266115)
	Rekha Sethi	Dr Rajiv Kumar
	Director	Director
	(DIN 06809515)	(DIN 02385076)
Mumbai	Pooja Nambiar	Dinesh Jain
April 28, 2025	Company Secretary	President and CFO

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" Subsidiaries

(₹ in million)

Sr No.	Particulars	Firstsource Process Management Services Limited	Firstsource Group USA, Inc.	Firstsource Business Process Services, LLC	Firstsource Advantage LLC	One Firstsource Solution LLC	Firstsource Solutions UK Limited	Firstsource Solutions USA LLC	MedAssist Holding, LLC	Firstsource Health Plans and Healthcare Services, LLC	Firstsource EPO Ireland Ltd	Firstsource Dialog Solution (Private) Limited	Sourcepoint, Inc.	Sourcepoint Software Solutions Inc	Patent Search, LLC	Medical Advocacy Network for Healthcare Inc
1	Reporting period for the subsidiary concerned if different from the holding Company's reporting period	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025
2	Reporting currency	INR	Dollar	Dollar	Dollar	Dollar	Pound	Dollar	Dollar	Dollar	Euro	LKR	Dollar	Dollar	Dollar	Dollar
3	Exchange rate	1 00	85 48	85 48	85 48	85 48	110 70	85 48	85 48	85 48	92 09	0 29	85 48	85 48	85 48	85 48
4	Paid-up Share Capital	10 50	21 97	0 85		207 48	313 81		965 62			1 33	6 27	34 26		
5	Reserves & Surplus	29 00	31 248 19	7 927 88	1 684 89	4 795 84		1 519 22	2,863 12	11 73		13 91	7 833 32	256 71	(4 160 04)	2 748 02
6	Total Assets	39 62	44 718 36	7 928 31	2 714 75	260 75	17 823 88		4,676 39	6,520 90	13 37	15 24	9 276 18	377 80	825 12	2,759 76
7	Total Liabilities (excluding Capital and Reserves)	0 12	13 448 20	0 43	1 029 01	53 27	12,615 21	-	2 171 56	3 857 78	1 84	-	1 426 59	88 83	4 805 16	13 74
8	Investments (excluding investment's in Subsidiaries and Associates)															
9	Total income	2 53	8 158 90	654 81	7,200 95	1,048 49	21 450 11		8,805 74	6,289 22		0 37	5,365 25	235 79	151 47	219 40
10	Profit / (Loss) Before Tax	2 41	738 47	85 81	340 97	315 73	(78 67)		1 280 59	1 684 38	(1 62)	(0 13)	(103 20)	(43 89)	19 17	104 68
11	Provision for Tax	0 52	291 72				19 12		-	-			-			
12	Profit / (Loss) After Tax	1 89	446 75	85 81	340 97	375 73	(97 39)		1,280 59	1 684 38	(1 62)	(0 13)	(103 20)	(43 89)	13 17	104 68
13	Proposed Dividend (including Tax thereon)									-						
14	% of Shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	74%	100%	100%	100%	100%

Note

Total Income Profit/(loss) before tax and Profit/(loss) after tax include intercompany dividend within US Subsidiaries which is eliminated at consolidated financials and has no impact on consolidated numbers

Figures mentioned in MedAssist Holding LLC are consolidated figures of MedAssist Holding LLC and Firstsource Solutions USA LLC

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "B": Associates and Joint Ventures

(Currency in millions of Indian Rupees)

Sr No	Particulars	Nanobi Data and Analytics Private Limited
1	Reporting period for the subsidiary concerned If different from the holding Company's reporting period	01-04-2024 to 31-03-2025
2	Reporting currency	INR
3	Exchange rate	1
4	Paid-up Share Capital	38 63
5	Reserves & Surplus	(48 62)
6	Total Assets	35 14
7	Total Liabilities (excluding Capital and Reserves)	45 13
8	Investments (excluding investments in Subsidiaries)	
9	Total Income	32 13
10	Profit / (Loss) Before Tax	(5 08)
11	Provision for Tax	(0 18)
12	Profit / (Loss) After Tax	(4 90)
13	Proposed Dividend (including Tax thereon)	-
14	% of Shareholding	22 93%

As per our report of even date attached

		For and on behalf of the Board of Directors of Firstsource Solutions Limited	
For DELOITTE HASKINS & SELLS LLP	Dr Sanjiv Goenka	Pradip Kumar Khaitan	Ritesh Mohan Idnani
Chartered Accountants	Chairman	Director	Managing Director and CEO
Firm's Registration No.. 117366W/W 100018	(DIN 00074796)	(DIN 00604821)	(DIN 06403198)
	Shashwat Goenka	Uttam Parekh	Subrata Talukdar
	Vice-Chairman	Director	Director
	(DIN 03-06121)	(DIN 00027642)	(DIN 01764678)
Mukesh Jain		T C Suseel Kumar	Vanita Uppal
Partner	Sunil Mitra	Director	Director
Membership No. 108262	Director	(DIN 06403310)	(DIN 07288115)
	(DIN 00113473)	Rekha Sethi	Dr Rajiv Kumar
		Director	Director
		(DIN 06809515)	(DIN 02385076)
Gurugram	Mumbai	Pooja Nambiar	Dinesh Jain
April 28 2025	April 28 2025	Company Secretary	President and CFO

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ In million)

Sl No	Particulars	Firstsource Technologies LLC	The Sarnmill Group plc.	American Electronic Service Bureau Incorporated	Firstsource Solutions Mexico S de RL de C.V	Firstsource Solutions Jamaica Limited	Firstsource Solutions UK Limited	Firstsource DPO South Africa (Pty) Limited	Firstsource Solutions Limited	Firstsource Processing Services Philippines Corporation (Formerly known as Quintessence Business Services Private Limited)	Quintessence Health LLC	Accentia Polish Sp z o.o. (PP) Ltd.	Accrenso Limited	Accrenso Technologies Limited	Accentia Content Centers Romania SRL	Accrenso India Private Limited	Firstsource Solutions Limited (Formerly known as Accentia Technologies Limited) & its Subsidiaries & Associates
1	Reporting period for the subsidiary concerned if different from the holding Company's reporting period	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	03-06-2024 to 31-03-2025	23-09-2024 to 31-03-2025	23-09-2024 to 31-03-2025	23-09-2024 to 31-03-2025	01-02 2025 to 31-03-2025	07-03-2025 to 31-03-2025	
2	Reporting currency	Dollar	Dollar	Dollar	MXN	JMD	ZAR	AUD	INR	Dollar	Dollar	ZAR	Pound	Dollar	RON	Dollar	INR
3	Exchange rate	85 48	85 49	85 48	4 18	0 54	4 71	53 8.	1	85 48	85 48	4 71	110 70	357 14	18 58	85 48	1
4	Paid-up Share Capital	0 04	102.30	0 42		0 05		2.69	5 00	16H 71					0 04		0 10
5	Reserves & Surplus	1 428 92	63 78	844 10	(228 18)		(2.28)	(124 46)	773 30	(289 35)	116 82		(185 49)	316 63	(65 23)	412 23	(2 82)
6	Total Assets	1 436 61	145 81	1 668 49	665.22		0 71	309 09	1102.97	85 73	220 37	2 177 58	1 404 08	(73 15)	613 44	7 74
7	Total Liabilities (excluding Capital and Reserves)	7.69	81 99	722 09	892.86		2 94	430 86	324 67	2 005 93	1,085 45	42.08	201 17	10 44
8	Investments (excluding Investments in Subsidiaries and Associates)																
9	Total Income		803 60	5 422.33	948 53				157 15	1609 56	116 82	4 085 00	1 092 11	185 92	843 25	15.50	
10	Profit / (Loss) Before Tax	(0 36)	116 56	259.53	(112.67)		(1 84)	(124 87)	438 12	(28.21)	114 36	179 80	(11 44)	107 84	(2 66)		
11	Provision for Tax			-	(8 10)			(0 22)	77.55	-	27 68	19 85	0 35	17 28	-		
12	Profit / (Loss) After Tax	(0.36)	116 56	259 53	(104.57)		(1 84)	(124 46)	356 57	(28.21)	86.47	159.85	(11 79)	90 56	(2.66)		
13	Proposed Dividend (including Tax thereon)				-						-						
14	% of Shareholding	100%	-	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Total Income Profit/(loss) before tax and Profit/(loss) after tax include Intercompany dividend within US Subsidiaries which is eliminated at consolidated financials and has no Impact on consolidated numbers.
Figures mentioned in Medakasti Holding LLC are consolidated figures of Medakasti Holding LLC and Firstsource Solutions USA LLC

Independent auditor's report

To the Members of FIRSTSOURCE SOLUTIONS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Firstsource Solutions Limited** (the "Company"), which comprise the Balance Sheet as at March 31 2025 and 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 ended on that date, and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone 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 ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at March 31 2025 and its profit total comprehensive income changes in equity and its cash flows for the year ended on that date

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditor s Responsibility for the Audit of the Standalone 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 standalone 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

Key audit matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the standalone financial statements of the current financial year These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters We have determined the matters described below to be the key audit matters to be communicated in our report

Sr No	Key Audit Matter	Auditor s Response
1	**Revenue recognition and measurement in respect of un-invoiced amounts** (Refer Note 9 of the Standalone Financial Statements) The Company in its contracts with customers promises to transfer distinct services ("performance obligations") to its customers which may be rendered in the form of customer management, transaction processing (including revenue cycle management in the healthcare industry) and debt collection services Revenue is recognized based on the pattern of benefits from the performance obligations to the customer in an amount that reflects the consideration received or expected to be received in exchange for the services ("transaction price") The agreed contractual terms for service deliveries that are based on unit of-work, time and material or a specified contingency (such as recovery of dues or disbursement of loans) adjusted for rebates volume discounts incentives or penalties ("variable consideration") At each reporting date revenue is accrued for work performed (but may not have been invoiced Identifying whether the Company's performance has resulted in a billable service that is collectable where the service deliveries have not been acknowledged by customers as of the reporting date involves a fair amount of judgment Recognition of revenue before acknowledgment of receipt of services by customer could lead to an over or understatement of revenue and profit whether intentionally or in error	**Principal audit procedures performed included the following** a) We gained an understanding of the Company's processes in collating the evidence supporting delivery of services for each disaggregated type of revenue We also obtained an understanding of the design of key controls for quantifying units of services that would be invoiced and the application of appropriate prices for each of such services b) We have tested the design and operating effectiveness of management a key controls in collating the units of services delivered and in the application of accurate prices for each of such services for a sample of the un-invoiced revenue entries c) We have tested a sample of un-invoiced revenue entries with reference to the manual records used for tracking inputs relating to the services delivered to confirm the units of services delivered and contractual rates for the application of appropriate price for each of services We also tested the adjustments on account of volume discounts and committed service levels of performance With regard to incentives our tests were focused to ensure that accruals were restricted to only those items where contingencies were minimal d) We have performed substantive analytical procedures to evaluate the reasonableness of un-invoiced revenues recognized Un-invoiced revenues from fixed fee based service contracts were not significant resulting in lower risk relating to cut off and accuracy Therefore we focused our attention on time and unit priced based service contracts In performing substantive analytical procedures These procedures involved developing sufficiently precise expectations using a plausible and predictable relationship among appropriately disaggregated data

Sr No	Key Audit Matter	Auditor's Response
		e) We've also extended our testing up to the date of approval of the standalone financial statements by the Board of Directors of the Company to verify adjustments, if any that may have been necessary for services delivered prior to the reporting date and / or collections against those f) We evaluated the delivery and collection history of customers against whose contracts un-invoiced revenue relating to period more than a month is recognized g) For the samples selected we tested cut-offs for revenue recognized against un-invoiced amounts by matching the revenue accrual against accruals for corresponding cost.

Information other than the financial Statements and auditor's report thereon ("other information")

- The Company's Board of Directors is responsible for the other information The other information comprises the information included in the Report of the Board of Directors including Annexures thereto Management Discussion and Analysis report Business Responsibility report and report on Corporate Governance, but does not include the consolidated financial statements standalone financial statements and our auditor's report thereon

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated

- If based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact We have nothing to report in this regard

Responsibilities of management and board of directors for the standalone 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 standalone 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 the accounting principles generally accepted in India, including Ind AS This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

In preparing the standalone financial statements management and Board of Directors are 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 Board of Directors either intend to liquidate the Company or to cease operations or has no realistic alternative but to do so

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements

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

Identify and assess the risks of material misstatement of the standalone 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

Independent auditor's report

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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 standalone 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 overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 work, and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1 As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. With respect of dividend declared and paid:

a) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

b) The Company has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2 As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

MUKESH JAIN

Partner

(Membership No. 108262)

Gurugram, April 28, 2025 (UDIN: 25108262BMNTFW3115)

Annexure "A" to the independent auditor's report

(Referred to in paragraph 1(f) under Report on Other Legal and Regulatory Requirements section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act") of Firstsource Solutions Limited

We have audited the internal financial controls with reference to standalone financial statements of Firstsource Solutions Limited (the Company) as at March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company s management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note") These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the respective Company s policies the safeguarding of its assets the prevention and detection of frauds and errors the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Act

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to standalone financial statements of the Company based on our audit

We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to standalone financial statements The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk The procedures selected depend on the auditor s judgment including the assessment of the risks of material misstatement of the standalone financial statements whether due to fraud or error

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company s internal financial controls with reference to standalone financial statements

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles A company s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition use or disposition of the Company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

Opinion

In our opinion to the best of our information and according to the explanations given to us the Company has, in all material respects an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025 based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm s Registration No 117366W/W 100018)

MUKESH JAIN

Partner

(Membership No 108262)

Gurugram 28 April 2025 (UDIN 25108262BMNTFW3415)

Annexure 'B' to the independent auditors' report

(Referred to in paragraph 2 under Report on Other Legal and Regulatory Requirements section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account examined by us in the normal course of audit we *state that*

i In respect of the Company's Property, Plant and Equipment

(a) A The Company has maintained proper records showing full particulars including quantitative details and situation of its Property Plant and Equipment, Capital Work-In-Progress and the relevant details of its Right-of Use assets

B The Company has maintained proper records showing full particulars of Intangible Assets

(b) The property plant and equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a regular program of verification which in our opinion provides for physical verification of all the property plant and equipment at reasonable intervals No material discrepancies were noticed on such verification

(c) The Company does not hold any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) Hence reporting under paragraph 3(i)(c) of the Order is not applicable

(d) The Company has not revalued any of its Property Plant and Equipment Right of-Use Assets and Intangible Assets during the year

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31 2025 for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (as amended in 2016) and rules made thereunder

ii *In respect* of the Company's inventories

(a) The Company is in the business of rendering services and consequently does not hold any physical inventories Accordingly, the provisions of paragraph 3(ii)(a) of the Order is not applicable

(b) The Company has not been sanctioned any working capital facility by banks or financial institutions during the year on the basis of security of its current assets

iii The Company has granted loans and provided guarantees to parties listed in (a) below during the year in respect of which

(a) *The details of the aggregate amount during the year, and balance outstanding at the balance sheet date* with respect to such loans and guarantees are tabulated below

(₹ In million)

	Loans	Guarantees
Aggregate amount granted/ provided during the year		
Subsidiaries		
- Firstsource Solution UK Limited	-	4 760.21
- Firstsource Group USA Inc		3 846 38
- *Firstsource Solutions Australia Pty Limited*	-	3 120 98
Others		-
Balance outstanding as at balance sheet date		
Subsidiaries		
- Firstsource Solution UK Limited	-	7 306 37
- Firstsource Group USA Inc		17 778 80
- Firstsource Solutions Australia Pty Limited		3 120.98
Others		

The Company has not provided security nor has it granted any advances in the nature of loans to any other entity during the year

(b) The investments made terms and conditions for grant of loans and guarantees provided during the year are in our opinion prima facie not prejudicial to the Company's interest

(c) In respect of loans granted by the Company the schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amount and receipt of interest are regular as per stipulation

(d) *According to information and explanations given* to us and based on the audit procedures performed In respect of loan granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date Therefore reporting under the provisions of paragraph 3(iii)(d) is not applicable

(e) No loan granted by the Company which has fallen due during the year has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties

(f) According to the information and explanations given to us and based on the audit procedures performed the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year Hence reporting under paragraph 3(iii)(f) is not applicable

iv *In our opinion, the Company has complied with the* provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted investments made and guarantees and securities provided as applicable

v The Company has not accepted any deposits or amounts which are deemed to be deposits Hence reporting under paragraph 3(v) of the Order is not applicable

vi The maintenance of cost records has not been specified for the activities of the Company by the Central Government under Section 148 (1) of the Companies Act 2013

vii In respect of statutory dues

(a) *The Company has generally been regular in* depositing undisputed statutory dues including Goods and Service Tax Provident Fund, Employees State Insurance Income Tax Cess and other material statutory dues applicable to it *with the appropriate authorities* As explained to us the Company did not have any dues payable on account of duty of customs and duty of excise

(b) There were no undisputed amounts payable in respect of Goods and Service Tax Provident Fund Employees' State Insurance Income Tax Cess and other material statutory dues in arrears as at March 31 2025 for a period of more than six months from the date they became payable

(c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31 2025 on account of disputes are given below

Name of the statute	Nature of dues	Forum where the dispute is pending	Financial years to which the dispute relates	₹ million
Income Tax Act 1961	Income Tax	Assistant Commissioner of Income Tax	2009-10 2010-11 2011 12 *2021 22*	465 57
	Income Tax	Commissioner of Income Tax (Appeals)	2008-09 2012-13 2013-14 2015-16, 2016-17 2017 18 2019-20 2020-21	460 71
	Income Tax	Income Tax Appellate Tribunal	2008-09 2010-11 2013-14 2014 15	247 57
Internal Revenue Code Philippines	Income Tax Withholding Tax and Value Added Tax	Court of Tax Appeals	2014 15	776 44
Finance Act 1994	Service Tax	Commissioner of Service Tax	2006 to 2017	192 52
Good and Service Tax Act, 2017	Good and Service Tax	Good and Service Tax Appellate Tribunal	2018 to 2022	79.5

viii There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act 1961 (43 of 1961) during the year

ix With respect to reporting requirements of paragraph 3(ix) of the Order

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority

(c) Term loans availed by the Company were, applied by the Company during the year for the purposes for which the loan were obtained

Annexure 'B' to the independent auditors' report

(d) On an overall examination of the financial statements of the Company funds raised on short-term basis have prima facie not been used during the year for long-term purposes by the Company

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate company The Company does not have any joint venture

(f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiaries or associate company

x (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year Therefore, reporting under paragraph 3(x)(a) of the Order is not applicable

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) Therefore reporting under paragraph 3(x)(b) of the Order is not applicable to the Company

xi (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government during the year and up to the date of this report

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report) and provided to us when determining the nature timing and extent of our audit procedures

xii In our opinion the Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable

xiii In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Act, for all applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards

xiv (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business

(b) We have considered the internal audit reports issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures

xv During the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors

xvi (a) In our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934 Hence reporting under paragraph 3(xvi) (b) and (c) of the Order is not applicable

(b) The Group has more than one Core Investment Company (CIC) as part of the Group There are 4 CIC forming part of the group

xvii The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year

xviii There has been no resignation of the statutory auditors of the Company during the year

xix On the basis of the financial ratios ageing and expected dates of realization of financial assets and payment of financial liabilities other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date We, however state that this is not an assurance as to the future viability of the Company We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due

xx (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring transfer to a Fund specified in Schedule VII to the Act in compliance with Section 135(5) of the Act Accordingly reporting under paragraph 3(xx)(a) of the Order is not applicable

(b) In respect of ongoing projects the Company has transferred the unspent amount towards CSR to a special account within a period of 30 days from the end of the financial year in compliance with the provisions of Section 135(6) of the Act

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm s Registration No 117366W/W 100018)

MUKESH JAIN

Partner

(Membership No. 108262)

(UDIN 25108262BMNTFW3415)

Gurugram 28 April 2025

Standalone Balance Sheet

as at March 31 2025

(₹ in million)

	Note	March 31, 2025	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3(i)	1,435.98	868.49
Capital work-in-progress	3(ii)	416.25	136.30
Right-of-use assets	4	5 097.08	3 097.92
Goodwill		40 14	40 14
Other intangible assets	5	57 83	49 48
Financial assets			
Investments	6(i)	1 951 24	12 350 66
Other financial assets	7(i)	763 05	604.67
Other non-current assets	8(i)	47 74	49 77
Deferred tax assets (net)	12	2,787 44	2,845.57
Income tax assets (net)	12	747 18	745.34
Total non-current assets		27,345.71	20,789.54
Current assets			
Financial assets			
Investments	6(ii)	375 01	300 27
Trade receivables	9		
- Billed		6,877 06	7,155 75
- Unbilled		268 82	137.48
Cash and cash equivalents	10	193.58	413 14
Other balances with banks	11	95 31	103.86
Other financial assets	7(ii)	47 24	52.74
Other current assets	8(ii)	1,002.48	817 91
Total current assets		10,659 31	8,782.15
Total assets		38,005.02	29,571 69
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	6,469 91	6 969 91
Other equity	14	18,788 54	17 137 36
Total equity		25,758.45	24,107.27
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities		4,522 29	2,835 82
Other financial liabilities	17(i)	231 77	
Provisions for employee benefits	18(i)	205 61	187 79
Total non-current liabilities		4,959.67	3,023 61
Current liabilities			
Financial liabilities			
Short term borrowings	15(i)	2 458 35	
Trade payables	16	1 133 78	896.09
Lease liabilities		1 149 47	644 78
Other financial liabilities	17(ii)	2,075.70	608.57
Provisions for employee benefits	18(ii)	178 33	126 56
Other current liabilities	19	213 15	152 57
Provision for tax (net)	12	79 92	9 94
Total current liabilities		7,286.70	2,440.81
Total equity and liabilities		38,005.02	29,571.69
Material accounting policies	2		

The accompanying notes from 1 to 37 are an integral part of these financial statements

As per our report of even date attached

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

Mukesh Jain
Partner
Membership No. 108262

Gurugram
April 28, 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka	Pradip Kumar Khaitan	Ritesh Mohan Idnani
Chairman	Director	Managing Director and CEO
(DIN 00074796)	(DIN 00004821)	(DIN 06403188)
Shashwat Goenka	Utsav Parekh	Subrata Talukdar
Vice-Chairman	Director	Director
(DIN 03486121)	(DIN 00027642)	(DIN 01794978)
Sunil Mitra	T C Suseel Kumar	Vanita Uppal
Director	Director	Director
(DIN 00113473)	(DIN 06453310)	(DIN 07286115)
	Rekha Sethi	Dr Rajiv Kumar
	Director	Director
	(DIN 06809515)	(DIN 02385076)
Mumbai	Pooja Nambiar	Dinesh Jain
April 28 2025	Company Secretary	President and CFO

Standalone Statement of Profit and Loss

for the year ended March 31 2025

(₹ in million)

	Note	Year ended March 31 2025	Year ended March 31 2024
INCOME			
Revenue from operations	20	23 065 71	16 011 47
Other income net	21	402 72	365 84
Total income		**23 468 43**	16,377 31
EXPENSES			
Employee benefit expenses	22	12 455 98	8 211 46
Depreciation and amortization expenses	3 4 5	1 257 45	920.36
Finance costs	23	429 16	173.35
Other expenses	24	4 538 32	3 273 14
Total expenses		**18 680 91**	12,578 31
Profit before exceptional items and tax		4 787 52	3 799 00
Exceptional items net (income) (refer note 36)		(551 44)	
Profit before tax		**5,338 96**	3 799 00
Tax expense			
Current tax		949 84	680 02
Deferred tax		118 68	(78 01)
Profit for the year		**4 270 44**	3 196 99
Other comprehensive income			
Items that will not be reclassified subsequently to the statement of profit and loss			
Remeasurement of the net defined benefit liability/asset		15 05	6 46
Items that will be reclassified subsequently to the statement of profit and loss			
Net changes in fair value on derivatives designated as cash flow hedges		(284 67)	223 17
Deferred tax on items that will be reclassified to statement of profit and loss		60 53	(37 10)
Exchange difference on translation of foreign operations		4 52	(10 02)
Total other comprehensive income net of taxes		(214 57)	182 51
Total comprehensive income for the year		**4,055 87**	3,379 50
Weighted average number of equity shares outstanding during the year			
Basic	30	688 845 126	684,300 932
Diluted	30	705 666 630	701 621 410
Earnings per equity share			
Basic	30	6 20	4 67
Diluted	30	6 05	4.56
Material accounting policies	2		

The accompanying notes from 1 to 37 are an integral part of these financial statements

As per our report of even date attached

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

Mukesh Jain
Partner
Membership No. 108262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka	Pradip Kumar Khaitan	Ritesh Mohan Idnani
Chairman	Director	Managing Director and CEO
(DIN 00074796)	(DIN 00004821)	(DIN 06403188)
Shashwat Goenka	Utsav Parekh	Subrata Talukdar
Vice-Chairman	Director	Director
(DIN 03486121)	(DIN 00027642)	(DIN 01794978)
Sunil Mitra	T C Suseel Kumar	Vanita Uppal
Director	Director	Director
(DIN 00113473)	(DIN 06453310)	(DIN 07286115)
	Rekha Sethi	Dr Rajiv Kumar
	Director	Director
	(DIN 06809515)	(DIN 02385076)
Mumbai	Pooja Nambiar	Dinesh Jain
April 28 2025	Company Secretary	President and CFO

Standalone statement of changes in equity

as at and for the year ended March 31, 2025

Equity share capital and other equity

(₹ in million)

	Attributable to owners of the Company											
			Reserve and surplus						Items of other comprehensive income			
	Equity share capital	Share application money pending allotment	Treasury shares	Amalgamation deficit reserve	Special Economic Zone re investment reserve	Securities premium	Other reserve	Retained earnings	Employee stock option reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation	Total
Balance as at April 1 2024	6 969 91	-	(707 73)	(1,136 72)	-	2,290 48	30 68	15 875 49	470 59	96 99	217 58	24,107 27
Other comprehensive income for the year (Net of tax)			-					15 05		(234 14)	4 52	(214,57)
Profit for the year	-	-	-	-		-		4 270 44	-	-	-	4 270 44
Dividend (net)	-		-	-		-	-	(2 758 57)	-	-		(2 758 57)
Share-based payments			-				-	-	715 88			715 88
Treasury shares		-	(116.58)	-		-		(99 64)	(145 78)	-	-	(362 00)
Transfer to retained earning for options fo fei ed	-			-			-	13 91	(13 91)	-	-	-
Balance as at March 31 2025	6 969 91	-	(824 31)	(1 136 72)		2,290 48	30 68	17 316 68	1 026 78	(137 15)	222 10	25 758 45

Standalone statement of changes in equity

as at and for the year ended March 31 2025

(₹ in million)

	Attributable to owners of the Company											
			Reserve and surplus						Items of other comprehensive income			
	Equity share capital	Share applica tion money pending allotment	Treasury shares	Amalgamation deficit reserve	Special Economic Zone re investment reserve	Securities premium	Other reserve	Retained earnings	Employee stock option reserve	Effective portion of cash flow hedges	Exchange differences on translating the financial statements of a foreign operation	Total
Balance as at April 1, 2023	6 969 91		(1 158 14)	(1,136 72)	15 28	2,290 48	30 68	15,241 85	651 66	(89 08)	227 60	23 043 52
Other comprehensh e income for the year (Net of tax)	-	-	-					8 46		186 07	(10 02)	182.51
Profit for the year					-	-		3 198 99	-	-		3 198 99
Dividend (net)				-	-		-	(2 405 94)	-	-	-	(2 405 94)
Share based payment				-			-		31 34	-	-	31 34
Treasury shares			450 41		-		-	(188 31)	(203 25)	-	-	58 85
Utilised from Special Economic Zone re investment reserve	-				(15 28)		-	15 28			-	
Transfer to retained earning for options forfeited			-		-		-	9 16	(9 16)			
Balance at the end of March 31, 2024	6 969 91		(707 73)	(1 136 72)	0 00	2,290 48	30 68	15 875 49	470 59	96 99	217 58	24 107 27

The accompanying notes from 1 to 37 are an integral part of these financial statements

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm s Registration No. 117366W/W 100018

Mukesh Jain
Partner
Membership No 108262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka
Chairman
(DIN 00074796)

Shashwat Goenka
Vice-Chairman
(DIN 03486121)

Sunil Mitra
Director
(DIN 00113473)

Mumbai
April 28 2025

Pradip Kumar Khaitan
Director
(DIN 00004821)

Utsav Parekh
Director
(DIN 00027642)

T C Suseel Kumar
Director
(DIN 06453310)

Rekha Sethi
Director
(DIN 06809515)

Pooja Nambiar
Company Secretary

Ritesh Mohan Idnani
Managing Director and CEO
(DIN 06403188)

Subrata Talukdar
Director
(DIN 01794978)

Vanita Uppal
Director
(DIN 07286115)

Dr Rajiv Kumar
Director
(DIN 02385078)

Dinesh Jain
President and CFO

Standalone statement of cash flows

for the year ended March 31 2025

(₹ in million)

	March 31, 2025	March 31, 2024
Cash flow from operating activities		
Net Profit before taxation	5,338 96	3 799 00
Adjustments for		
Depreciation and amortization	1,257 45	920.36
Allowance for expected credit loss / bad debt written off net	(0 01)	0 42
Loss on sale of Property Plant and Equipment	20 10	12 72
Foreign exchange loss / (gain) net unrealized	114 01	(23 89)
Finance costs	429 16	173 35
Exceptional items net (income) (refer note 36)	(551 44)	
Interest income	(15 12)	(7 72)
Profit on sale / redemption of investments	(45 47)	(61 35)
Provision on diminution of value of investment		8 04
Employee stock compensation expense	206 91	21 65
Operating cash flow before changes in working capital	6 754 55	4 842 58
Changes in working capital		
Increase in trade receivables	(1 635 94)	(903.20)
Increase in loans and advances and other assets	(556.57)	(273 41)
Increase in liabilities and provisions	1 354 92	156 65
Net changes in working capital	(837 59)	(719 96)
Income taxes paid	(880 70)	(654 32)
Net cash generated from operating activities (A)	5 036 26	3,468 30
Cash flow from investing activities		
Purchase of current investments	(25 393 73)	(16,841 73)
Proceeds from sale of current investments	25,364 48	17 163 29
Interest income received	15 12	7 72
Purchase of property plant and equipment	(1,511.33)	(529 16)
Proceeds from sale of property plant and equipment	174 47	0 81
Earmarked funds placed with banks	8 55	(63 72)
Payment towards acquisition of subsidiary	(2 078 87)	
Investment in subsidiary	(2 78)	
Net cash used in investing activities (B)	(3,424 11)	(262.99)
Cash flow from financing activities		
Proceeds from short term borrowings	2,382 38	0 00
Interest paid on leased liabilities and other borrowings	(429 16)	(173 35)
Purchase of treasury shares net	(362.00)	58 65
Repayment of lease liabilities	(664 88)	(444 17)
Dividend paid (net)	(2,758.57)	(2 405 94)
Net cash used in financing activities (C)	(1 832 23)	(2 964 81)
Net (decrease) / increase in cash and cash equivalents at the end of the year (A+B+C)	(220 08)	240 70
Cash and cash equivalents at the beginning of the year	414 14	174 61
Foreign exchange (loss) on translating Cash and cash equivalents	(0 47)	(1 17)
Cash and cash equivalents at the end of the year	193 59	414 14

Standalone statement of cash flows

for the year ended March 31 2025

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

(₹ in million)

	March 31 2025	March 31 2024
Balances with banks		
- in current accounts	193 59	183 19
Remittance in-transit	-	230 95
Cash and cash equivalents	193 59	414 14

Reconciliation of liabilities from financing activities for the year ended March 31, 2025

(₹ in million)

	As at March 31 2024	Proceeds	Repayment	Effects of change in Foreign exchange	As at March 31 2025
Short Term Borrowings	-	2 382 38	-	75 97	2 458 35
Total Liabilities from financing activities		2 382 38		75 97	2 458 35

Reconciliation of liabilities from financing activities for the year ended March 31, 2024

(₹ in million)

	As at March 31 2023	Proceeds	Repayment	Effects of change in Foreign exchange	As at March 31 2024
Short Term Borrowings	-				
Total Liabilities from financing activities	-				

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm s Registration No.. 117366W/W 100018

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Mukesh Jain Partner Membership No 108262	Dr Sanjiv Goenka Chairman (DIN 00074796)	Pradip Kumar Khaitan Director (DIN 00004821)	Ritesh Mohan Idnani Managing Director and CEO (DIN 06403188)
	Shashwat Goenka Vice-Chairman (DIN 03486121)	Utsav Parekh Director (DIN 00027642)	Subrata Talukdar Director (DIN 01794978)
	Sunil Mitra Director (DIN 00113473)	T C Suseel Kumar Director (DIN 06453310)	Vanita Uppal Director (DIN 07288115)
		Rekha Sethi Director (DIN 06809515)	Dr Rajiv Kumar Director (DIN 02385078)
Gurugram April 28 2025	Mumbai April 28 2025	Pooja Hamblar Company Secretary	Dinesh Jain President and CFO

Notes to the standalone financial statements

as at and for the year ended March 31 2025

1 Company overview

Firstsource Solutions Limited ('the Company') was incorporated on December 6 2001 The Company is engaged in the business of providing customer management services like contact center transaction processing and debt collection services including revenue cycle management in the healthcare industry

The Company is a public limited company incorporated and domiciled in India having registered office at Mumbai Maharashtra India The Company is listed on the Bombay Stock Exchange and National Stock Exchange in India

The Company s standalone financial statements are approved for issue by the Board of Directors on April 28, 2025

Basis of Preparation

These standalone financial statements are prepared in accordance with Indian Accounting Standards under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values 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

The list of entities with percentage holding is as below

Sr No.	Subsidiaries / Entities	Country of incorporation and other particulars	Percentage of holding by voting rights	Year of consolidation
1	Firstsource Solutions UK Limited (FSL UK)	A subsidiary of Firstsource Solutions Limited incorporated under the laws of United Kingdom	100%	2002-2003
2	Firstsource Solutions S.A (FSL-Arg)	A subsidiary of Firstsource Solutions UK Limited, incorporated under the laws of Argentina	99 98%	2006-2007
3	Firstsource BPO Ireland Limited (FSL Ireland)	A subsidiary of Firstsource Solutions UK Limited incorporated under the laws of Ireland	100%	2011 2012
4	Firstsource Dialog Solutions (Private) Limited (FDS)	A subsidiary of Firstsource Solutions Limited incorporated under the laws of Sri Lanka	74%	2011-2012
5	Firstsource Process Management Services Limited (FPMSL)	A subsidiary of Firstsource Solutions Limited incorporated under the laws of India	100%	2010-2011
6	Firstsource Group USA, Inc. (FG US)	A subsidiary of Firstsource Solutions Limited incorporated in the State of Delaware USA	100%	2009-2010
7	Firstsource Business Process Services LLC (FBPS)	A subsidiary of FG US incorporated in the State of Delaware USA.	100%	2009-2010
8	Firstsource Advantage LLC (FAL)	A subsidiary of FBPS incorporated under the laws of the State of New York USA.	100%	2004-2005
9	One Advantage I LC (OAL)	A subsidiary of FBPS incorporated in the state of Delaware USA.	100%	2014-2015
10	Medassist Holding LLC (MedAssist)	A subsidiary of FG US incorporated under the laws of the State of Delaware USA.	100%	2014-2015
11	Firstsource Solutions USA LLC	A subsidiary of MedAssist incorporated in the State of Delaware USA.	100%	2009-2010
12	Firstsource Health Plans and Healthcare Services LLC	A subsidiary of Firstsource Solutions USA LLC incorporated under the laws of the State of Delaware USA	100%	2011 2012
13	Sourcepoint Inc	A subsidiary of FG US incorporated in the State of Delaware USA.	100%	2016-2017
14	Sourcepoint Fulfillment Services Inc. (Sourcepoint FFS)	A subsidiary of Sourcepoint, Inc	100%	2016-2017
15	PatientMatters LLC (PM)	A subsidiary of Firstsource Solutions USA LLC incorporated in the State of Delaware USA	100%	2020-2021
16	Medical Advocacy Services for Healthcare Inc (MASH)	A subsidiary of PatientMatters, LLC Incorporated in the State of Texas USA	100%	2020-2021
17	Kramer Technologies LLC (KT)	A subsidiary of PatientMatters LLC incorporated in the State of Delaware USA	100%	2020-2021
18	The StoneHill Group Inc	A subsidiary of Sourcepoint Inc.Incorporated in the State of Georgia USA	100%	2021-2022
19	American Recovery Service Incorporated	A subsidiary of FBPS incorporated in the State of California USA	100%	2021 2022

Sr No.	Subsidiaries / Entities	Country of incorporation and other particulars	Percentage of holding by voting rights	Year of consolidation
20	Firstsource Solutions México S de R L de C V	A subsidiary of FG US incorporated in the city of Monterrey Mexico	100%	2021 2022
21	Firstsource Solutions Jamaica Limited	A subsidiary of FG US incorporated under the laws of Jamaica	100%	2022 2023
22	Firstsource Employee Benefit Trust	A trust of Firstsource Solutions Limited incorporated under the laws of India	100%	2019-2020
23	Firstsource BPO South Africa (Pty) Limited	A subsidiary of Firstsource Solutions UK Limited incorporated under the laws of South Africa	100%	2023-2024
24	Firstsource Solutions Australia Pty Limited	A subsidiary of Firstsource Solutions Limited incorporated under the laws of Australia	100%	2023-2024
25	Firstsource Provider Services Private Limited w e f October 10 2024 (Formerly known as Quintessence Business Solutions & Services Private Limited)	A subsidiary of Firstsource Solutions Limited incorporated under the laws of India (acquired w e f May 3 2024)	100%	2024-2025
26	Quintessence Health LLC	A subsidiary of Firstsource Provider Services Private Limited incorporated under the laws of Delaware USA (acquired w e f May 3 2024).	100%	2024 2025
27	Ascensos Limited	A subsidiary of Firstsource Solutions UK Limited incorporated under the laws of United Kingdom (acquired w e f September 23 2024)	100%	2024 2025
28	Ascensos South Africa (RF) (PTY) Ltd	A subsidiary of Ascensos Limited incorporated under the laws of South Africa (acquired w e f September 23 2024)	100%	2024-2025
29	Ascensos Trinidad Limited	A subsidiary of Ascensos Limited incorporated under the laws of Trinidad & Tobago (acquired w e f September 23 2024)	100%	2024 2025
30	Ascensos Contact Centres Romania SRL	A subsidiary of Ascensos Limited incorporated under the laws of Romania (acquired w e f September 23 2024)	100%	2024 2025
31	AccunAI India Services Private Limited	A subsidiary of Firstsource Solutions Limited incorporated under the laws of India (acquired w e f February 7 2025)	100%	2021 2025
32	Firstsource Solutions Limited Colombia S A S	A subsidiary of FG US incorporated under the laws of Colombia (incorporated w e f March 7 2025)	100%	2024-2025
33	Nanobi Data and Analytics Private Limited (Nanobi)	Associate of the Company	22 93%	2016-2017

2 Material accounting policies

2 1 Statement of compliance

The financial statements (herein referred as financial statements') of Firstsource Solutions Limited (the Company) are prepared in accordance with Ind AS as per the provisions of 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

2 2 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 recognized 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 2 1

2 2 1 Critical accounting estimates

a) Income taxes

The Company s major tax jurisdiction is India Significant judgments are involved in determining the provision for income taxes including amount expected to be paid / recovered for uncertain tax positions Also refer to Note 2 9

Notes to the standalone financial statements

as at and for the year ended March 31 2025

b) **Property, plant and equipment**

The charge in respect of periodic depreciation 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

c) **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 judgment 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 3 Revenue recognition

The Company, in its contracts with customers, promises to transfer distinct services rendered 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 the case of time and material based contracts revenue is the product of the efforts expended and the agreed transaction price per unit

The Company continually reassesses the estimated discounts rebates, price concessions refunds, credits incentives, performance bonuses etc (variable consideration) against each performance obligation each reporting period and recognises changes to estimated variable consideration as changes to the transaction price (i e revenue) of the applicable performance obligation

Dividend income is recognized when the right to receive dividend is established

For all instruments measured either at amortized 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 4 Goodwill

Goodwill represents the cost of business acquisition in excess of the Company s interest in the net fair value of identifiable assets liabilities and contingent liabilities of the acquiree When the net fair value of the identifiable assets liabilities and contingent liabilities acquired exceeds the cost of business acquisition a gain is recognized immediately in Other Comprehensive Income Goodwill is measured at cost less accumulated impairment losses

2 5 Property, plant and equipment

Property, plant and equipment 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 on property, plant and equipment is provided pro-rata to the period of use based on management s best estimate of useful lives of the assets as summarized below

Asset category	Useful life (in years)
Tangible assets	
Leasehold improvements	Lease term or 5 years whichever is shorter
Computers	2 – 4
Service equipment	2 – 5
Furniture and fixtures	2 – 5
Office equipment	2 – 5
Vehicles	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 Act

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

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds Borrowing costs directly attributable to acquisition or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalized Other borrowing costs are recognized as an expense in the period in which they are incurred

2 6 Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non recurring and are of such size nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company

2 7 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)
Domain name	3
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 Act

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 capitalization 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 amortization 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 8 Impairment

a) **Financial assets**

The Company recognizes 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

b) **Non-financial assets**

i **Goodwill**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired relying on a number of factors including operating results, business plans and future cash flows For the purpose of impairment testing goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU') or groups of CGU s expected to benefit from the synergies arising from the business combination A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets Impairment occurs when the carrying amount of a CGU including the goodwill exceeds the estimated recoverable amount of the CGU The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use Value-in use is the present value of future cash flows expected to be derived from the CGU

Total Impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata

on the basis of the carrying amount of each asset in the CGU An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period

II Intangible assets and property plant and equipment

Intangible assets and property plant and equipment 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 CGU to which the asset belongs

If such assets are considered to be impaired, the impairment to be recognized 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 recognized for the asset in prior years

2 9 Employee benefits

a) Post employment benefits

Gratuity

The Gratuity scheme is a defined benefit plan The Company s net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods that benefit is discounted to determine its present value and the fair value of any plan assets is deducted The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation

The obligation is measured at the present value of the estimated future cash flows The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability Gains or losses through re-measurement of the net defined benefit liability / (asset) are recognized in other comprehensive income and other components are recognise in the statement of profit and loss The actual return of portfolio of plan assets in excess of yields computed by applying the discount rate used to measure the defined benefit obligation are recognized in other comprehensive income The effects of any plan amendments are recognized in statement of profit and loss

Defined contribution plans

In accordance with Indian regulations all employees receive benefits from a Government administered provident fund scheme This is a defined contribution retirement plan in which both the Company and the employee contribute at a determined rate Monthly contributions payable to the provident fund are charged to the statement of profit and loss as incurred

b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided A liability is recognized for the amount expected to be paid e g under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably

c) Other long-term employee benefits

Compensated absences

Provision for compensated absences cost is made based on actuarial valuation by an independent actuary

Where employees of the Company are entitled to compensated absences the employees can carry-forward a portion of the unutilized accrued compensated absence and utilize it in future periods or 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 increases 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

d) Share-based compensation

The Company operates equity-settled share-based compensation plans The fair value of the employee services received in exchange for the granting of

the options and the discount on the shares granted are recognized as an expense, together with a corresponding increase in equity over the period in which the performance and / or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (i e the vesting date) Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable On each balance sheet date the Group revises its estimates of the number of options that are expected to become exercisable The impact of the revision of original estimates if any is recognized immediately in the Statement of Profit and Loss with a corresponding adjustment to equity

2 10 Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the period Current tax and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity In which case the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

Current income taxes

The current income tax expense includes income taxes payable by the Company and its overseas branch The current tax payable is after taking credit for tax relief available for export operations in Special Economic Zones (SEZs)

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis

Deferred income taxes

Deferred income tax is recognized using the balance sheet approach Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction

Deferred income tax assets are recognized 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 recognized

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recognized Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recognized

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be settled

For operations carried out in SEZs, deferred tax assets or liabilities, if any have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India which is likely to give future economic benefits in the form of availability of set-off against future income tax liability Accordingly MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be recognized

Tax benefits acquired as part of business combination but not satisfying the criteria for separate recognition at that date are recognized subsequently if new information about facts and circumstances change Acquired deferred tax benefits recognized within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date All other acquired tax benefits realized are recognized in the statement of profit and loss

2 11 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

Notes to the standalone financial statements

as at and for the year ended March 31 2025

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 recognized representing its Right-of-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 recognized 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 12 Foreign currency

Functional currency and peresentation currency

The financial statements of the Company are presented in the Indian Rupee ('INR) which is also the functional currency of the Company (excluding its foreign branch) whereas the functional currency of the foreign branch is the currency of their country of domicile The numbers are rounded off to millions one million equals to ten lakhs

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 realized 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 relevant functional currencies using the exchange rate in effect on the date of the transaction

Gains or losses on Revenue from operations including gains or losses on derivative transactions are accounted in other operating income and gains or losses other than on Revenue from operations are accounted in Other Income

The translation of financial statements of the foreign branch to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue expense and cash flow items using the average exchange rate for the respective periods The gains or losses resulting from such translation are included in currency translation reserves under other components of equity

2 13 Earnings per equity share

The basic earnings per equity share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive

2 14 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 Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects the current market assessment of the time value of money and risk specific to the liability

Contingent assets are not recognized 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 recognized in the period in which the change occurs

2 15 Financial instruments

2 15 1 Initial recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the Instrument Financial assets and liabilities are initially measured at fair value Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability

2 15 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 recognized 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 recognized by the Company at the proceeds received net of direct issue cost

b) Derivative financial instruments

Cash flow hedge

The Company designates certain foreign exchange forward option and future contracts as hedge

Notes to the standalone financial statements

as at and for the year ended March 31 2025

instruments in respect of foreign exchange risks These hedges are accounted for as cash flow hedges

The Company uses hedging instruments that are governed by policies which are approved by the Board of Directors which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company The hedge instruments are designated and documented as hedges at the inception of the contract The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis The ineffective portion of designated hedges is recognized immediately in the statement of profit and loss

The effective portion of change in the fair value of the designated hedging instrument is recognized in Other comprehensive income and accumulated under the heading Cash flow hedge reserve

Hedge accounting is discontinued when the hedging instrument expires or is sold terminated or no longer qualifies for hedge accounting Any gain or loss recognized in Other comprehensive income and accumulated in equity till that time remains and is recognized in statement of profit and loss when the forecasted transaction is no longer expected to occur the cumulative gain or loss accumulated in statement of changes in equity is transferred to the statement of profit and loss

c) **Share capital**

Ordinary shares

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

2 15 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-recognized from the Company s balance sheet when obligation specified in the contract is discharged or cancelled or expired

2 15 4 Fair value of financial Instrument

In determining the fair value of its financial instrument the Company uses the methods and assumptions based on market conditions and risk existing at each reporting date Methods of assessing fair value result in general approximation of value and such value may never actually be realised For all other financial instruments the carrying amounts approximate the fair value due to short maturity of those instruments

2 16 Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition which is the date on which control is transferred to the Company The cost of acquisition also includes the fair value of any contingent consideration Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition

Business combinations between entities under common control is accounted for at carrying value

Transaction costs that the Company incurs in connection with a business combination such as finders fees legal fees due diligence fees and other professional and consulting fees are expensed as incurred

2 17 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 18 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time MCA has not notified any new standards or amendments to the existing standards applicable to the Group which are effective for any period on or after April 1, 2025

Notes to the standalone financial statements

as at March 31, 2025

3 (i) Property, plant and equipment

(₹ in million)

	Tangible assets					Total
	Leasehold improvements	Computers	Service equipment	Office equipment	Furniture and fixture	
Gross block						
As at April 1, 2024	1 239.56	1 095 13	479 03	629 61	211 40	3,654 93
Additions / adjustments during the year	473.33	441 08	131.87	101.23	33 22	1 181 48
Deletions during the year	(179.42)	(378 20)	(117.59)	(99 36)	(27 01)	(799 61)
Foreign exchange on translation	2 25	2 61	0.52	0.67	0 27	6 32
As at March 31 2025	1,535 72	1 162.59	493 93	633 00	217.88	4 043 12
Accumulated depreciation / amortization						
As at April 1 2024	749 19	935.07	422.55	526 79	152.84	2 786.44
Charge for the year	183.59	142.81	26 92	50.82	12 79	421.93
On deletions / adjustments during the year	(93 38)	(268 26)	(117.34)	(99 25)	(26 81)	(605 04)
Foreign exchange on translation	1 74	1 01	0.50	0 45	0 13	3 83
As at March 31 2025	846.14	810 63	332.63	478 81	138.95	2 607 16
Net block						
As at March 31 2025	689 58	351.96	161.30	154 19	78 93	1,435.96
As at March 31 2024	490.37	160.06	56 48	103 02	58 56	868 49

(₹ in million)

	Tangible assets					Total
	Leasehold improvements	Computers	Service equipment	Office equipment	Furniture and fixture	
Gross block						
As at April 1 2023	996 73	1 049 36	460 98	633.37	229 98	3,370 42
Additions / adjustments during the year	267 05	285.59	24.07	72 04	18 99	668 14
Deletions during the year	(18 76)	(239 45)	(4 41)	(74.43)	(35 20)	(371 25)
Foreign exchange on translation	(5.46)	(1 77)	(1 61)	(1 17)	(0.37)	(10 38)
As at March 31 2024	1 239 56	1 095.13	479.03	629.81	211.40	3 654 93
Accumulated depreciation / amortization						
As at April 1 2023	624 79	883 07	408.06	562 80	177 95	2,656 67
Charge for the year	143 29	106.27	19 72	34 86	10.24	314.38
On deletions / adjustments during the year	(14 66)	(52.67)	(3 74)	(69.87)	(35 06)	(176 40)
Foreign exchange on translation	(4 03)	(1.40)	(1.49)	(1.00)	(0 29)	(8 21)
As at March 31 2024	749.19	935 07	422.55	526.79	152.84	2,786 44
Net block						
As at March 31 2024	490.37	160.06	56 48	103.02	58 56	868 49
As at March 31 2023	371 94	166 29	52.82	70.57	52 03	713.75

(ii) Capital work-in-progress

(₹ in million)

	March 31 2025	March 31 2024
Capital work-in-progress	418 25	136 30
	418 25	136 30

All Capital work in-progress have ageing of less than 6 months and completion is not due

Notes to the standalone financial statements
as at March 31 2025

4 Leases

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

(₹ in million)

	As at April 1 2024	Addition during the year	Deletions/ adjustment during the year	Depreciation for the year	Foreign exchange on translation	Net Carrying value as at March 31, 2025
Leasehold properties	3 049 52	2 579 15	(487 59)	(710 63)	5 20	4 435 65
Service equipment	41 08	690 81		(72,62)		659 27
Vehicles	7 32	-		(5 16)	-	2 16
	3 097 92	3,269 96	(487 59)	(788 41)	5 20	5 097 08

(₹ in million)

	As at April 1 2023	Addition during the year	Deletions during the year	Depreciation for the year	Foreign exchange on translation	Net Carrying value as at March 31 2024
Leasehold properties	1 181 69	2,415 27	(38 15)	(507 32)	(1 97)	3 049 52
Service equipment	27 81	32.24	-	(18 97)		41 08
Vehicles	12 48	-		(5 16)	-	7 32
	1 221 98	2 447 51	(38 15)	(531 45)	(1 97)	3 097 92

Rent includes expense towards short term lease payments amounting to ₹ 161 64 (March 31 2024 ₹ 27 41) expense towards low value leases assets amounting to ₹ 277 35 (March 31 2024 ₹ 341 12) and common area maintainence for leased properties amounting to ₹ 203 90 (March 31 2024 ₹ 136 89) during the year ended March 31 2025

5 Other intangible assets

(₹ in million)

	Domain name	Software	Total
Gross block			
As at April 1 2024	6 72	892 86	899 58
Additions		55 24	55 24
Deletions during the year		(302 88)	(302 88)
Foreign exchange on translation	-	0 14	0 14
As at March 31, 2025	6 72	645.36	652 08
Accumulated depreciation / amortization			
As at April 1 2024	6 72	843 38	850 10
Charge for the year		47 11	47 11
On deletions		(302 88)	(302 88)
Foreign exchange on translation		0 12	0 12
As at March 31, 2025	6 72	587 73	594 45
Net block			
As at March 31, 2025		57 63	57.63
As at March 31 2024		49 48	49 48

(₹ in million)

	Domain name	Software	Total
Gross block			
As at April 1 2023	6 72	884 88	891 60
Additions		20 73	20 73
Deletions during the year		(12 40)	(12 40)
Foreign exchange on translation	-	(0 35)	(0 35)
As at March 31, 2024	6 72	892.86	899 58
Accumulated depreciation / amortization			
As at April 1 2023	6 72	780 31	787 03
Charge for the year	-	74 53	74 53
On deletions		(11 17)	(11 17)
Foreign exchange on translation		(0 29)	(0 29)
As at March 31 2024	6 72	843 38	850 10
Net block			
As at March 31, 2024		49 48	49 48
As at March 31 2023		104 57	104 57

6 Investments

(I) Non-current

(₹ in million)

	March 31 2025	March 31, 2024
Unquoted		
Investments carried at cost (Investment in equity instruments of subsidiaries)		
218 483 (March 31 2024 218 483) fully paid up common stock of USD 1 each of Firstsource Group USA Inc #	12 417 51	12 079 45
2,834 672 (March 31 2024 2 834 672) fully paid up equity shares of GBP 1 each of Firstsource Solutions UK Limited #	182.99	112 97
1 050,000 (March 31 2021 1 050 000) fully paid-up common stock of ₹ 10 each of Firstsource Process Management Services Limited	100 50	100 50
3 411 785 (March 31 2024 3 411 785) fully paid-up common stock of LKR 10 each of Firstsource Dialog Solutions (Private) Limited	23 09	23 09
500 000 (March 31 2024 Nil) fully paid-up common stock of INR 10 each of Firstsource Provider Services Private Limited	3,128 31	-
10 000 (March 31 2024 Nil) fully paid-up common stock of INR 10 each of AccunAI India Services Private Limited	80 25	-
5,000 (March 31 2024 Nil) fully paid-up common stock of AUD 10 each of Firstsource Solutions Australia Pty Limited	3 79	-
	15,916 44	12 316 01
Provision for impairment of investment in Firstsource Dialog Solutions (Private) Limited and Firstsource Process Management Services Limited	(80 48)	(80 48)
	15,835 96	12 235 53

The Company during the year has acquired 100% equity interest and control of the businesses of Firstsource Provider Services Private Limited (Formerly known as Quintessence Business Solutions & Services Private Limited) and its subsidiary for a purchase consideration of US$ 39 25 mn

The Company during the year has acquired 100% equity interest and control of the businesses of AccunAI India Services Private Limited (AccunAI) for a purchase consideration of ₹ 80 25 mn on February 7 2025

Notes to the standalone financial statements
as at March 31, 2025

(₹ in million)

	March 31 2025	March 31 2024
Investment in associate		
– at cost		
1 000 (March 31 2023 1 000) fully paid equity shares of ₹ 10 each of Nanobi Data and Analytics Private Limited	0 08	0 08
838 705 (March 31 2023 838 705) fully paid compulsorily convertible cumulative preference shares of ₹ 10 each of Nanobi Data and Analytics Private Limited	87 92	87 92
At amortised cost		
Philippines treasury bills	27 28	27 13
	115 28	115 13
	15 951 24	12 350 66

These securities have been earmarked in favor of Securities and exchange commission Philippines in compliance with Corporation Code of Philippines

Includes ESOP cost pertaining to employees of the overseas subsidiaries

(ii) Current

(₹ in million)

	March 31, 2025	March 31, 2024
Investments carried at fair value through statement of profit and loss		
Mutual and other funds (quoted)	375 01	300.27
	375 01	300 27

7 Other financial assets

(₹ in million)

	March 31 2025	March 31 2024
(Unsecured considered good)		
(i) **Other non current financial assets**		
Deposits	688.30	507 98
Foreign currency forward contracts (net)	94 75	96 89
	783.05	604 87
(ii) **Other current financial assets**		
Foreign currency forward contracts (net)		23 20
Loans and advances to employees	47 24	29 54
	47 24	52 74

8 Other assets

(₹ in million)

	March 31 2025	March 31 2024
(Unsecured considered good)		
(i) **Other non-current assets**		
Capital advances	5 69	28 76
Prepaid expenses	36 94	2 69
Deferred contract cost	5 11	17.32
	47 74	49 77

(₹ in million)

	March 31 2025	March 31 2024
(ii) **Other current assets**		
Prepaid expenses	426 78	223 71
Indirect tax recoverable	382 65	272.61
Other advances	109 74	109 39
Deferred contract cost	83 31	12 20
	1,002 48	617 91

9 Trade receivables

(₹ in million)

	March 31, 2025	March 31 2024
(Unsecured)		
Billed		
Considered doubtful	5.51	5 53
Less Allowance for expected credit loss	5 51	5 53
Considered good	8 677 08	7 155 75
	8 677 08	7,155 75
Unbilled		
Unbilled revenues	268 62	137 48
	268 62	137.48

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

Trade receivables Ageing Schedule

As on March 31, 2025

(₹ in million)

	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	4 232 95	4 443 93	0 16	0 02		-	8 677 08
Undisputed Trade receivable – considered doubtful				-	5 51	-	5 51
Total	**4,232 95**	**4 443 93**	**0 16**	**0 02**	**5 51**		**8,682.57**

As on March 31, 2024

(₹ in million)

	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	2 851 46	4 237 96	66 33		-		7 155 75
Undisputed Trade receivable – considered doubtful				5 53	-		5 53
Total	**2 851 46**	**4,237 96**	**66 33**	**5 53**			**7,161 28**

Notes to the standalone financial statements
as at March 31 2025

10 Cash and cash equivalents

(₹ in million)

	March 31 2025	March 31 2024
Balances with banks		
- In current accounts	193.59	183 19
Remittances-in-transit	-	230 95
	193 59	414 14

11 Other balances with banks

(₹ In million)

	March 31 2025	March 31 2024
Earmarked balances with banks		
- unclaimed dividend	38 50	39.56
- corporate social responsibility - unspent	56 81	64 30
	95 31	103 86

12 Taxation

As at March 31, 2025

(₹ in million)

Taxation	Opening balance	Recognized in Profit and loss	Recognised in Other Comprehensive Income and exchange	Closing Balance
Deferred tax asset on account of				
Property plant and equipment and intangibles	331 02	(12 98)	-	318 04
Employee stock options	45 39	42.85	-	88 24
Other employee benefits payable	65 61	22 99		88 60
Unused tax losses	6 85	-		6.85
Minimum alternate tax credit carried forward	2,332.09	(206 26)	-	2 125.83
Lease Liabilities	83 54	34 72	0 02	118 28
Foreign currency forward contracts	(18 93)		60 53	41 60
	2,845 57	(118 68)	60 55	2 787 44

As at March 31, 2024

(₹ in million)

Taxation	Opening balance	Recognised in Profit and loss	Recognised in Other Comprehensive Income and exchange	Closing Balance
Deferred tax assets on account of				
Property plant and equipment and intangibles	239 44	91 58		331 02
Employee stock options	72 84	(27 45)		45 39
Other employee benefits payable	58 80	6 81		65 61
Unused tax losses	6 85	-	-	6.85
Minimum alternate tax credit carried forward	2 348 93	(16 84)	-	2 332 09
Lease Liabilities	59 63	23.91		83 54
Foreign currency forward contracts	18 17	-	(37 10)	(18 93)
	2 804 66	78 01	(37 10)	2 845 57

Notes to the standalone financial statements
as at March 31 2025

(₹ in million)

	March 31 2025	March 31 2024
Income tax assets (net)	747 18	746 34
Provision for tax (net)	(79 92)	(9 94)
	667 26	736 40

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below

(₹ in million)

	Year ended March 31, 2025	March 31, 2024
Profit before income taxes	5,338 96	3 789 00
Enacted tax rates in India	34 94%	34 94%
Computed expected tax expense	1 865 65	1 327 52
Income Exempt from Tax and Tax Holidays	(718 39)	(699 05)
Expenses not deductible for tax purposes	14 65	44 58
ESOP cost allowed for tax purpose	(128 53)	(54 11)
Others	35 14	(16 03)
Income tax expense	1 068 52	602 01

13 Share capital

(₹ in million)

	March 31 2025	March 31 2024
Authorised		
872 000 000 (March 31 2024 872 000 000) equity shares of ₹ 10 each	8 720 00	8 720 00
	8 720 00	8 720 00
Issued, subscribed and paid-up		
696 990 826 (March 31 2024 696 990 826) equity shares of ₹ 10 each fully paid-up	6,969 91	6 969 91
	6,969 91	6 969 91

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

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	696,990 826	6 969.91	696 990 826	6 969 91
At the end of the year	696 990,826	6,969 91	696,990 826	6 969 91

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

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	% of total shares	Number of shares	% of total shares
RPSG Ventures Limited	373 976 673	53.66%	373 976 673	53 66%
HDFC Small Cap Fund	54 282,581	7 79%	58 322 707	8 37%

c) Shares held by holding company

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	Amount	Number of shares	Amount
RPSG Ventures Limited	373 976 673	3 739 77	373 976 673	3 739 77

Notes to the standalone financial statements
as at March 31 2025

d Employee stock options

During the year ended March 31, 2025 the Company granted 8 343 871 (March 31 2024 5 709 000) options at an exercise price of ₹ 10 (March 31, 2024 ₹ 10 00)

e) Shares reserved for issue under options

16 602 716 (March 31 2024 13 391,679) number of shares are reserved for employees for issue under the employee stock options plan (ESOP) amounting to ₹ 166 03 (March 31, 2024 ₹ 133 92)

f) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares Accordingly all equity shares rank equally with regard to dividends and share in the Company s residual assets The equity shareholders are entitled to receive dividend as declared from time to time The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company

On winding up of the Company the holders of equity shares will be entitled to receive the residual assets of Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held

g) Dividend

During the year ended March 31, 2025 the Company has declared interim dividend of ₹ 4 per share (March 31, 2024 ₹ 3 50), the Company has incurred a net cash outflow of ₹ 2,758 57 (March 31, 2024 ₹ 2,405 94) (excluding dividend paid on treasury shares)

h) Treasury Shares

(₹ in million)

	March 31 2025		March 31 2024	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	9 376 900	707 73	15,589 182	1 158 14
Purchased during the year	1 714 706	404 13	100 000	18 54
Allotted during the year	(3 359 532)	(287 55)	(6,312,282)	(468 95)
At the end of the year	7 732,074	824.31	9 376 900	707 73

As per Ind AS 32 the consideration paid for treasury shares including any directly attributable incremental costs is presented as a deduction from total equity until they are cancelled, sold or reissued

14 Other equity

(₹ in million)

	March 31 2025	March 31 2024
Securities premium		
At the commencement of the year	2 290 48	2 290 48
At the end of the year	2,290 48	2 290 48
Amalgamation deficit adjustment reserve	(1 138 72)	(1 138 72)
Treasury shares		
At the commencement of the year	(707 73)	(1 158 14)
Add Movement during the year	(116.58)	450.41
At the end of the year	(824 31)	(707 73)
Other reserve		
At the commencement of the year	30 68	30 68
At the end of the year	30 68	30 68
Special Economic Zone re investment reserve		
At the commencement of the year	-	15 28
Add Transfer from Retained EarningS	-	
Less Transfer to Retained Earning on utilization	0 00	(15 28)
At the end of the year	-	-

(₹ in million)

	March 31 2025	March 31, 2024
Employee stock option reserve		
At the commencement of the year	470 59	651 66
Add Share based payments	715 88	31 34
Less Treasury shares	(145 78)	(203 25)
Less Transfer to retained earning for options forfeited	(13 91)	(9 16)
At the end of the year	1 026 78	470 59
Effective portion of cash flow hedges (Other comprehensive income)		
At the commencement of the year	96 99	(89 08)
Movement during the year	(234 14)	186 07
At the end of the year	(137 15)	96 99
Exchange differences on translating the financial statements of a foreign operation (Other comprehensive income)		
At the commencement of the year	217 58	227 60
Movement during the year	4 52	(10 02)
At the end of the year	222 10	217 58
Retained earnings		
At the commencement of the year	15 875 49	15 241 85
Add Net profit for the year	4 270 44	3 196 99
Add Treasury shares	(89 64)	(188 31)
Add Other comprehensive income for the year	15 05	6 46
Add Utilised from Special Economic Zone re-investment reserve	-	15 28
Less Dividend (net)	(2 758 57)	(2 405 94)
Add Transfer to retained earning for options forfeited	13 91	9 16
At the end of the year	17,316 68	15 875 49
Total other equity	18 788 54	17 137 36

15 Borrowings

(i) Short term borrowings

(₹ in million)

	March 31, 2025	March 31 2024
Unsecured		
Line of credit from banks (refer note a)	2 458.35	-
	2,458 35	

Note

a Line of credit from bank carries floating interest rate in the range of 3 00% to 8 00% these are working capital lines

16 Trade Payables

(₹ in million)

	March 31 2025	March 31 2024
Trade Payables		
– total outstanding dues of micro enterprises and small enterprises		
– total outstanding dues of credi ors other than micro enterprises and small enterprises	1 133 78	898 09
	1,133 78	898 09

Notes to the standalone financial statements
as at March 31 2025

Trade payables Ageing Schedule

As at March 31 2025

(₹ in million)

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-			-		-
Total outstanding dues of creditors other than micro enterprises and small en erprises	915 75	218 03				1 133 78
Total	915 75	218 03	-	-		1 133 78

As at March 31, 2024

(₹ in million)

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-		-		-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	562 02	336 07				898.09
Total	562.02	336 07		-	-	898 09

There are no disputed dues to MSME and others as on March 31 2025 and March 31 2024

17 Other financial liabilities

(i) Other non-current financial liabilities

(₹ in million)

	March 31 2025	March 31 2024
Contingent Consideration non-current	231 77	-
	231 77	-

(ii) Other current financial liabilities

(₹ in million)

	March 31 2025	March 31 2024
Book credit in bank account	151 49	82 47
Foreign currency forward contracts (net)	270 14	
Creditors for capital goods	29 23	69 03
Employee benefits payable	654 75	235 22
Payable to subsidiaries	681 02	182 19
Unclaimed dividends	38 62	39 66
Contingent consideration	246 47	-
Interest accrued but not due	3 98	
	2 075 70	608 57

Notes to the standalone financial statements
as at and for the year ended March 31 2025

18 Provision for employee benefits

(i) Non-current

(₹ in million)

	March 31 2025	March 31 2024
Gratuity	205 81	187 79
	205 81	187 79

(ii) Current

(₹ in million)

	March 31 2025	March 31 2024
Compensated absences	176.33	126 58
	176 33	126 58

19 Other liabilities

(₹ in million)

	March 31 2025	March 31 2024
Other current liabilities		
Tax deducted at source	129 89	85 44
Statutory Dues	83 26	67 43
	213 15	152 87

20 Revenue from operations

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Sale of services	23 121 29	15,988 40
Other operating income net	(55.58)	23 07
	23 065.71	16,011 47

The table below presents disaggregated revenues from contracts with customers for the year ended March 31 2025 and March 31 2024 by geography and segment

(₹ in million)

	Year ended	
	March 31, 2025	March 31 2024
UK	9 429 22	6,524 55
USA	13,566 12	9 400 12
Asia and Rest of World	135 95	63 73
Total	23 121 29	15 988 40

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Banking and Financial Services	8 155 61	6 137 16
Healthcare	3 935 00	3 352 21
Communication, Media and Technology	10 850 03	6 421 49
Diverse Industries	180 65	77 52
Total	23 121 29	15,988 40

Notes to the standalone financial statements
for the year ended March 31, 2025

Revenues recognized in excess of invoicing are classified as contract assets (which is referred as unbilled revenues) Changes in contract assets are directly attributable to revenue recognized 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 recognized corresponds directly with the value to the customer of the company's performance completed to date

21 Other income, net

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Profit on sale / redemption of current investments net	45 47	81.35
Interes income	15 12	7 72
Foreign exchange (loss) / gain net	(11 10)	6 85
Loss on sale of property plant and equipment, net	(20 10)	(12 72)
Miscellaneous income net	5 21	
Provision on diminution of value of investment		(8 04)
Guarantee Commission and other recoveries from subsidiaries	368 12	310 68
	402 72	365 84

22 Employee benefits expenses

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Salaries and wages	11 524 28	7 636 57
Contribution to provident and other funds	534 67	418 13
Staff welfare expenses	184 42	126 38
Employee stock compensation expense	206 81	21 65
Directors sitting fees	5 70	6 75
	12,455 88	8,211 46

23 Finance costs

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Interest expense		
- on borrowings	125 71	
- on leased liabilities	303 45	173.35
	429 16	173.35

24 Other expenses

(₹ in million)

	Year ended March 31 2025	Year ended March 31 2024
Technology and applications support cost	983 01	630 41
Repairs maintenance and upkeep	456 77	277 54
Car hire charges	477 40	341 75
Electricity water and power consumption	281 36	189 06
Connectivity expenses	214 39	126 83
Legal and professional fees	425 79	300 68
Recruitment and training expenses	196 31	212 77
Communication expenses	28.05	82 13
Travel and conveyance	214 95	200 68
Contribution to Corpora o Social Responsibility	70 81	75 30
Rent	642 89	505 42
Insurance	140 91	120 33
Meeting and seminar expenses	1 75	3 36
Service rendered by others	18 27	
Auditors remuneration and expenses		
- for audit fees	19 40	19 40
- for taxation matters	1 00	0 60
- for other services	1.84	1 02
- for reimbursement of expenses	1 08	1 15
Rates and taxes	22.39	19 91
Bank administration charges	3 31	1 42
Allowance for expected credit loss / bad debts written off net	(0 01)	0 42
Miscellaneous expenses net	336 65	183 00
	4 538 32	3 273 14

25 Financial instruments

I Financial Instruments by category

The carrying value and fair value of financial instruments by categories as at March 31 2025 were as follows

(₹ in million)

Taxation	Amortised cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Investments	27 28	375 01		402 29	402.29
Trade receivables	8,945.68			8 945 68	8 945 68
Cash and cash equivalents	193 59		-	193.59	193 59
Other balances wth banks	95 31	-		95.31	95 31
Other financial assets	715 54		94 75	810 29	810 29
Total	**9,977 40**	**375 01**	**94 75**	**10 447 16**	**10 447 16**
Financial liabilities					
Borrowings	2 458.35			2 458 35	2 458 35
Lease liabilities	5 671 76	-		5 671 76	5 671 76
Other financial liabilities	2 037 33	39 95	230 19	2 307 47	2 307 47
Trade and other payables	1 133 78			1 133 78	1 133 78
Total	**11,301.22**	**39 95**	**230 19**	**11,571 36**	**11,571 36**

Notes to the standalone financial statements
as at and for the year ended March 31 2025

The carrying value and fair value of financial instruments by categories as at March 31, 2024 were as follows

(₹ in million)

Taxation	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Investments	27 13	300 27		327 40	327 40
Trade receivables	7 293.23	-		7 293 23	7 293 23
Cash and cash equivalents	414 14	-	-	414 14	414 14
Other balances with banks	103 86	-	-	103 86	103 86
Other financial assets	611 85	4 16	115 93	731 84	731 84
Total	8,450 21	304 43	115 93	8 870 57	8,870 57
Financial liabilities					
Borrowings	74 33			74 33	74 33
Lease liabilities	3 480 60	-		3 480 60	3 480 60
Other financial liabilities	608 57			608 57	608 57
Trade and other payables	898 09	-	-	898 09	898 09
Total	5,061 59			5 061 59	5,061 59

II Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method The different levels have been defined as follows

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i e as prices) or indirectly (i e derived from prices)

Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31 2025

(₹ in million)

Taxation	March 31 2025	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Investments				
Investment in liquid mutual fund units	375.01	375 01		
Other financial assets				
Foreign currency forward contracts	(175.39)	-	(175 39)	
Total	199 62	375 01	(175 39)	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31 2024

(₹ in million)

Taxation	March 31, 2024	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Investments				
Investment in liquid mutual fund units	300 27	300 27		
Other financial liabilities				
Foreign currency forward contracts	120 09	-	120 09	
Total	420 36	300 27	120 09	

Notes to the standalone financial statements
as at and for the year ended March 31 2025

The fair value of other financial assets and liabilities approximate the carrying value

The fair value of Mutual and other funds is based on quoted price Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace The fair value of equity instruments and preference instruments is based on inputs that are not based on observable market data

III 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 internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its services from India for contracts in the overseas geographies, primarily in the United States of America and United Kingdom and purchases from overseas suppliers in foreign currencies The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future Consequently, the results of the Company s operations may be affected as the Rupee fluctuates against these currencies

The following table analyzes foreign currency risk as of March 31 2025

(₹ in million)

	USD	GBP	PHP	Others	Total
Total financial assets	4 978 12	3 868 13		88 73	8 934 98
Total financial liabilities	2 612.17	758 92	1 97	10 86	3 383 92

Others includes LKR AUD etc

The following table analyzes foreign currency risk as of March 31 2024

(₹ in million)

	USD	GBP	PHP	Others	Total
Total financial assets	3 595 96	3 426 32	56 48	0 13	7 078 89
Total financial liabilities		-	232 42		232 42

Others includes LKR Euro etc.

5% appreciation/ depreciation of the respective foreign currencies with respect to functional currency Firstsource Solutions Limited would result in increase / decrease in the Company s profit before tax approximately ₹ 413 67 for the year ended March 31, 2025 (March 31 2024 ₹ 333 26)

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures The counterparty for these contracts is generally a bank These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace

Notes to the standalone financial statements

as at and for the year ended March 31 2025

The following table gives details in respect of outstanding foreign currency forward contracts

(₹ in million)

	March 31 2025		March 31 2024	
	Foreign Currency in million	₹ in million	Foreign Currency in million	₹ in million
Forward contracts				
In USD	298 90	25 865 26	100 00	8 414 37
In GBP	319 15	36 982 78	203 32	22 109 85
Total		62 848 04		30,524 22

The foreign exchange forward contracts mature within sixty months

The table below analyzes the derivative financial instruments into relevant maturity grouping based on the remaining period as of the balance sheet date

(₹ in million)

	March 31 2025	March 31 2024
Forward contracts in USD		
Not later than one month	2 590.52	1 670 33
Later than one month and not later than three months	2 258 53	1 958 89
Later than three months	21 016 21	4 785 15
	25 865 26	8 414.37
Forward contracts in GBP		
Not later than one month	2 392 75	1 921 09
Later than one month and not later than three months	1 690 00	1 744 69
Later than three months	32 900 03	18 444 07
	36 982 78	22,109.85

The movement in Hedging Reserve for derivatives designated as cash flow hedges is as follows

(₹ in million)

	March 31 2025	March 31 2024
Balance at the beginning of the year	96.99	(89.08)
Changes in the fair value of effective portion of cash flow hedges	(294 67)	223 17
Deferred tax movement	60.53	(37 10)
Balance at the end of the year	(137 15)	96 99

The following table summarizes approximate gains/(loss) on the Company's other comprehensive income on account of appreciation / depreciation of underlying foreign currencies

(₹ in million)

	March 31 2025	March 31 2024
5% Appreciation of the underlying foreign currencies	(2 882 70)	(1 427 51)
5% Depreciation of the underlying foreign cur encies	2 842 52	1 391 65

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 ₹ 8 677 06 as at March 31 2025 (March 31 2024 ₹ 7 155 75) and unbilled revenue amounting to ₹ 268 62 as at March 31 2025 (March 31 2024 ₹ 137 48) Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in the United States United Kingdom Philippines and other locations 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

Notes to the standalone financial statements

as at and for the year ended March 31, 2025

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 March 31, 2025

(₹ in million)

	March 31 2025	March 31 2024
Less than one year	1 530 55	869 64
One to five years	4,818 79	2,777 16
More than five years	391 02	543 25
Total	6 740 36	4,190 05

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 March 31 2025 The Company shall revise the lease term when there is a change in the facts and circumstances

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31 2025 and March 31 2024

(₹ in million)

	March 31 2025		March 31 2024	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Trade payables	1 133 78		898.00	
Borrowings	2 458 35	-	-	-
Lease liabilities	1 149 47	4 522.29	644 78	2 835 82
Other financial liabilities	2 075 70	231 77	608 57	

Management expects the recoveries from current financial assets as at the year end and the net cash inflows from operations during the ensuing financial year to be sufficient for the Company to be able to meet these obligations of lease and other significant financial liabilities In addition the Company also has unused lines of credit

26 Employee stock option plan

Employee stock option Scheme 2003 ('Scheme 2003')

The Employee Stock Option Scheme 2003 ('the Scheme') approved by the Board of Directors and the members of the Company and administered by the Nomination & Remuneration Committee (the Committee) is effective October 11, 2003 The key terms and conditions included in the scheme are in line with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as amended by SEBI (shared based employee benefits) Regulations, 2014)

Notes to the standalone financial statements

as at and for the year ended March 31 2025

As per the Scheme the Committee issued stock options to the identified employees at an exercise price equal to the fair value on the date of grant and there stock options would vest in tranches over a period of four years as stated below and shall be exercised within a period of ten years from the date of the grant of the options

(₹ in million)

Period within which options will vest unto the eligible employee	% of options that will vest
End of 12 months from the date of grant of options	25 00
End of 18 months from the date of grant of options	12 50
End of 24 months from the date of grant of options	12 50
End of 30 months from the date of grant of options	12 50
End of 36 months from the date of grant of options	12 50
End of 42 months from the date of grant of options	12 50
End of 48 months from the date of grant of options	12.50

Firstsource Solutions Limited Employee Stock Option Plan 2019 ('ESOP 2019 PLAN)

The Company established ESOP 2019 Plan pursuant to approval of the Board of Directors and the shareholders at the Annual General Meeting on August 2, 2019 and administered by the Committee The key terms and conditions included in the ESOP 2019 Plan are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended

As per the ESOP 2019 Plan, the Committee will issue stock options to the identified eligible employees/ director(s) of the Company and its Subsidiaries at an exercise price which will be the face value of the Shares or any higher price which may be decided by the Committee considering the prevailing market conditions and the norms as prescribed by the Securities and Exchange Board of India (SEBI) and other relevant regulatory authorities Further the stock options under the said plan would vest & be exercisable in tranches as determined by the Committee

The ESOP 2019 Plan is proposed to include grants to identified eligible employees under the Long Term Incentive Structure (LTI) The LTI will be tenure based or performance based as per the vesting conditions below

(₹ in million)

Period within which options will vest unto the participant	% of options that will vest	
	Tenure based	Performance based
End of 12 months from the date of grant of options	25 00	15 00
At the end of every quarter after year 1 till end of year 4 from date of grant	6 25	-
End of 24 months from the date of grant of options		20 00
End of 36 months from the date of grant of options		25 00
End of 48 months from the date of grant of options		40 00

Attainment of options can range between 0% and 150% of tranche eligible for vesting for the respective performance measurement period Each tranche is separate. Performance and vesting in one period has no bearing on performance and vesting in another period

Under both the above structures grants will be issued at face value of the shares or any higher price which may be decided by the Committee and will have an exercise period up to ten years as per the Scheme and as determined by the Committee

The ESOP 2019 Plan shall be implemented by the Firstsource Employee Benefit Trust (the Trust') which will be administered by the Committee The Company shall provide financial assistance to the Trust for secondary acquisition of equity shares of the Company for the purpose of implementation of ESOP 2019 Plan The terms and conditions for the financial assistance provided shall be in Compliance with the Companies Act 2013 read with Companies (Share Capital and Debenture) Rules 2014 and SEBI regulations

During the year ended March 31 2025, the Trust has purchased 1 714,706 (March 31, 2024 100 000) equity shares through secondary acquisition As on March 31 2025 the trust holds 7 732 074 (March 31, 2024 9 376 900) number of equity shares

Notes to the standalone financial statements

as at and for the year ended March 31 2025

GRANTS TO THE MANAGING DIRECTOR & CEO (MD & CEO) UNDER ESOP 2019 PLAN

In view of the Shareholder s approval via postal ballot on October 30 2023 through a special resolution wherein it was approved that the MD & CEO shall be entitled to participate in the equity based LTI of the Company Accordingly the Committee on September 1 2023 has approved the grant of 4 500 000 options under ESOP Plan 2019 at the face value of ₹ 10/- of the shares to the MD and CEO which is performance based structure The brief details of these grants are mentioned herein below

A Grants under Performance Based Structure

No of Stock Options	Vesting Date	Vesting Conditions
4 500 000	May 15 2028	Continued employment and increase in the Company's compound annual growth rate revenue (CAGR) and earnings before interest and taxes margin (EBIT)** *

Performance period may be further defined in consultation with the Nomination & Remuneration Committee

Employee stock option activity during the year ended March 31, 2025

A) Under ESOS Scheme 2003 and ESOP 2019 Plan are as follows

(₹ in million)

Name of the related party	Exercise Range	March 31, 2025		March 31 2024	
		Shares arising out of options	Weighted Average period in months	Shares arising out of options	Weighted Average period in months
Outstanding at the beginning of the year	10 00	12 554 004	98 60	20 812 287	104 17
	10 01 - 60 00	565 650	24 44	1 046 875	45 71
	60 01 - 75 00	272 025	52 87	450 305	77 23
		13 391,679		22,309,467	
Granted during the year	10 00	8 343 871		5 709 000	
	10 01 60 00				
	60 01 75 00				
		8,343,871		5,709 000	
Forfeited during the year	10 00	1 455 056		8 093 101	
	10 01 60 00	17 000		67 500	
	60 01 - 75 00	5 000		73 905	
		1 477,056		8 234 506	
Exercised during the year*	10 00	3 142 257		5 874 182	
	10 01 60 00	133 650		333 725	
	60 01 - 75 00	83,625		104 375	
		3,359,532		6 312 282	
Expired during the year	10 00	296 246			
	10 01 60 00			80 000	
	60 01 75 00			-	
		296,246		80 000	
Outstanding at the end of the year	10 00	16 004 316	55 68	12 554 004	98 60
	10 01 60 00	415 000	14 76	565 650	24 44
	60 01 - 75 00	183 400	40 80	272 025	52.87
		16,602,716		13 391 679	
Exercisable at the end of the year	10 00	2,354 607	18.35	4 188 151	81 85
	10 01 60 00	415 000	14 76	565 650	24 44
	60 01 75 00	183 400	40 80	272 025	52.87
		2,953,007		5 025,826	

The weighted average share price of these options was ₹ 13 98 and ₹ 12 26 for the year ended March 31 2025 and March 31 2024 respectively

Notes to the standalone financial statements

as at and for the year ended March 31 2025

The key assumptions used to estimate the fair value of options are

(₹ in million)

	March 31 2025	March 31 2024
Dividend yield	0% to 4%	0% to 4%
Expected Life	2 7 years	2 7 years
Risk free interest rate	6 50% to 9 06%	6.50% to 9 06%
Volatility	0% to 75%	0% to 75%
Model Used	Black & Scholes	Black & Scholes

The expense arises from equity settled share-based payment transaction amounting to ₹ 715 88 and ₹ 31 34 for the year ended March 31 2025 and March 31 2024 respectively The cost related to employee stock options of its subsidiary companies is recognized as addition to investment Accordingly the amount of ₹ 50 03 and ₹ 14 63 is recognized as investments in Firstsource Solutions UK Limited for the year March 31 2025 and March 31 2024 respectively ₹ 338 07 and ₹ 20 98 is recognized as investment in Firstsource Group USA Inc for the year March 31, 2025 and March 31 2024 respectively and ₹ 1 01 and ₹ Nil is recognized as investment in Firstsource Solutions Australia Pty Limited for the year March 31 2025 and March 31 2024 respectively

27 Related party transactions

Details of related parties including summary of transactions entered into during the year ended March 31, 2025 are summarized below

Holding Company	RPSG Ventures Limited
Subsidiaries	The related parties where control exists are subsidiaries as referred to in Note 1 to the financial statements
Associate	Nanobi Data and Analytics Private Limited (Nanobi)
Key Managerial Personnel	Ritesh Mohan Idnani
	Dinesh Jain
Non-Executive Directors	Dr Sanjiv Goenka
	Subrata Talukdar
	Shashwat Goenka
	Pradip Kumar Khaitan
	Anjani Agrawal (ceased to be director w e f May 11 2024)
	Pratip Chaudhuri (ceased to be director w e f April 1 2024)
	Sunil Mitra
	Dr Rajiv Kumar (appointed w e f May 3 2024)
	Vanita Uppal
	Rekha Sethi
	T C Suseel Kumar
	Utsav Parekh
Companies under common control (where transactions exists)	RPSG Resources Private Ltd
	CESC Limited
	PCBL Limited

Particulars of related party transactions

(₹ in million)

Name of the related party	Description	Transaction value during the period ended		Receivable / (Payable) as at	
		March 31 2025	March 31 2024	March 31 2025	March 31 2024
FSL UK	Income from services	7,931 19	1 943 02	3 168 10	3 100 74
	Reimbursement of expenses to FSL UK	8 46	21 62	-	
	Recovery of expense from FSL UK	137 27	188 07	141 00	64.59
	Parental guarantee commission from FSL UK	32.87	17 47	28 44	8 85
	Brand Equity	64 43	77 20	46 89	37 71
FAL	Income from services	1,570 12	1 302 15	393 10	568 05
	Reimbursement of expenses to FAL	-	0 73	-	-
	Recovery of expense from FAL	28 53	36 23	15.55	8 06
	Brand Equity	24.39	24 28	6 81	5 85
MedAssist	Income from services	505.48	141 20	205 39	60 27
	Reimbursement of expenses to MedAssist	0 82	1 08		-
	Recovery of expense from MedAssist	110 95	84 17	116.53	26 93
	Brand Equity	41 36	18.77	10.26	
FG US	Income from services	3 742 34	1 994.37	1 511 02	765 96
	Reimbursement of expenses to FG US	43 47	17 08		
	Recovery of expense from FG US	174 58	28 58	56 34	(20 20)
	Parental guarantee commission from FG US	112 11	98 67	18 72	24 81
	Brand Equity	6 72	23 15	1 82	10.91

Particulars of related party transactions

(₹ in million)

Name of the related party	Description	Transaction value during the period ended		Receivable / (Payable) as at	
		March 31 2025	March 31 2024	March 31 2025	March 31 2024
FHPHS	Income from services	3 398 90	3 159 47	995 24	1 016 40
	Recovery of expense from FHPHS	67 63	72 97	26 38	18 94
	Reimbursement of expenses to FHPHS	5 76	7 36		-
	Brand Equity	62 20	42 14	18 60	11 91
OAL	Income from services	7 85	7 47	2 21	1 88
	Recovery of expense from OAL	4 64	5 87	1 25	1 18
	Brand Equity	3 64	3 54	1 01	0 90
Sourcepoint FFS	Income from Services	90 24	94.03	27 81	28 06
	Recovery of expense from Sourcepoint-FFS	1 56	0 11	1 58	0 02
	Reimbursement of expenses to Sourcepoint FFS		0 06		-
Sourcepoint, Inc	Income from services	3 356 23	2 495 45	689 00	962 42
	Recovery of expense from Sourcepoint Inc	18 74	26 59	12 26	7 54
	Reimbursement of expenses to Sourcepoint Inc	4 09	0 82	-	
	Brand Equity	3 92	5 45	0 89	1 22
PM	Income from services	0 40	0 41	0 09	0 09
	Recovery of expense from PM	1 82	2 01	0 55	0 35

Notes to the standalone financial statements

as at and for the year ended March 31 2025

(₹ in million)

Name of the related party	Description	Transaction value during the period ended		Receivable / (Payable) as at	
		March 31 2025	March 31 2024	March 31 2025	March 31 2024
Stonehill	Income from services	124 16	14.55	39 61	5 79
	Reimbursement of expenses to Stonehill	0 27		-	-
	Recovery of expense from Stonehill	3 26	4 88	0.52	0 65
ARSI	Income from services	5 86	5.31	1 65	1 28
	Recovery of expense from ARSI	23 89	26 29	6 46	5 14
Firstsource Provider Services Private Limited	Income from services	5.55	-	1 38	-
	Recovery of expense from FPSPL	7 19		1 71	
	Brand Equity	7.84	-	1 94	
Firstsource Solutions Australia Pty Limited (FSL Australia)	Income from services	39 97	-	39 20	
	Recovery of expense from FSL Australia	0 59		0 62	
	Parental guarantee commission from FSL Australia	8 02		8 02	
	Brand Equity	0 62		0 62	
	Investment in FSL Australia	2 78			-
RPSG Ventures Limited	Dividend paid	1,495 91	1 308 92		-
CESC Limited	Recovery of expenses	-	0 01		(0 01)
PCBL Limited	Recovery of expenses	-	1 18		(0 30)
RPSG Resources Private Ltd	Receipt of services	115.00	103 88		(40 66)
	Brand Equity	235 00	108 20	-	(35 66)
Non-executive directors	Sitting fees	5 70	6 75		
Key Managerial Personnel	Remuneration	134 92	82 53		
	Dividend paid	0 60	1 05		

The sales to and purchases from related parties are made on terms equivalent to that prevails in arm s length transactions

(₹ in million)

	Year ended	
	March 31 2025	March 31 2024
Short-term employee benefits	78 28	71 93
Share based payments	56 64	10 60
Dividend paid	0 60	1 05

Transactions with key management personnel excludes gratuity and compensated absences

28 Employee benefits

The Company has a defined benefit gratuity plan in India (funded) The Company s defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund

The gratuity plan is governed by the Payment of Gratuity Act 1972 Under the Act Indian employee who has completed five years or more of service is entitled to specific benefit The level of benefits provided depends on the member's length of service and salary at retirement age The fund has the form of a trust and it is governed by the Board of Trustees which consists of an equal number of employer and employee representatives The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy

Each year the Board of Trustees reviews the level of funding in the India gratuity plan Such a review includes the asset-liability matching strategy and investment risk management policy This includes employing the use of annuities and longevity sw aps to manage the risks The Board of Trustees decides its contribution based on the results of this annual review Generally investments are in debt mutual funds Annual contributions are at a level such that no plan deficits (based on valuation performed) will arise

Notes to the standalone financial statements

as at and for the year ended March 31, 2025

a) Gratuity plan

The following table sets out the status of the gratuity plan

Reconciliation of opening and closing balances of the present value of the defined benefit obligation and fair value of planned assets

(₹ in million)

	March 31 2025	March 31 2024
Change in present value of obligations		
Obligations at beginning of the year	227 08	183 91
Service cost	68 99	62.83
Interest cost	14 76	12 34
Actuarial (gain)/loss	(15.05)	(6 49)
Benefits paid	(32.54)	(25 51)
Obligations at the end of the year	263 24	227 08
Change in plan assets		
Fair value of plan assets at beginning of the year	39 29	46 88
Return on plan assets excluding interest income	(0 27)	(0 03)
Interest income	2 70	2 51
Contributions	48 24	15 11
Benefits paid	(32 54)	(25 18)
Fair value of plan assets at end of the year	57 42	39 29
Reconciliation of present value of the obligation and the fair value of plan assets		
Present value of the defined benefit obligations at the end of the year	263.24	227 08
Fair value of plan assets at the end of year	(57 42)	(39 29)
Funded status being amount of liability recognized in the balance sheet	205 82	187 79
Gratuity cost for the year		
Service cost	68 99	62.83
Net interest cost	12 06	9.83
Net gratuity cost	81 05	72 66
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial (gains) / losses	(15 05)	(6 49)
(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	0 27	0 03
Total actuarial (gain)/loss recognized in (OCI)	(14 78)	(6.46)
Category of Assets	Total Amount	Target Allocation %
Gratuity Fund (LIC of India and Birla Sunlife Insurance Co Ltd)	44 27	100%
Total Itemized Assets	44 27	100%
Assumptions		
Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult
Interest rate	7 01%	7 08%
Rate of growth in salary levels	6 00%	6 00%

b) Contribution to Provident fund

The provident fund charge during the year amounts to ₹ 397 05 (March 31 2024 ₹ 285 10)

c) Compensated absences

(₹ in million)

Actuarial assumptions	March 31 2025	March 31 2024
Interest rate	7 01%	7 08%
Rate of growth in salary levels	6 00%	6 00%

Notes to the standalone financial statements

as at and for the year ended March 31 2025

29 Segment reporting

As per Ind AS 108 - Operating Segments (Ind AS 108") 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 has been given in the consolidated financial statements of the Company

30 Computation for calculating diluted earnings per share

(₹ in million)

	Year ended	
	March 31, 2025	March 31 2024
Number of shares considered as basic weighted average shares outstanding	688 845 126	684 300 932
Add Effect of potential issue of shares/ stock options	16 821 504	17 320 478
Number of shares considered as weighted average shares and potential shares outstanding	705 666 630	701 621 410
Net profit after tax attributable to shareholders	4 270 44	3 198 99
Net profit after tax for diluted earnings per share	4 270 44	3 196 99

Not considered when anti-dilutive

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year excluding equity shares purchased by the Company and held as treasury shares

Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares Employee share options are dilutive potential equity shares for the Company

31 Capital and other commitments and contingent liabilities

(₹ in million)

		March 31 2025	March 31 2024
a)	The estimated amount of contracts remaining to be executed on capital account and not provided for (net) against which advances paid are ₹ 5 69 (March 31 2024 ₹ 29 76)	626 20	358 22
b)	Claims not acknowledged as debts	1.35	1.35
c)	Guarantees given to the Government of India Customs and Central excise department in relation to future duty obligation and letter of credit given (Refer table below)	28 206 15	16,020 77
d)	The Company has a purchase commitment towards Nanobi Data and Analytics Private Limited for the Optionally Convertible Debentures of ₹ 100 per unit of 1 20 000 units	12 00	12 00

Guarantees

(₹ in million)

	March 31 2025	March 31 2024
Guarantees given for working capital facilities and finance lease on behalf of Firstsource Solution UK Limited (FSL-UK)	7 306.37	2 415 75
Guarantees given for credit facilities and term loans on behalf of Firstsource Group USA Inc. (FG US)	17 778 80	13 595 02
Guarantees given for performance guarantee to customer on behalf of Firstsource Solutions Australia Pty Limited	3 120 98	-
Guaran tees given to the customer and others	-	10 00
	28,206 15	16 020 77

Guarantees given pertain to guarantees given to customers and the Government of Ind a Customs and Central Excise department towards future duty obliga ions

Notes to the standalone financial statements

as at and for the year ended March 31 2025

Direct tax matters

Income tax demands amounting to ₹ 1,930 70 (March 31 2024 ₹1 917 41) for the various assessment years are disputed in appeal by the Company in respect of which it has favorable decisions supporting its stand based on the past assessment or otherwise and hence the provision for taxation is considered adequate The Company has paid ₹ 10 38 (March 31, 2024 ₹ 10 38) tax under protest against the demand raised for the assessment year 2004-05 ₹ 12 50 (March 31 2024 ₹ 12 50) tax under protest against the demand raised for the assessment year 2009 10, ₹ 80 00 (March 31 2024 ₹ 80 00) tax under protest against the demand raised for the assessment year 2011-12 ₹ 5 00 (March 31 2020 ₹ 5 00) tax under protest against the demand raised for the assessment year 2014-15 ₹ 2 50 (March 31, 2024 ₹ 2 50) tax under protest against the demand raised for the assessment year 2015-16

Indirect tax matters

Service tax demands amounting to ₹ 192 52 (March 31 2024 ₹ 192 52) in respect of service tax input credit and FCCB issue expenses is disputed in appeal by the Company The Company expects favourable appellate decision in this regard

Goods and Service tax demands amounting to ₹ 79 50 in respect of GST departmental audit findings is disputed in appeal by the Company The Company expects favourable appellate decision in this regard The Company has paid ₹ 4 56 tax under protest against the demand raised

The Company s pending litigations comprise of claims against the Company and pertaining to proceedings pending with Income tax service tax and GST The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable in the financial statements The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements

32 Long-term contracts

The Company has a process whereby yearly all long-term contracts (including derivative contracts) are assessed for material foreseeable losses At the year end the Company has reviewed and ensured that adequate provision as required under any law / Accounting Standards for material foreseeable losses on such long-term contracts (including derivative contracts) has been made in the books of account

33 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act 2013, funds have been contributed by the Company to the RP Sanjiv Goenka Group CSR Trust and are to be utilized on the activities which are specified in Schedule VII to the Act The areas identified by the CSR trust includes activities for promoting healthcare, art / culture, sports and education as the four priority areas to be pursued in phases and in a manner aligned with the CSR rules and regulations The trust has informed that they are working on a project to set up school which will offer IB and IGCSE courses The amount paid towards our contribution is being utilized to purchase land for setting up this school

Gross amount required to be spent by the Company during the year is ₹ 70 81 (March 31 2024 ₹ 75 30)

(₹ in million)

	March 31 2025	March 31 2024
Opening balance	64 30	
Contribution accrued for the year	70 81	75 30
Contribution to RPSG CSR Trust during the year	(64.30)	
Amount spent by the Company during the year	(14 00)	(11 00)
Closing balance payable	56 81	64 30

Unspent amount of ₹ 56 81 and ₹ 64 30 has been transferred to a earmarked special bank account on March 28 2025 and March 31 2024 respectively

34 Micro, small and medium enterprises

There are no outstanding dues to Micro and Small enterprises as at March 31 2025 and March 31 2024 respectively Micro and Small Enterprises have been identified based on information collected by the Company

35 Ratio Analysis and its elements

(₹ in million)

Ratio	Numerator	Denominator	March 31 2025	March 31 2024
Current ratio	Current Assets	Current Liabilities	1 46	3 56
Debt Equity Ratio	Total Debt	Shareholder s Equity	0 10	NA
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Depreciation	Debt service = Interest & Lease Payments + Principal Repayments	5 05	6 67
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	17 1%	13 6%
Trade Receivable Turnover Ratio	Sale of services	Average Trade Receivable	2 85	2 34
Trade Payable Turnover Ratio	Other expenses	Average Trade Payable	4 47	4 59
Net Capital Turnover Ratio	Sale of services	Working capital = Current assets – Current liabilities (excluding Short-term and other borrowings)	3 97	2 52
Net Profit ratio	Net Profit	Sale of services	18 5%	20 0%
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Net worth + Lease liabilities Deferred tax assets + Long-term and short-term borrowings	18.8%	16 1%
Return on investment ratio	Income generated from invested funds	Average Investments in mutual funds/deposit accounts	17 9%	16 0%

Change in the ratios of more than 25% as compared to the preceding year is a derivation of the change in the numerator defined against each ratio

36 Exceptional items

Exceptional items comprise of fair value adjustment on the contingent consideration payable on account of an earlier business combination resulting in a credit of ₹ 651 44 and charge of special bonus of ₹ 100

37 Subsequent events

The Board of directors at its meeting held on April 28, 2025 has approved the consolidated financial statements as at and for the year ended March 31 2025

As per our report of even date attached

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

Mukesh Jain
Partner
Membership No 108262

Gurugram
April 28 2025

For and on behalf of the Board of Directors of
Firstsource Solutions Limited

Dr Sanjiv Goenka Chairman (DIN 00074796)	Pradip Kumar Khaitan Director (DIN 00004821)	Ritesh Mohan Idnani Managing Director and CEO (DIN 08403168)
Shashwat Goenka Vice-Chairman (DIN 03435121)	Utsav Parekh Director (DIN 00027842)	Subrata Talukdar Director (DIN 01794978)
Sunil Mitra Director (DIN 00113473)	T C Suseel Kumar Director (DIN 06453310)	Vanita Uppal Director (DIN 07286115)
	Rekha Sethi Director (DIN 06809515)	Dr Rajiv Kumar Director (DIN 02385076)
Mumbai April 28 2025	Pooja Nambiar Company Secretary	Dinesh Jain President and CFO

REGISTERED OFFICE

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