

1st July 2025

National Stock Exchange of India Limited

Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051
(Stock Code: "FSL")

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
(Scrip code: "532809")

Dear Madam/Sir,

Sub: Annual Report for FY 2024-25

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to submit a copy of the Company's Annual Report for the financial year 2024-25, which contains, inter-alia, the Notice convening the 24th Annual General Meeting (AGM).

The same is also available on the Company's website viz., www.firstsource.com.

Request you to kindly take the same on record.

Thanking you,
For **Firstsource Solutions Limited**

Pooja Nambiar
Company Secretary
Encl. A/a

Firstsource Solutions Ltd.

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(CIN: L64202MH2001PLC134147)



UnBPO™

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25.9% YoY
revenue growth in FY25

14
large deals won during FY25

Top 99th Percentile
in S&P Global Sustainable1
CSA Score

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UnBPO™



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The UnBPO™ Company

Rewriting the rules of business process outsourcing

Outsourcing used to be simple: shift work to lower-cost locations, scale up with people, and chase savings through labor arbitrage. But that world is long gone. Today, we operate in a FLUX reality — Fast, Liquid, Uncharted, Experimental — where business models shift overnight, customer expectations surge, and legacy systems strain to keep up.

→ The problem with the old playbook

For decades, traditional BPOs ran on one engine: cost. But in a world shaped by AI, automation, and digital disruption, that model has hit a wall. Clients no longer want cheaper — they want smarter, faster, and more adaptable. And to get there, they must eliminate what we call PTSD (Process, Tech, Skill, Data) debt — the accumulated drag of rigid processes, outdated technologies, narrow skillsets, fragmented data, and location-based constraints.

→ Enter UnBPO™

Born from Firstsource's relentless drive to innovate, UnBPO™ is our bold reimagining of Business Process Outsourcing. It's not an iteration — it's a revolution. One that leaves behind outdated playbooks and builds a future-ready model powered by technology, intelligence, and outcomes.

→ The UnBPO™ difference

UnBPO™ isn't just built for the future — it's built for this moment. A moment where the lines between front office, back office, IT, and BPO are blurring. Where 'as-a-service' isn't a trend but a standard. Where technology arbitrage replaces labor arbitrage as the driver of transformation.

The key tenets of UnBPO™ :

Traditional commercial models must give way to non-linear, outcome-driven frameworks — where service behaves like software.

Cost arbitrage is baseline. The edge now lies in technology-led leverage, where deep domain expertise, AI integration, and hyper-specialization drive differentiation and sustained advantage.

AI Centers of Excellence and smart partnerships will define future delivery models. Location debt must be replaced by strategic orchestration of talent, tools, and alliances.

The workforce is being reshaped by who we hire, how we assign work, and what skills matter. Hierarchies must give way to fluid roles, personalized skilling, and collaborative impact.

UnBPO™ is our blueprint for the future of work — designed to help clients not just survive disruption, but thrive because of it.

Built for disruption.
Engineered for outcomes.

About Firstsource

Firstsource Solutions Limited, an RP-Sanjiv Goenka Group company, is a global leader in business process services, serving clients across Healthcare, Banking and Financial Services, Communications, Media and Technology, Retail, and other diverse industries.

With a global footprint spanning across the US, UK, India, the Philippines, Mexico, Romania, Turkey, Trinidad & Tobago, South Africa, and Australia, we leverage our differentiated UnBPO™ approach to reimagining traditional outsourcing to deliver real-world, future-focused solutions that drive speed, scale, and smarter decisions – turning transformation into tangible results that matter.



RP-Sanjiv Goenka Group is among India's fastest-growing conglomerates with businesses across several sectors – Power, BPM, Chemicals, Media & Entertainment, Retail, FMCG, Sports, and Education.

The Group has presence in more than 60 countries with 100+ offices and a global workforce of over 50,000 employees.

OVER 1.2 Mn
Shareholders

USD 5 Bn
Revenue

USD 8 Bn
Asset base

USD 9 Bn
Market capitalization

REACH OUR VALUES

REACH articulates our ambition to outperform in a dynamic digital world



RISK TAKING
courage, innovation, entrepreneurial mindset



EXECUTION EXCELLENCE
clarity, getting things done, achievement (not just activity)



AGILITY
growth mindset, progress over perfection, learnability



CUSTOMER FIRST
honesty, selflessness, trust



CREDIBILITY
simplicity, curiosity, authenticity



HUMANENESS
vulnerability, humility, professionalism

Our global footprint

A diverse team of **34,651** Firstsourcers in **9** countries across **51** centers, representing **83** nationalities.



We are socially conscious



We make it happen



Global alignment

ESG disclosures aligned to six leading global frameworks: DJSI, CDP, EcoVadis, GRI 2021, TCFD, and UNGC.

Scope 1 emissions eliminated

Achieved a 100% absolute reduction in Scope 1 emissions.

UNGC commitment

Proud signatory to the United Nations Global Compact, reinforcing our commitment to responsible business practices.

Assured GHG inventory

Achieved reasonable assurance of our greenhouse gas inventory, ensuring accuracy and accountability.

On track for Net Zero

Advancing decarbonization initiatives aligned with our Net Zero 2050 target.



Letter from the Chairman



Dear Shareholders,

As we turn the page on FY25, I write to you with immense pride and deep conviction. This has been a milestone year for Firstsource — not just in terms of performance, but in how we have laid the foundation for a truly sustainable and future-ready enterprise. We have not merely responded to a changing world — we have leaned into the disruption, reshaped it to our advantage, and grown stronger through it.

We are in motion. Boldly, deliberately, and with a clear-eyed vision of what comes next.

Turning a corner: The year we reimagined possibility

FY25 was a year marked by acceleration — of technology, expectations, and opportunity. AI became mainstream, macroeconomic uncertainties tested resilience, and the demand for agility from enterprise partners reached new heights.

It was also the year we chose to reframe our identity — not as a Business Process Outsourcing Company in transition, but as an orchestrator of intelligent, outcomes-first operating models. Our UnBPO™ philosophy, once a forward-leaning aspiration, is now a lived reality. It guided every strategic choice we made — from how we serve clients to how we structure talent, deploy technology, and measure success.



In FY25, we grew revenues by 25.9% YoY, nearing the USD 1 billion mark, in addition to achieving a 21.7% rise in PAT, reflecting scalable, responsible growth.



This deliberate, future-facing shift enabled us to cross significant milestones:

- We grew revenues by 25.9% YoY, nearing the USD 1 billion mark
- We saw a 21.7% rise in Profit After Tax (PAT), reflecting scalable, responsible growth
- We increased outcome-based engagement models across key verticals
- We built and launched next-gen platforms like Firstsource reAI™ and Agentic AI Studio
- We sharpened our AI strategy with tangible deployments and measurable impact

Each of these outcomes is not just a business achievement, they represent the maturity of a model designed to be both resilient and regenerative.

Embracing disruption, purposefully

Across industries, disruption today is no longer episodic; it is structural. At Firstsource, we do not fear this reality. We welcome it. FY25 was defined by our bold embrace of disruption — turning change into a powerful driver of transformation.

This transformation played out on several fronts:

Reinventing operating models

The traditional BPO model — built around cost and headcount — can no longer match the speed or complexity of modern business. With UnBPO™, we're moving beyond labor arbitrage to technology arbitrage — using AI, automation, and expert talent to get the right work done by the right resource, faster and smarter.

Redefining value for clients

Today, a growing share of our engagements are priced on outcomes, not effort. We're helping clients measure value the way they experience it — through speed-to-market, operational agility, customer experience, and revenue impact. This shift has helped deepen client partnerships and win cross-border, multi-service mandates.

Investing in scalable capability

We didn't just automate — we invested in capability. From AI-led recruitment and skilling to domain-focused delivery models, we enabled scale with context. Prism, our custom skilling platform, is training talent for tomorrow's roles. AI is now embedded across hiring, compliance, customer interaction, and decisioning layers — turning data into direction.

Built to last: A culture of inclusion, innovation, and accountability

Even as we engineered operational excellence, we stayed anchored in values that have long defined Firstsource: fairness, respect, and a belief in the power of people.

FY25 saw us welcome over 6,700 new colleagues. Our diversity ratio stood at 46.4% women, and we expanded our DE&I networks globally. We launched new Employee Resource Groups, held our first DE&I Week, and improved accessibility policies across markets.

We were honored to be recognized among India's Top 50 Best Workplaces for Innovation by All (Great Place to Work®). To us, this is not just a badge of honor — it is evidence of a culture where everyone is empowered to lead, contribute, and grow.

We also made significant progress on ESG. All UK locations and our Mumbai HQ now run entirely on green energy. 100% of our e-waste was responsibly recycled. Our CSR initiatives, focused on healthcare, education, environment, and entrepreneurship - saw participation from over 6,800 colleagues (as volunteers and donors), contributing 21,000+ volunteering hours and positively impacting more than 52,000 lives.

These are not side projects. They are core to how we build and measure our business.



Dr Sanjiv Goenka, Chairman of RPSG Group and Firstsource, with Jacinta Allan, Premier of Victoria, at the launch of our ANZ Headquarters



Industries that power the world: Clients who trust us

We serve some of the most critical sectors of the global economy — Healthcare, Banking and Financial Services, Communication, Media and Technology, Utilities, and Retail — industries that together form more than two-thirds of the world's GDP. Our clients include Fortune 500 and FTSE 100 leaders, digital disruptors, and government institutions. They trust us with their most mission-critical functions, and we serve them with accountability and care.

We know that in today's world, trust is earned not just through contracts, but through consistency.

Looking ahead: From momentum to movement

FY25 may have been a year of strong numbers, but it was also a year of signals — each pointing to a new era of opportunity.

We are no longer a company that merely keeps up with change. We are shaping it.

We are ready for what is next. Our UnBPO™ foundation, our investments in platform intelligence, and our belief in human potential give us the confidence to build a future that is faster, fairer, and fundamentally more sustainable.

To all our clients, investors, partners, and teams — thank you. Your trust fuels our journey.

Let us keep moving forward, together.

Dr Sanjiv Goenka
Chairman

Letter from the MD & CEO



Dear Shareholders,

FY25 was a milestone year for Firstsource. We exited the year with a billion-dollar revenue run-rate, four quarters ahead of our aspirational goal of Q4FY26. We recorded our highest-ever deal wins and our incremental revenue addition in FY25 was more than double the cumulative addition of the previous three years.

FY25 was a year of:

- **Industry dominance**
- **Bold thinking**
- **Our pivot to AI**
- **Expanding our footprint**
- **Being prudent while investing for growth**

Industry dominance

Our improved growth momentum has helped us gain almost half a percent of market share over the last four quarters against the group of our fifteen closest global publicly listed peers, based on the trailing four quarters reported revenues. Importantly, we are expanding our footprint in existing accounts and seeing increased success in cross-selling across service lines. Our improved win rates, coupled with deeper client engagement, give me confidence that our growth is becoming more durable.

Bold thinking

We unveiled the UnBPO™ playbook that challenges the traditional BPO model and reimagines model from the ground up, with AI and automation at the core. Since its launch, we have seen a very strong interest from clients and prospects, many of whom have asked for follow-up workshops with their senior leadership teams to explore the tenets and assess their preparedness for the UnBPO™ model. The radical thought process behind UnBPO™ has also improved our visibility with industry analysts, several of whom have published extensively on the concept and are amplifying it with our target audience.

Strategic realignment

We made meaningful progress on One Firstsource, our strategic framework that defines how we lead, grow, execute and prepares us for the future. In FY25, we added thirteen new clients generating over USD 1 million in revenue, five clients contributing over USD 5 million, and two clients exceeding USD 10 million in revenue, reflecting the broad-based momentum of our growth. We won 14 large deals, of which 5 were from new logos. These are visible signs of the success of our initiatives to broad-base our revenues and build multiple growth engines.

Our pivot to AI

We believe that AI and other emerging technologies are fundamentally reshaping the BPO industry. As the axis shifts from labor arbitrage to technology arbitrage, traditional strengths such as large-scale delivery centers and optimized employee pyramids may turn into constraints. Providers must therefore rewire their business models, not merely enhance them. This makes Firstsource uniquely positioned to lead, large enough to deliver significant impact, yet agile enough to innovate at speed. In FY25, we launched reAI™, a suite of AI-led offerings, solutions, and platforms to drive digital transformation of clients in a responsible manner. We are now proactively responding to RFPs with technology-first solutions that have AI and automation at the core. We are

also infusing our current platforms across healthtech, fintech, and CX with AI to significantly enhance their operational efficiencies and improve business benefits to customers while continuing to deepen our partnerships with innovative startups and hyperscalers.

Expanding our footprint

In FY25, we expanded our operations in Australia with an onshore delivery center and a dedicated AI Innovation Lab in Melbourne. The Ascensos acquisition added some of the most iconic UK Retail brands to our client list. It also expanded our delivery footprint to South Africa, Romania, and Trinidad and Tobago with capabilities to provide customer support in 11 languages.

Being prudent while investing for growth

During the year, we made several senior hires to fill the identified gaps in sales, solution design, technology, and delivery operations across market units and capability units to put in place a team that is equipped to deliver on our medium-term growth aspirations. We are also investing in developing new capabilities, both organically and inorganically, and refreshing our existing portfolio. Despite stepped-up investments, we kept our EBIT margins within a narrow band through strong execution and cost discipline. We remain committed to expanding our margins by 50-75 bps every year over the medium term.

Above all, FY25 was a year of celebrating and recognizing the efforts of 34,651 Firstsourcers. Their commitment to our purpose, their belief in our vision, and their drive to deliver for our clients is what powers our journey forward. We are steadfast in our commitment to creating an environment where every Firstsourcer feels valued, empowered, and motivated to contribute their best. I'm pleased to report that our attrition rate decreased by approximately 6 percentage points in FY25. I am also proud of the diversity of our workforce. Women employees form 46% of our workforce, and with Ascensos and Australia coming into the fold, we now have employees working across 10 countries.

I believe we have set the stage for accelerated impact in FY26 and beyond. As we look ahead, the opportunities to build on this momentum are immense. The industry is at an inflection point, and our scale places us well to lead the growth. With our strategy in place, our team aligned, and our momentum strong, I believe we are well on track to deliver predictable, sustainable, and profitable growth in FY26.

Ritesh Idnani
Managing Director & Chief Executive Officer

Our deep-domain expertise

We operate at the center of industries that shape economies and societies. By embedding deep domain knowledge into every engagement, we empower clients to unlock new efficiencies, elevate customer experience, and accelerate transformation securely and at scale.

Healthcare

- Achieved **74%** patient adoption rate through pre-screening solution for a large healthcare system
- Processed **75 Mn+** manual Payer claims annually
- Actualized **>20%** uptick in Medicaid enrollment by enabling omnichannel patient outreach for a leading Provider
- Identified **USD 25 Mn** in savings through process mining for a top 5 national health plan

- **12** of Top 15 health plans/managed care providers in the US
- **1,000+** hospitals in the US

Revenue share
34.9%

Banking & Financial Services

- Helped a US-based mortgage company reduce its cost of underwriting loans by **70%**
- Built **125 bots** to enable better automation for a leading retail bank
- Enabled **£ 2.8 Mn** of direct cost savings for a payments FinTech across client acquisition, risk, and compliance
- Up to **90%** of total cash collected utilizing Digital Collections solution for multiple brands

- **15** of Top 20 mortgage lenders and servicers in the US
- **6** of Top 10 credit card issuers in the US
- **3** of Top 6 retail banks in the UK

Revenue share
34.0%

Communication, Media & Technology

- Enabled **2 Bn+** back-office transactions in a year
- Delivered a 5-year gross savings of **£ 37.6 Mn** for a UK bank
- Enabled **85%** improvement in complaint forecasting accuracy for a UK high street bank
- Achieved **90%** reduction in monthly customer complaints; 75% reduction in first three years for a UK high street bank

- **1** of Top 2 broadcasting and media companies in the UK
- **2** of Top 5 telecom and broadcasting companies in the US
- **4** of Top 5 consumer technology companies in the US

Revenue share
21.2%

Retail

- Cut fraudulent claims by **£ 500 K** per year for a luxury beauty retailer
- Achieved **80%** reduction in product support contacts for a consumer appliance company
- Enabled **£ 130 Mn** sales through new lead-handling process for a home improvement retailer
- Resolved **50%** of all complaints within 48 hours; 86% of serious complaints in 10 days for a global restaurant chain and franchise

- **2** of Top 8 retailers in the UK

Revenue share
5.0%

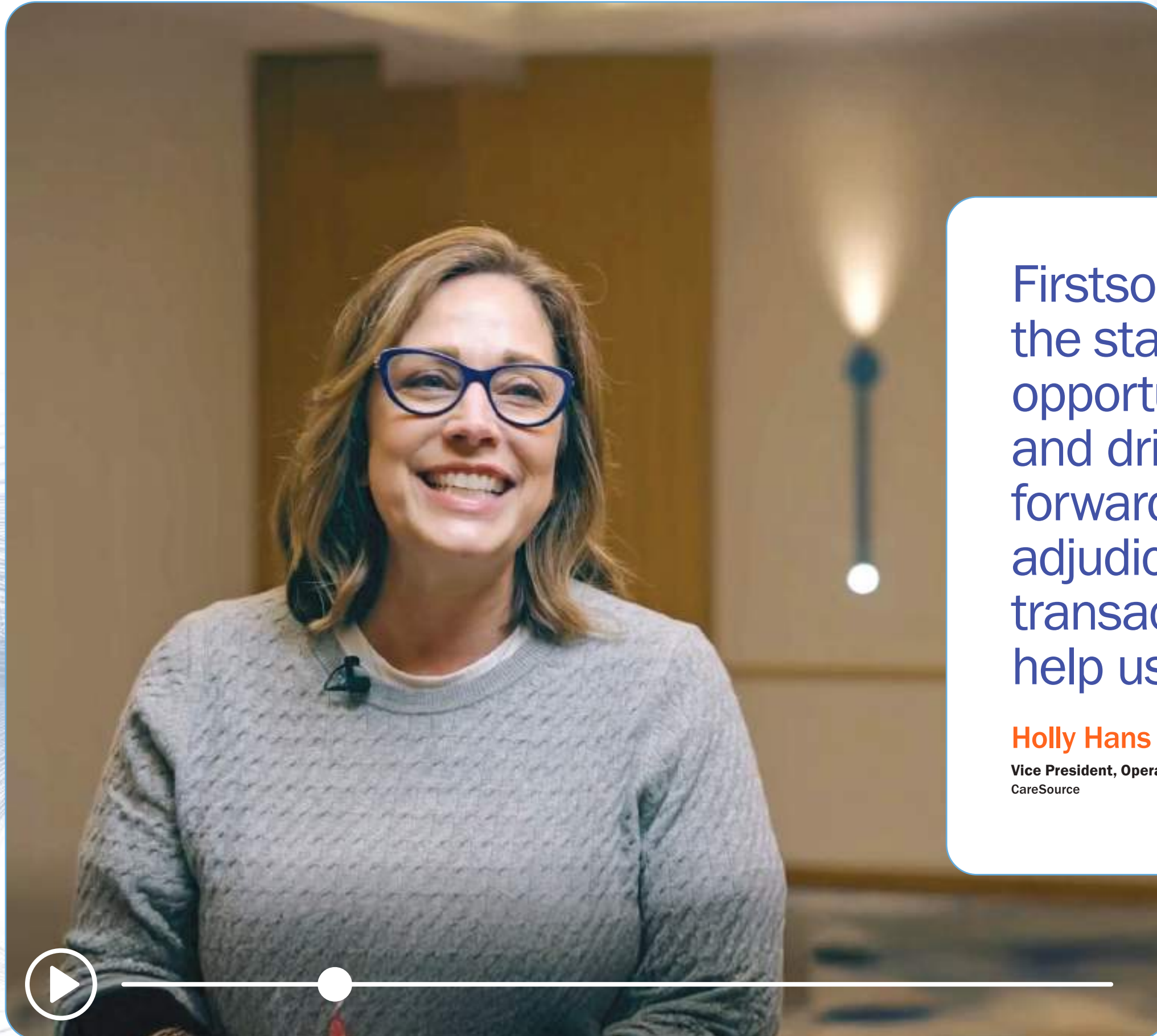
Utilities

- Resolved **>98%** of complex and aged complaints within 56-day window for one of the largest energy retail suppliers in the UK
- Increased retention and winback success rate by **60%** for one of the largest energy retail suppliers in the UK
- Enabled a **225%** improvement on sales leads for one of the top 5 energy retail suppliers in the UK
- Achieved **>99%** compliance for one of the largest energy retail suppliers in the UK

- **2** of Top 5 utilities companies in the UK

Revenue share
4.9%

Client speak



Firstsource challenges the status quo, brings opportunities to the table, and drives our strategy forward. Even as auto-adjudication reduces their transaction volumes, they help us automate more.

Holly Hans

Vice President, Operations
CareSource



Scan QR to access the video

Case study

Blueprint for Healthcare – reimaged



When I look back at FY25, I'm filled with pride at how our Healthcare team came together to redefine what's possible for our clients and their members. We closed the year on a high — adding eight new logos, winning multiple large deals, and delivering a record-breaking quarter in ACV by moving beyond just processing tasks into true outcome partnerships, supported by AI-powered, people-first solutions. These results underscore not just recovery, but renewed momentum.


One of the highlights was kicking off our Claims-as-a-Service engagement with a U.S. headquartered managed care company, where we were entrusted to manage every single claim through Agentic AI workflows and decision-assist copilots. Seeing the team rally around this mission, knowing each claim we process can mean faster care for someone in need, reminds me why we do what we do.

Today, we are working with over 52 health plans — changing the game by building Digital Twins for back-office processes, creating claims propensity models, transforming training through Instructional Design Copilots, and deploying Agentic workflows at scale. These innovations are not just solving today's problems, but are also helping shape the future of healthcare operations.

What continues to set us apart is our ability to proactively shape the right deal structures — creative, nonlinear, and tightly aligned to outcomes. A standout example is our largest-ever BPaaS deal - a new logo win with a North American health plan. This is not just another operations contract; it is a five-year, trust-based partnership with a built-in transformation.

Looking to FY26, I am both excited and optimistic. Healthcare is facing tougher regulations, rising costs, and rapid tech shifts — but those very pressures highlight why our UnBPO™ model matters. By shifting from transactional work to outcome-driven partnerships, we are not just helping our clients navigate complexity; we are helping them lead through it. And that is why I am energized for the journey ahead.

Anup Panthalo
Executive Vice President
Health Plans and Healthcare Services
Firstsource



Client at a glance

Industry: Multi-state Medicare and Medicaid health plan company

Region: United States


The context

The client sought to navigate the dual challenge of achieving cost targets while scaling AI solutions and accelerating value realization across claims operations.

- Meeting significant cost optimization commitments for 2024 and beyond while maintaining service excellence and operational efficiency.
 - Overcoming integration and scalability challenges in deploying AI-driven solutions within claims
- operations to enhance accuracy, efficiency, and cost-effectiveness.

 - Accelerating time to value and savings realization while ensuring seamless implementation and adoption of new processes.

The UnBPO™ approach




Domain expertise embedded into software solutions

Claims-as-a-Service for all LOBs, including Medicare, Medicaid and Marketplace.

Combined rebadge operational transformation solution with cutting-edge AI technologies.


Right shored operations navigating the regulatory restrictions.



Customized GenAI solutions

Implemented AI/GenAI-powered automation solution with claims decision agents and copilots to redefine the claims operation landscape.

Implemented the Eliminate, Accelerate, and Debottleneck - 'EAD' digital accelerator framework to generate efficiencies using AI decision agents, automation bots and process mining.



Creative financial structuring

Deliver savings early in the program with creative solutioning.

Moving towards an outcome-based model with an ownership of business outcomes not just SLAs

The impact

20%

Deal term savings

20%

Faster speed to competency

33%

FTE effort saved

Faster

TAT & efficiency gains

Case study

Recharging performance for a leading **UK utility** provider



FY25 was a year of renewal and growth for the Energy & Utilities vertical at Firstsource. In a highly regulated and competitive industry, retaining and expanding client relationships takes more than just capability—it requires trust, thought leadership and delivery excellence. Winning a USD 200 million TCV contract with one of the largest energy supply companies in the UK, following a competitive rebid process, was a proud moment. It reaffirmed our role as their strategic partner and expanded our scope to cover front office, back office, SME operations, debt collections, smart meter health, and complex complaint management. This enables us to manage operations across all divisions in the client organization and the potential to deliver AI-led transformational services for several business units.

Our clients have welcomed the UnBPO™ way of working and by re-framing industry challenges and co-developing sector-specific solutions for Energy and Water Retail companies, we're bringing in new ways to solve problems. Tools like AI Coach and Agents Assist have improved speed to competency. We've introduced process mining and intelligent interactive dashboards to drill down to find inefficiencies, enable root cause analysis, and improve cost-to-serve and customer experience. With digital technologies we are enabling reduction in Field Services costs while speech analytics and automated QA is enabling us to help Utility Companies to better understand customer sentiment, response to new products and tariffs and identify vulnerability and challenges with ability to pay, and reduce field service costs through self-service enablement.

As we head into FY26, our strong foundation—the UnBPO™ way of working, our agile and customer-obsessed E&U team, a responsive partner ecosystem, and strong leadership support—has us well positioned to help Energy and Utility retail clients tackle industry challenges and deliver on key priorities. We're focused on helping them enhance customer experience and build trust. We also support better management of vulnerable customers and ATPs, streamline back-office operations, reduce debt as a percentage of revenue, and strengthen security and compliance.

Sonali Parande
Client Partner - Utilities (EMEA)
Firstsource

Rajeev Lewis
SVP - Head of Energy & Utilities
and Diverse Industries
Firstsource

Recharging performance for a leading **UK utility provider**



Client at a glance

Industry: Utilities

Region: United Kingdom

The context

- A backlog of unresolved complaints and complex aged occupier/developer debt
- Low customer satisfaction and high attrition
- Delays in smart meter adoption across customer segments
- High speed-to-competency requirements for universal agents

The UnBPO™ approach



Complaints resolution

We introduced an ownership-based model with structured reporting to enhance visibility and accountability. Customer intelligence reports enabled a closed-loop feedback system that drove faster, more accurate resolutions and impact-led interventions.



Customer satisfaction

Embedded analytics helped pinpoint service gaps, while upskilling and skill progression for complaint-handling SMEs drove a culture of high performance and continuous learning.



Agent enablement

Implemented AI Coach to accelerate agent competency and reinforced an operational excellence framework to support learning, performance, and engagement.



Debt liquidation

Our teams proactively analyzed data to identify and prioritize aged occupier and developer debt. A tailored resolution strategy improved collection efficiency and cash recovery.



Smart meter adoption

We redesigned the contact strategy to include inbound and messaging channels, supplemented with sales coaching from Smart Metering SMEs. Feedback loops enabled real-time insight sharing with key stakeholders.



Attrition management

Using advanced propensity models and personalized conversational strategies, we focused on building stronger, insight-led customer relationships, reducing churn and enhancing loyalty.

The impact

>98%

56-day resolution on complex and aged complaints

15%

increase in customer satisfaction

+20%

higher speed to competency with NPS improvement

25%

improvement in Occupier and Developer Debt

12%

increase in SMART meter adoption

60%

increase in Retention and Winback success rates

Case study

The power of plural, at scale



FY25 has been a strong year for us in the UK BFS sector, marked by the addition of two new logos in strategically important areas—building societies and pension administration. More significantly, it was a watershed year for our transformation journey, where we embraced AI-led solutions as a foundational lever to address client challenges. This approach led to two landmark outcomes: being invited to join one client's Innovation Council and leading CX transformation initiatives for another—both representing a step-change in our strategic positioning.

We also moved up the value chain this year by delivering more complex services across the banking spectrum, setting up voice-based operations from offshore locations, and becoming part of clients' design authority frameworks. These are not just wins—they are structural shifts that will define our operating model for years to come.

In alignment with the UnBPO™ principle of 'Inch Wide, Mile Deep', we have identified high-impact problem areas in retail banking and are shaping solutions that blend deep domain knowledge with emerging technologies. For instance, in the context of ISA transfers—a longstanding operational challenge—we have developed a prototype leveraging Agentic AI principles to demonstrate how such solutions can improve cost efficiency and service quality.

In the Economic Crime space, we have begun with process intelligence initiatives to map operational pain points and identify opportunities where AI can significantly reduce false positives in alert disposition. These early efforts set the stage for targeted, outcome-driven transformation in FY26.

Looking ahead, our focus is to scale these innovations, embed AI thoughtfully where it drives measurable impact, and extend our partnership footprint across adjacent banking functions. With a strong foundation laid in FY25, we are well-positioned to accelerate UnBPO™-led transformation for the sector in FY26.

Venugopala Dumpala
Head of Solutions – EMEA
Firstsource

Ali Prentice
Senior Vice President –
Financial Services, EMEA
Firstsource

Martin Pearson
Senior Vice President – Financial
Services, EMEA
Firstsource

The power of partnership, at scale

The context

In a rapidly evolving regulatory and digital landscape, the world's largest building society partnered with Firstsource to optimize its Total Cost of Ownership (TCO), modernize operations, and build a sustainable, future-ready service model. The scope of transformation covered three major service lines—Banking and Savings Operations (BSO), Economic Crime Prevention (ECP), and Chat, spanning 16 core processes and

99 sub-processes, supported by a web of 72 tools and applications.

The complexity was high: fragmented systems, manually assigned workloads, and a traditionally in-house operational model. This was also the client's first strategic outsourcing partnership, underscoring the importance of trust, alignment, and operational excellence.

The UnBPO™ approach



Innovation at the core

- AI Coach was deployed to deliver real-time coaching, enhancing agent performance through personalized insights and on-the-fly training recommendations
- GenAI-powered QA automation enabled large-scale quality reviews, identifying agent-level gaps in soft skills, compliance, and knowledge
- A compassionate Bereavement Services solution was introduced to improve member experience during sensitive life moments



Seamless integration and cultural alignment

Firstsource established deep alignment with the client's culture and purpose, embedding continuous process intelligence into every layer of operations.

A model office was created to design scalable workflows across the banking value chain, conducting detailed fitment analyses for AI, automation, and analytics.



Sustainable by design

Through the Innovation Council and a co-created governance model, we developed a long-term, sustainable operating framework across economic crime prevention, specialist operations, and member service. Risk mitigation was embedded through planning principles, performance controls, and process intelligence tools.

The impact

55%

savings across 3 years

~30%

headcount reduction

5–8 points

improvement in NPS

~30%

improvement in turnaround time



Client at a glance

Industry: Banking

Region: United Kingdom

Case study

A new standard in Communication, Media & Technology



FY25 has been a breakout year for our Communication, Media and Technology (CMT) business. We delivered strong YoY growth and continued to gain ground across both traditional players and new-age digital-first brands. But what makes this year stand out is not just the scale — we have shifted the conversation with our clients from efficiency to transformation.

Truckstop is a great example. We helped them evolve from a U.S.-centric model to a truly location-agnostic, multilingual operation, powered by standardized delivery across Dallas, India and the Philippines. We deployed fully automated QA across 100% of customer service interactions, thus reducing manual effort. We utilized AI-enabled accent neutralization for a better experience, thereby improving both CSAT and AHT. It is UnBPO™ in action: outcome-driven, tech-enabled, and leveraging a strong partner ecosystem.

What is consistently working is our 'Inch Wide, Mile Deep' approach — leaning into domain depth to unlock new value. For instance, our work with ETS continued to scale with focus on understanding test-taker personas and user journeys to build AI first solutions not only for support but adjacent areas such as remote proctoring and test analysis.

We were also able to bring creative work models such as gig platforms that help scale services in test evaluation leading to significant savings.

Whether it is redesigning the entire student life-cycle for an Institution or creating Agentic AI automation for test scheduling, our clients see us not just as a vendor — but as a transformation partner.

As we step into FY26, I am energized by what is ahead. The pipeline is well-balanced across EdTech, media, publishing, and emerging tech platforms. We have now built a sustainable practice driven by industry advisors, nuanced solutions, and talent with specialized prior experience from these sectors. With this strong foundation — powered by innovation and anchored in measurable impact — I am confident that we will continue to lead the way.

Tij Nerurkar

Senior Vice President, Global Head EdTech
Firstsource

A new standard in Communication, Media & Technology



Client at a glance

Industry: EdTech

Region: United States

The context

Our client, a world leader in education assessments, faced a convergence of pressures - rising customer dissatisfaction, growing competition, and shifting expectations from digital-native students. They were grappling with:

- High abandonment rates (30%) due to lack of same-time-zone support
- Turnaround times stretching to 30+ days caused by manual, fragmented email processes
- Over 60,000 unresolved queries driving long hold times and dissatisfaction
- Limited digital deflection, with broken website links, an underperforming chatbot, and no self-service options

The UnBPO™ approach

We partnered with the client to reimagine their customer experience from the ground up — placing intelligence, empathy, and agility at the core.

A roadmap rooted in insight

Using journey mapping, persona interviews, and sentiment analysis, we crafted a 30-90-180-day roadmap that zeroed in on process gaps and channel inefficiencies.

CX Intelligence, reimagined

We deployed agent-assist tools, AI-powered chatbots, Visual IVR, and Firstsource's proprietary Customer Intelligence framework, streamlining interactions and enabling self-service at scale.

Generative AI in action

AI-driven sentiment analysis and touchless email handling transformed the response model, reducing manual load while improving experience.

Faster, smarter, 24/7 support

In just 45 days, we launched a global, round-the-clock L1 support team. Abandonment rates dropped to 1%, and hold times shrank from 20+ minutes to under 5.

From bottlenecks to flow

A tier-based resolution model prioritized critical cases, clearing backlog and driving first-contact resolution.

Scalable, global, future-ready

We built a flexible operations model that dynamically adjusts to volume spikes and supports the client's global expansion into High Stakes Assessment and credentialing programs.

The impact

24/7

support with a tech-enabled L1 CX team live in 45 days

15%

Call Abandonment Rate Reduction achieved through Visual IVR, reducing call hold time from 20+ minutes to just 5 minutes through Visual IVR

20%+

improvement in CSAT YoY and 60,000+ backlog cases cleared in 60 days

15%

turnaround times YoY via automation and process improvements



A new standard in
Communication, Media & Tech experience

Client at a glance

Industry: Freight

Region: United States

The context

- As the client rapidly scaled its load board, insurance, and factoring businesses, it needed a strategic partner to unify and streamline front- and back-office operations, improve customer satisfaction, and enable business continuity across geographies. The objectives were clear:
- Consolidate and standardize operations across three global locations
 - Integrate AI and automation to boost efficiency
 - Improve service quality and turnaround for carriers and brokers
 - Allow internal teams to focus on core, client-facing priorities
 - Create a trusted, scalable model for future growth

The UnBPO™ approach

We designed a transformation-led managed services model rooted in the UnBPO™ framework, delivered through a 150+ FTE team across three geographies to ensure resilience and responsiveness.



Smart tech + sharp execution

- Conversational IVR was introduced to intelligently deflect inbound calls and deliver faster, more personalized carrier support
- Automated Quality Assurance enabled 100% audit coverage for customer service interactions, driving consistency and insight
- AI Coach & Agent Assist enhanced agent experience and boosted First Contact Resolution (FCR)
- A unified customer data UI gave agents instant access to end-to-end information, improving speed and accuracy in service delivery

The impact

~70%

Cost reduction through UnBPO™ strategy of location dispersion and transformation

Significant improvement in CSAT scores across all customer experience processes

Enhanced service levels through streamlined workflows and tech-driven interventions

Business continuity ensured through a multi-geo delivery model

Cost savings and productivity gains through AI-led transformation and continuous improvement initiatives

Client speak




Firstsource helped us identify a recurring issue with duplicate data that we had not traced back to the source before. Looking ahead, I am most excited about how they will help us digitize our most manual processes — bringing tools we never thought possible into our business.

Garth Dixon

Head, Operations
Truckstop



Scan QR to access the video







UnBPO™

in action

TECHNOLOGY AT PLAY

At Firstsource, intelligence is no longer an add-on; it is embedded into every layer of how we work, serve, and scale. FY25 was a turning point in how we harness technology. From reimagining mortgage journeys and enhancing enterprise security to launching AI-powered copilots that empower our people, we are delivering transformation that is measurable, human-centric, and future-ready. This is UnBPO™ in action — moving beyond traditional BPO to deliver real-world transformation through technology, innovation, and impact-driven design.

This transformation was guided by a clear, four-pronged agenda:

 <div>AI in our business platform-based offerings</div>	 <div>AI as a digital service for clients</div>
 <div>AI in our managed services business</div>	 <div>AI in our business functions</div>

Over the course of the year, we made meaningful progress on all fronts. Whether through smarter platforms, autonomous workflows, or client-specific AI deployments, we have laid the groundwork for intelligent operations that are scalable, contextual, and built for the future.



At Firstsource, innovation is not an initiative — it is our identity. We are not just adapting to change; we are architecting it from the inside out. FY25 marked a watershed year where intelligence became intrinsic to how we work, serve, and scale. From launching Firstsource reAI™ — our proprietary AI suite that redefines operational excellence — to building domain-specific Language Model and pioneering Agentic AI Studio, we are setting new benchmarks in digital transformation. This is UnBPO™ in action: a shift from transactional outsourcing to intelligent, impact-led partnerships that deliver real-world results.

With reAI™, we are empowering enterprises to move faster and smarter — responsibly. Our AI is built for trust, designed for scale, and engineered for outcomes. Our AI-enabled BPaaS services provide client outcomes in a reliable and predictable manner — from cutting costs by 50% in mortgages to transforming CX with up to 70% lower collection costs.

We have embedded innovation across every layer of our business — strengthening our internal tech core, elevating employee experiences, and forging powerful alliances ranging from hyperscaler to niche startup ecosystem. Through a dynamic ecosystem of partners, platforms, and people, Firstsource continues to lead the way in reimagining what’s possible.

This is more than transformation. It’s a reinvention of work, intelligence, and impact — crafted for today’s complexities and tomorrow’s opportunities. We don’t follow the future. We build it.

Hasit Trivedi
Chief Digital and AI Officer
Firstsource



AI in our business platform-based offerings

Our platforms have long served as the foundation of our domain-centric BPS capabilities. We are now elevating them further by embedding AI at their core. In addition to enhancing functionality and intelligence, this integration also sharpens our competitive edge, positioning our platform-led offerings as smarter, faster, and distinctly differentiated in the market.

Reimagining possibilities with Firstsource reAI™

In a world rapidly redefined by AI, we continue to lead with purposeful innovation. FY25 marked a pivotal moment in our technology evolution with the launch of Firstsource reAI™ (pronounced rely) — our new AI-led suite of platforms, solutions, and offerings that enables businesses to responsibly and seamlessly integrate advanced digital technologies into their operations. With Firstsource reAI™, we are helping our clients stay one step ahead of it.

Firstsource reAI™ is more than a technology stack; it is a cornerstone of our UnBPO™ philosophy built on reliability, responsiveness, and real-world impact. By combining our deep domain knowledge with cutting-edge generative and discriminative AI, Firstsource reAI™ creates scalable and sustainable value across sectors and geographies.

With over 25 years of deep domain expertise and scalable, next-gen technology, we are driving transformation that delivers results. Whether it is cutting operational costs by 50% for lenders or reducing cost to collect by 70% in CXTech, our digital solutions are engineered for today's realities and tomorrow's growth.

Our responsible AI principles

Fairness and bias-free

Equitable outcomes for all, regardless of gender, race, caste, or background

AI for good

Purpose-led design that supports social, environmental, and business goals

Regulatory compliance

Aligned with all applicable laws, standards, and governance protocols

Accountability

Clear ownership across the AI lifecycle — from design to deployment

Reliability and safety

AI systems that are consistent, authentic, and socially conscious

Inclusiveness

Enabling broad participation and empowering diverse stakeholders

Privacy and security

Protecting data integrity, user rights, and content authenticity

Interpretability and explainability

Transparent, traceable systems that earn trust through clarity



Area of impact	Business outcomes
Healthcare platforms	<ul style="list-style-type: none">Achieve up to 95% screening rates22% increase in gross Medicaid conversion rates30–35% reduction in uncompensated care44% improvement in monthly cash outcomes collections31% reduction in bad debt placementsImproved dental claims processing and higher first-pass rates
Financial Services platforms	<ul style="list-style-type: none">Up to 50% reduction in operational costs for mortgage lenders and title companies97% document processing accuracyMinimize penalties by improving compliance adherence
Customer Experience (CX) platforms	<ul style="list-style-type: none">Up to 70% reduction in cost-to-collect through digital collectionsEnhanced customer experience via omnichannel, preference-driven outreachIncreased resolution rates using non-intrusive engagement

Shaping the future of work with Agentic AI studio

In the reporting year, we built on the transformative vision of Firstsource reAI™ with the launch of Agentic AI Studio — a groundbreaking solution designed to redefine the future of work.

Moving beyond conventional automation, it breaks down human work into specialized tasks orchestrated by intelligent, role-based AI agents. These agents, each with a distinct role and purpose, work together

in seamless orchestration, enabling businesses to unlock new levels of precision, speed, and operational excellence.

This innovation is a bold expression of UnBPO™ — reimagining operations by democratizing access to AI, integrating it meaningfully into the workforce, and reshaping task allocation and skills management for the future.

Through agentic AI

Studio, enterprises can harness the strength of collective AI, achieving:

Transformative innovation: Disruptive ideas fueled by multi-agent collaboration

Operational excellence: Streamlined execution with minimal human intervention

Superior business outcomes: Measurable gains in speed, accuracy, and adaptability

What makes agentic AI studio unique

Feature	Value delivered
Unified AI agent ecosystem	Repository of diverse, prebuilt AI task models, agents, and workflows tailored for industry-specific solutions
Model family-agnostic architecture	Ensures flexibility to work across AI model types, safeguarding enterprises from rapid technological shifts
Four integrated modules	<ul style="list-style-type: none">Xplore: Discover new task models and agentsEvaluate: Assess performance and optimize deploymentWeave: Orchestrate agents into workflowsMonitor: Track, measure, and ensure responsible AI use
Responsible AI deployment	Emphasizes fairness, transparency, and accountability across all workflows and agent interactions



AI in our managed services business

Our domain-centric managed services are closely tied to our clients' business outcomes. We enhance these offerings by integrating client-owned technologies — AI, automation, and analytics — into their core operations. In addition to driving efficiency and process transformation, this approach also strengthens their competitive position in an increasingly dynamic market.

Driving tangible value across industries

Through Firstsource reAI™, businesses across sectors are realizing significant operational improvements, enhanced customer experiences, and sharper competitive advantages.

Key capabilities

AI powered by deep domain expertise

Solutions aligned with sector-specific needs across BFSI, Healthcare, Telecom, and Media

Fusion of generative and discriminative AI

Enhancing predictive insights, automating complex workflows, and personalizing customer journeys

Omnichannel customer orchestration

Seamless engagement across voice, digital, and emerging platforms

Responsible AI at core

Commitment to ethical, transparent, and explainable AI deployment, ensuring reliability and trustworthiness





AI as a digital service for clients

Leveraging our deep process expertise and longstanding client relationships, we are well-positioned to offer AI and digital services as standalone solutions. We are actively engaged in strategic discussions with clients on their AI roadmaps, many of which extend beyond the boundaries of our core BPS engagements, opening new avenues for value creation and partnership.

A Robust AI partner ecosystem

We have a strong partner ecosystem — ranging from hyperscalers to niche platform players to cutting-edge tech startups.

Some of our partners in the ecosystem

Verticals- Healthcare, BFS, CMT and Digital Collections

Horizontals –DECX, Automation and Analytics

Building a mortgage-focused LLM

At Firstsource, we believe the future of AI lies not merely in adoption, but also in precision customization. As part of the Firstsource relAI™ suite, we have invested in developing our own domain-centric Large Language Model (LLM), tailored specifically for the U.S. mortgage business.

This domain-specific LLM helps reimagine the mortgage lifecycle — from intelligent document extraction to credit recommendations, exemplifying the UnBPO™ principle of using technology for meaningful, high-impact transformation.

Key capabilities of the mortgage LLM

Capability	Impact on mortgage operations
Classification and extraction	Automates information retrieval from complex mortgage documents
Recommendation engines	Supports informed credit assessments and enhances loan quality checks
Summarization	Rapidly condenses key insights from mortgage applications for efficient decision-making
Digitization and risk assessment	Streamlines document management and fortifies risk analysis frameworks
Loan receivables management	Delivers real-time insights and process automation to improve receivables management and collections

Redefining the mortgage journey

Through the deployment of the mortgage-focused LLM, Firstsource will:

- Reduce cycle time for pre-qualification and formal loan applications.
- Create a seamless, end-to-end digital mortgage experience, balancing self-service convenience with the personalized guidance of dedicated loan officers
- Accelerate AI Copilot and agentic workflow development, ensuring faster, smarter, and more accurate mortgage processing

Delivering next-gen AI experiences with Microsoft Azure

To further accelerate our clients' digital transformation, we partnered with Microsoft Azure — integrating OpenAI Service, Azure AI Search, and Azure AI Language to unlock the full potential of enterprise data, powering smarter, more personalized business platforms and services.

This alliance is aligned with our UnBPO™ vision, helping clients reimagine possibilities through scalable, secure, and intelligent technology.

Using Microsoft Azure, we will:

- Create new business models and operational efficiencies with Azure's scalable, secure AI capabilities
- Drive better insights and decision-making through enriched, contextual data search experiences
- Enable businesses to offer more targeted, dynamic customer interactions by combining structured and unstructured data with AI-driven intelligence



AI in our business functions

Transformation begins within. We are strategically embedding AI across core business functions — Finance, HR, Procurement, Legal, and Marketing — to drive greater agility, efficiency, and effectiveness. This shift is streamlining operations while enhancing the employee experience, creating value on both fronts and enabling our teams to focus on higher-impact outcomes. In FY25, we launched several tech-forward initiatives aimed at strengthening infrastructure, enhancing security, streamlining operations, and elevating employee experience.



Engineering the infrastructure for UnBPO™

Transition to a next-generation operational ecosystem

Migrated to a modern ecosystem for IT operations and service management, underpinned by best-in-class tools and strategic service providers.

SASE-based network transformation

Reinforced network infrastructure using Secure Access Service Edge (SASE) technologies to ensure secure, high-performance, and scalable connectivity across geographies.

Cloud modernization on Nutanix and Azure

Optimized performance by shifting key workloads to a hybrid cloud environment, leveraging Nutanix on Azure for improved agility and operational efficiency.

Intelligent monitoring with a zero-incident strategy

Deployed a proactive, AI-enabled monitoring framework aimed at driving operational continuity through a Zero Incident Framework.



Security: Built to be adaptive, intelligent, and robust

Comprehensive endpoint security with XDR and SIEM

Strengthened endpoint defenses through Extended Detection and Response (XDR) integrated with Security Information and Event Management (SIEM) tools, enhancing overall cyber resilience.

Modern email threat protection

Replaced legacy systems with a next-gen Email Gateway Defense platform for superior protection against phishing, spam, and other email-borne threats.

Behavior-based risk management and data security

Enabled a multi-layered security approach with user behavior analytics, data loss prevention, and Mobile Application Management (MAM) to ensure data integrity and privacy.



Process enhancements: Building agility, visibility, and excellence

Enterprise architecture for AI readiness

Realigned core architecture with a Segregation of Duties model to support robust governance and prepare for AI-led process automation at scale.

HRMS automation for scalable efficiency

Upgraded our Human Resources Management System to streamline workflows, enhance visibility, and drive productivity across the workforce.

Modern ITSM platform for transparent support

Rolled out a next-gen IT Service Management ticketing platform for better issue resolution, accountability, and service delivery.

Empowering people through technology

AI powered personalized learning platform

Launched a tailored digital learning ecosystem that offers role-specific, AI-driven upskilling journeys at scale.

Unified employee experience platform

Integrated Generative AI and anomaly detection into a single platform that streamlines workflows and prioritizes employee tasks intelligently.

Employee engagement and benefits platform

Introduced Advantage Club, an AI-enabled engagement platform offering rewards, recognition, and holistic employee well-being.

Global mobility enablement

Implemented a secure, integrated platform for travel bookings, expense management, and access control, delivering a seamless experience for global business travelers.

Global alumni engagement platform

Launched a digital platform to maintain strong ties with former employees, fostering community-building and expanding the Firstsource network globally.

Powering smarter sales with GenAI-led copilots

Client profile

A leading UK-based EdTech provider with large university affiliates, focused on student acquisition and engagement across digital platforms.

Objective

Boost lead conversion and prioritization through AI-powered sales enablement tools.

The challenge

Despite a strong academic partner base, the client faced growth bottlenecks and low sales conversion due to disjointed systems and a lack of actionable insights. The existing process required sales teams to:

- Manually search multiple systems for student interaction history
- Operate without real-time lead signals or scoring
- Work without a defined or data-backed sales and marketing strategy

The client sought an AI-driven solution to bring clarity, direction, and speed to its sales engine.

Our approach

Firstsource deployed a Generative AI-based Sales Copilot, built to empower sales teams with real-time, intelligence-rich lead views. The platform integrated data from multiple sources and delivered:

- A unified single-glance dashboard with summarized multi-channel engagement histories, categorized by date and channel
- Student personas, mapped to predictive lead scores and tailored marketing insights
- Lead indicator scores (High/Medium/Low/Close) to prioritize outreach
- Next Best Action recommendations for personalized sales strategies

This seamless GenAI deployment reflected our approach going beyond automation to create AI-native workflows that amplify human decision-making.

Before	After
Manual review of fragmented systems	AI-generated summaries across channels in a unified dashboard
No lead prioritization	Lead scoring with real-time prioritization cues (high/med/low/close)
No sales/marketing playbook	Persona-driven recommendations and sales strategy via Next Best Actions
Low predictability in conversion	Achieved 99% lead conversion accuracy using AI copilot insights

Over 99%

accuracy for lead conversion score on biz sample size of 80,000 lead data

~45%+*

cost savings through technology-led transformation

~30%*

faster sales closure cycle for leads

*Highly likely outcome based on accuracy delivered

Client speak



One of the things I appreciate about Firstsource is the ability to work in sincere partnership; we continue to learn from one another.

Dave Lawlor

EVP and Treasurer/COO & CFO
Samuel Merritt University



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UnBPO™ in action for our PEOPLE

Talent. Technology. Transformation.

With UnBPO™, we are going beyond merely adapting to the future of work; we are actively engineering it.

→ Rewriting the social contract of work

For decades, the social contract between people and work was built on predictability: static roles, fixed locations, and linear career paths. That model no longer holds. At Firstsource, we are reshaping the fundamentals of who does the work, how work is done, and what defines success.

Our UnBPO™ approach challenges legacy assumptions and embraces a more fluid, intelligent, and adaptive workforce model — one where humans and AI agents operate side by side, where job descriptions give way to task-level orchestration, and where middle managers evolve into capability builders and culture carriers.

At the heart of our transformation is a new logic of value creation:

Who does the work is no longer limited to employees alone. We now orchestrate a fluid ecosystem of full-time talent, gig professionals, and AI agents.

How work is allocated shifts from rigid job descriptions to dynamic, task-level assignment based on skill, context, and outcome.

What skills matter is being redefined, as we prioritize cognitive agility, digital fluency, and cross-functional collaboration over static expertise.

Traditional hierarchies are giving way to networked, impact-based models, where roles, not ranks, determine influence. In this structure, middle managers do not manage — they coach, connect, and enable. They carry culture, accelerate capability, and unlock team performance across boundaries.

This reimagination is anchored by hyper-personalized skilling: continuous, contextual, and intelligent. Our people are not just preparing for the next role — they are preparing for the next version of themselves.

With UnBPO™, we are going beyond building a future-ready workforce; we are building a workforce that shapes the future.



Building enterprise capability: **Value creator program**

As part of our UnBPO™ commitment to driving enterprise-wide impact and building long-term resilience, we launched the Value Creator Program — a structured initiative to identify and elevate ~100 roles that are pivotal to Firstsource’s current performance and future growth.

Key outcomes

Initiative focus	Impact
Role-talent alignment	Quarterly reviews and structured talent-fit assessments accelerated agile workforce planning
Succession planning	Enabled focused, forward-looking discussions on succession for critical roles
Leadership depth	Established a robust leadership pipeline to future-proof enterprise capability

Democratizing learning and career growth

We have enhanced our learning ecosystem to create equitable opportunities for growth and advancement, ensuring every employee can thrive, no matter where they begin.

Key enablers of growth

Initiative	Impact
Tailored learning content	270 hours of customized content aligned to roles, business context, and future skills
Strategic partnerships	Collaborations with global training partners for technology and leadership development
Learning Experience Platform (LXP)	An AI-driven platform offering personalized, blended learning journeys across internal and external channels

Accelerating digital upskilling: **Learning for the future**

As a digital-first enterprise, our people strategy is designed to future-proof our workforce. In FY25, we accelerated investments in digital fluency, AI literacy, and innovation readiness, empowering our teams not just to adapt to change but to lead it.

FY25 learning highlights

- 203,761 hours of digital learning completed
- 28 hours of GenAI and automation content launched
- 450+ tech professionals trained on advanced platforms like Microsoft Azure
- Designed domain-specific Agentic AI micro-learning for frontline associates
- Partnered with our Chief Digital & AI Officer (CDAIO) and specialist teams to boost adoption and relevance



263,500

learning hours clocked by employees across digital, leadership, and business skill sets



Fueling growth for people and performance: **Career mobility at scale**

Our commitment to talent goes beyond skilling; it is how we bring UnBPO™ to life. By enabling our people to grow across functions, roles, and geographies, we turn potential into performance and ambition into measurable enterprise value. Through structured Career Mobility Programs, we have built clear, tangible pathways for employees to navigate cross-functional growth and unlock new opportunities across the organization.

FY25 career mobility snapshot

- 6 career pathways launched (Ops, QA, Training, WFM, PEX, PMO)
- NPS of 9.03, reflecting strong learner advocacy
- Coverage across India, the Philippines, and global regions
- 50 leader-teachers engaged in delivering cross-functional programs
- 13.45% of certified participants moved into new roles

Enabling access, enhancing experience: **AI for all**

At Firstsource, AI is more than technology; it is a transformative mindset woven into the fabric of our enterprise. In FY25, we launched cutting-edge platforms designed to simplify employee interactions, improve access, and elevate the overall experience. These innovations embody the UnBPO™ approach, leveraging AI not just for automation, but to enhance decision-making, empower individuals, and elevate the employee experience.

Key AI-driven platforms

FIRST ASSIST

Our in-house, AI-powered smart assistant, built on a Generative AI Large Language Model (LLM), helps employees instantly find answers, navigate systems, and access guidance 24/7 across the employee lifecycle.

- Supports typed and voice queries
- Understands natural language, even with variations
- Reduces dependency on HR and support teams for query resolutions

ONE FIRSTSOURCE

A seamless, all-in-one digital platform inspired by social media simplicity. Provides personalized, single-window access to systems, resources, updates, and connections across Firstsource globally.

FIRST REWARD

A new integrated platform offering a consistent Rewards & Recognition and brand store experience for both in-office and remote employees across geographies.

TRAVEL & REIMBURSEMENT

Launched NAVAN for simplified digital travel management and Zoho Expense for a seamless reimbursement experience, supported by inclusive, accessible policies for a distributed workforce.



Unifying the employee experience: Policy upgrade

FY25 marked a pivotal moment with a comprehensive overhaul of our people policies, designed to enhance agility, deliver greater employee value, and ensure a more unified employee experience across all our geographies.

Key focus areas

- Merged and streamlined policies to reduce complexity and speed up decision-making
- Enhanced DE&I, career advancement, mental health, and wellness policies
- Aligned policies on mobility, remote work, and leave with global best practices
- Optimized benefits and leave frameworks for cost-effectiveness and value

98

policies reviewed and updated

18

new policies introduced

12

outdated policies retired



A Great Place to Work, indeed!

In FY25, Firstsource earned Great Place to Work® Certification across India, the United Kingdom, the United States, and the Philippines, based entirely on employee feedback and cultural assessment.

Prioritizing well-being: Holistic wellness framework

In FY25, our FitSource wellness framework continued to evolve, broadening its reach to support the physical, mental, financial, and social well-being of our employees, empowering them to thrive both personally and professionally.

Initiative focus	Highlights
FitSource	Monthly webinars and a comprehensive wellness hub
First Responder Program	100+ trained Mental Health First Aiders, with 22 new additions from Asia
Employee Assistance Programs (EAPs)	Professional counseling services across India, the US, and the UK
Global wellness month	700+ live participants and 300+ entries in engagement contests

Employee engagement

Through Microsoft Viva Glint, we conducted lifecycle and pulse surveys across our workforce, driving actionable insights:

73%

average participation rate

81.5%

favorability scores

Refinement of onboarding and rewards processes based on real-time feedback

RECOGNITION THROUGH ADVANTAGE CLUB

Transitioned to Advantage Club for a streamlined recognition experience:

24,000

monetary awards distributed

43,000+

non-monetary appreciations issued in FY25



Driving DE&I with purpose

Area	Initiative
Inclusive workplace	Strengthened policies and ERG networks to foster accessibility and belonging
Enhanced client experience	Leveraged cultural intelligence to improve service outcomes
Community engagement	Advanced inclusive hiring and built deeper external partnerships



Reinventing recruitment: Talent meets technology

In FY25, we went beyond merely being focused on nurturing talent but also radically reimagined how we find it.

Until recently, our recruitment model relied heavily on human effort — manual screening, repetitive coordination, and instinct-led decisions. It was functional, but not fast enough to match the pace of a business that is scaling rapidly across regions and functions.



So began our journey — rooted in intent, not disruption:

To reduce manual touchpoints, improve process intelligence, and let data, not gut feel, drive hiring decisions.



Any Time Recruitment (ATR)

Imagine a candidate walking into our office and completing every stage of the hiring journey — resume parsing, with a single human being.

And walking out with an offer letter in hand.

This is not a distant dream. It is the next chapter in our evolution.

ATR (Any Time Recruitment) is our bold model that blends Agentic AI with autonomous, intelligent hiring workflows. It removes dependence on human timelines and offers a recruitment experience that is:

- Available 24/7
- Unbiased and consistent
- Faster and scalable by design

ATR is a reinvention of hiring as a seamless, intelligent experience built for speed, scale, and fairness.

Outcomes that speak

FY25 concluded on a high note for Apprentice, our internal recruitment engine. Powered by technology and strategic execution, it delivered hiring outcomes with unprecedented scale and agility.



FY25 hiring highlights

4,038
total headcount (highest recorded to date)

78%
YoY growth in apprentice

20,737
hires closed with 104% on-time fulfillment rate

47%
hires closed within 4 weeks

55%
of hires driven by business growth

Milestones in our hiring evolution

Phase	Innovation	Impact
Phase 1: Resume parsing	Implementation of a resume parsing tool called Hireefirst	Achieved 70% efficiency gain in the UK
Phase 2: Smart evaluations	Integrated SHL and Unberry to replace manual assessments	Delivered faster, unbiased, structured candidate evaluations
Phase 3: Screening transformation	Piloted 14 AI tools, shortlisted two intelligent screening platforms	Paved the way for automation of the HR screening round
Phase 4: Agentic AI + ATR	Rolled out Any Time Recruitment (ATR) model	Embarked on a future where hiring is always-on, autonomous, and radically scalable

From intelligent platforms to autonomous processes, we are building a hiring model that thinks, decides, and scales with us.

Building a sustainable business

Our journey toward ESG (Environmental, Social, and Governance) excellence is grounded in a clear purpose to create a positive and lasting impact on people, the planet, and our customers. We believe that sustainability is not a separate agenda but an integral part of how we do business. Through responsible environmental practices, ethical governance, and a strong focus on social well-being, we strive to shape a brighter, more inclusive future for all.



Discover more
about our
ESG efforts

Our commitments to society and the environment are placed on an equal footing with profitability. We actively seek opportunities to embed the material aspects of ESG into our operations, decision-making, and long-term strategy. This approach is not just about compliance or meeting expectations. It is about driving a meaningful change in partnership with our stakeholders.

We actively monitor and analyze our impact data to drive improvements in reducing our environmental footprint, supporting communities, and building inclusive, safe, and empowering workplaces. We align our efforts with leading global frameworks such as the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Dow Jones Sustainability Indices (DJSI), Carbon Disclosure Project (CDP), EcoVadis, United Nations Sustainable Development Goals (UN SDGs), the UN Global Compact, and standalone reporting of Business Responsibility and Sustainability Reporting (BRSR). While we welcome ratings and recognition from these platforms, we see them as the outcomes of our efforts and not as the destination.

In FY25, we sharpened our sustainability focus by deepening our disclosures, advancing social equity, and accelerating climate action. Our climate roadmap is under submission to the Science Based Targets initiative (SBTi), with interim targets set for 2035 and a firm commitment to achieving Net Zero by 2050.

Our efforts have been recognized by respected industry benchmarks such as



**Top 5% S&P Global
CSA Score and Industry
Mover in the S&P Global
Sustainability Yearbook
2025 for demonstrating
exceptional YoY
performance**

Environment highlights

100%

absolute reduction of
scope 1 emission

21,223

(location based)
tCO₂e scope 2 emissions

15,309

(market based)
tCO₂e scope 2 emissions

46,298

tCO₂e scope 3 emissions

13

out of 51 offices are powered by
renewable energy

100%

of e-waste generated
was responsibly recycled



Environmental initiatives

- Smart Rack Solutions implemented in largest data centers to reduce scope 2 emissions through energy-efficient data center systems
- Transition to EV to promote electric and sustainable employee transport
- Responsible waste disposal implemented with waste handler partners, aligned with zero-to-landfill approach
- Sustainable Procurement including prioritizing recycled paper and eco-friendly supplies (e.g., partnership with Rescript, Sootheath)



Social highlights

34,651

total workforce

46%

of the workforce are Women

29.8%

FY25 Attrition (>180days)

81.5%

employee satisfaction score in FY25

2,183,027

learning hours

₹ 453 Mn

spent on employee training and development

79%

of employees participated in voluntary learning programs, contributing 263,501 learning hours (excluding mandatory/ domain-specific training)

21,042

volunteering hours contributed by 5,690 employees across multiple countries

52,098

lives impacted through CSR initiatives

₹ 72 Mn

total CSR amount for FY25

₹ ~16 Mn

amount spent directly by CSR team

₹ ~56 Mn

amount for Group Trust

66

environmental initiatives undertaken to support climate action

8.60x SROI

for every ₹ 1 invested in the Mobile Employability Van project, ₹ 8.60 worth of value was created for society (as per the Social Value International Framework)



Social initiatives

- Enabled impact sourcing by hiring from marginalized and disadvantaged communities at scale
- Strengthened internal career mobility through Wings Within and FlexWorx programs
- Advanced a global DE&I framework supported by Employee Resource Groups (WIN (Gender Inclusion), Source of Pride (LGBTQ+ Inclusion), Diverse Abilities Alliance (Disability Inclusion), and Cultural Collective (Cultural Diversity))
- Promoted holistic well-being through FitSource, focusing on mental, physical, financial, and social health
- Improved work-life balance through Forward Flex, enabling flexible work arrangements
- Our Major CSR Initiatives:
 - Affordable healthcare initiatives (cataract surgeries, ICU setups)
 - Women entrepreneurship and skilling programs
- Digital literacy and education programs (STEM labs, digital classrooms)
- Environmental sustainability projects (Urban Forests, Eco Parks)
- The Social Impact Assessment of Firstsource's FY25 CSR initiatives, implemented through partners such as NASSCOM Foundation, Nalandaway Foundation, Rampmycity, and Nirmaan Organization, concluded that these efforts significantly empowered marginalized communities across India.



- India CSR Award 2024: Healthcare initiative
- Indian CSR Awards 2024: Women empowerment
- BCC&I Social Leadership Award 2024: Digital inclusion for rural women artisans





Governance highlights

54.5%

of the Board are Independent Directors

18.2%

of Independent Directors are Women

Zero

finances and penalties related to unethical business practices

Zero

privacy violations reported during the year

No clients, customers, or employees were affected by data breaches.

95%

overall customer satisfaction score (CSAT) achieved

Assessed 150+ vendors accounting for 85% of our procurement spend, on ESG parameters



Governance initiatives

- Manual tracking of ESG KPI's is being automated to align with relevant reporting requirements
- Corruption Risk Assessment implemented based on identified risks
- Supplier ESG awareness programs are being rolled out through self-paced learning modules provided to vendors
- 45% of procurement spend supports marginalized and vulnerable groups, and 42% of input materials are sourced from MSMEs or small-scale producers



We remain committed to embedding ESG principles throughout our operations, advancing climate action, and creating lasting social impact. This progress is a result of the collective dedication of our people and partners. With a focus on transparency, innovation, and a deep sense of responsibility, we will continue to strengthen governance, foster stakeholder trust, and drive meaningful change while contributing to a more inclusive and sustainable future for all.

Awards and recognition

Our recognition across ESG, Business, People, and AI reflects our deep-rooted commitment to responsible growth, operational excellence, human-centric culture, and bold innovation. Each honor is a testament to the impact we create and the trust we continue to earn.

AI



Featured among **'AI First Mover'** organizations by Microsoft for FirstSenseAI Copilot



Recognized by Everest as a **'Front-Runner'** for GenAI capabilities in the report 'AI-deas to Action: Operationalizing Generative AI in Healthcare Payer'



Hasit Trivedi — Chief Digital and AI Officer — recognized by **PixieBrix** as one of the Top AI Leaders to Watch in 2025



ESG



Ranked in the **top 99th percentile** in S&P Global CSA, with a CSA & ESG score of 81 each



Recognized as an **"Industry Mover"** and in **Top 5%** S&P Global CSA Score



Received a **rating of 'B' for FY24** from Carbon Disclosure Project (CDP)



Received the **'Best first-time responder (Core Indicators)'** award from Workforce Disclosure Initiative (WDI)



Received a **Silver** rating from EcoVadis with a score of **71/100**, placing us in the top 91st percentile

Recognized as Carbon Management Level **'Leader'** by Ecovadis

Business



Recognized as a **'Leader'** in Everest Group's Healthcare Payer Business Process as a Service Solutions PEAK Matrix® Assessment 2024



Recognized as a **'Leader'** in Lending Services Operations PEAK Matrix® Assessment 2024 by Everest Group



Recognized as a **'Major Contender'** and a **'Star Performer'** by Everest Group's PEAK Matrix® Assessment 2024 for Revenue Cycle Management Operations



Ranked as a **'Horizon 1 - Disruptor'** in HFS Horizons HCP Service Providers 2024



Recognized as the **'Best Client Partnership'** and **'Customer Team of the Year'**; **'Team Leader of the Year'** and **'Rising Star'** at the Contact Center Network North Ireland (CCNNI) Awards

People



Recognized among the **Top50 India's Best Workplaces 'Building a Culture of Innovation by AI - 2025'** (Large Category) by Great Place To Work®



Great Place To Work® Certified™ in India, the Philippines, the UK, and the USA



'Silver' for UK HR team in 'Brilliance in Employee Engagement' category at the International Brilliance Awards 2025



Named among **'Top 50 Companies with Great Managers'** in India for 2024 by People Business Consulting; **Four managers** recognized among 'Top 100 Great Managers in India



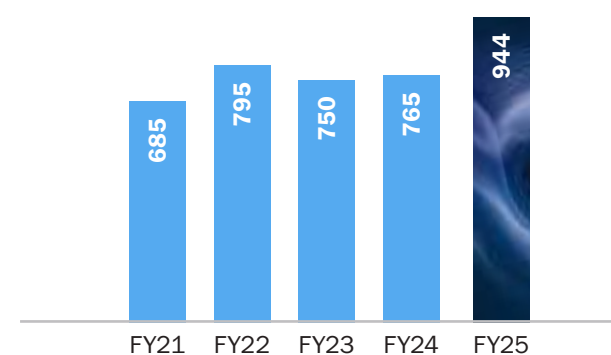
'Top Employer (Bronze) for LGBTQ+ Inclusion' award by India Workplace Equality Index (IWEI)



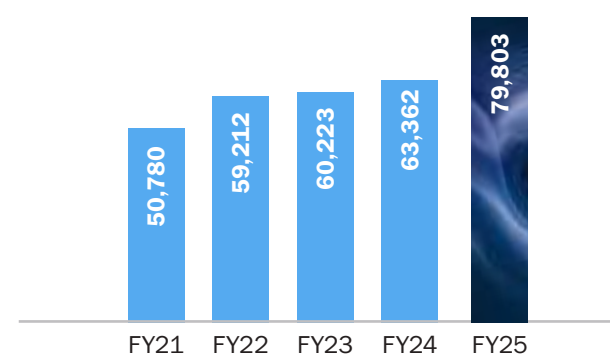
Ritesh Idnani, MD & CEO among Times Now **India's Impactful CEOs for 2024**

Key performance indicators

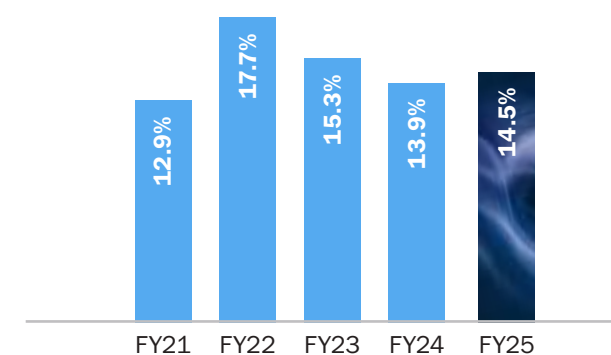
Revenue (in USD Mn)



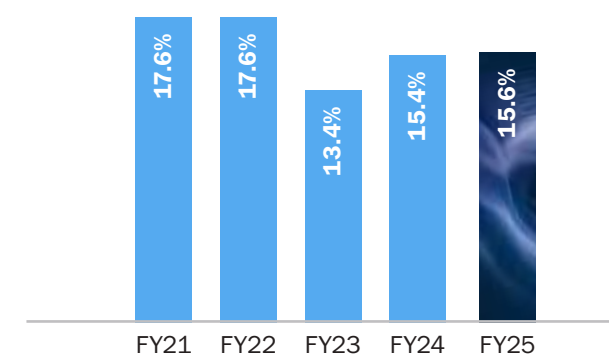
Revenue (in ₹ Mn)



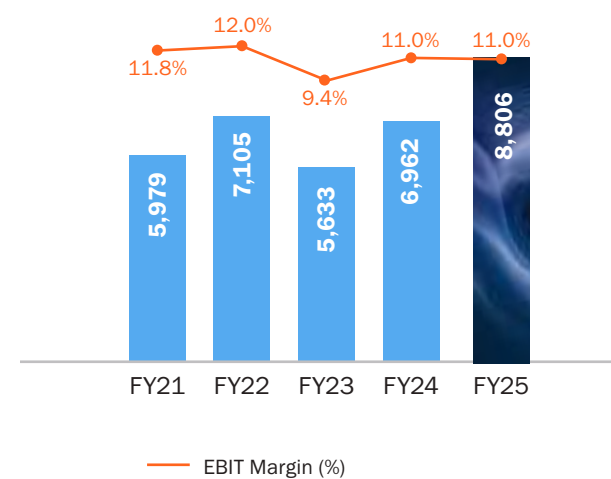
Return on Equity (in %)



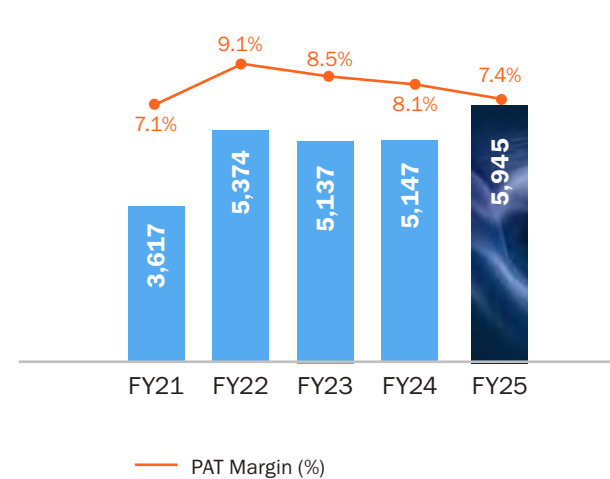
Return on Capital Employed (in %)



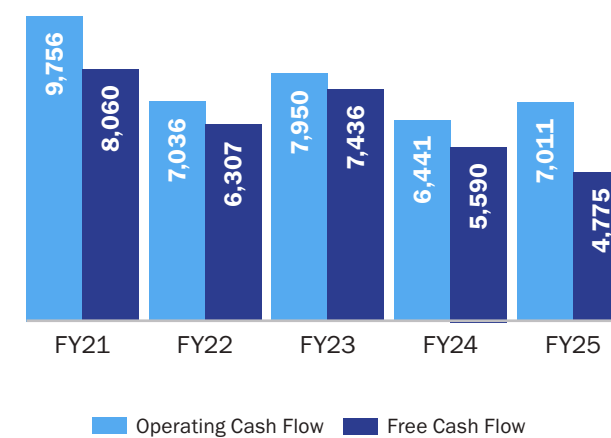
EBIT and Margin (%) (in ₹ Mn)



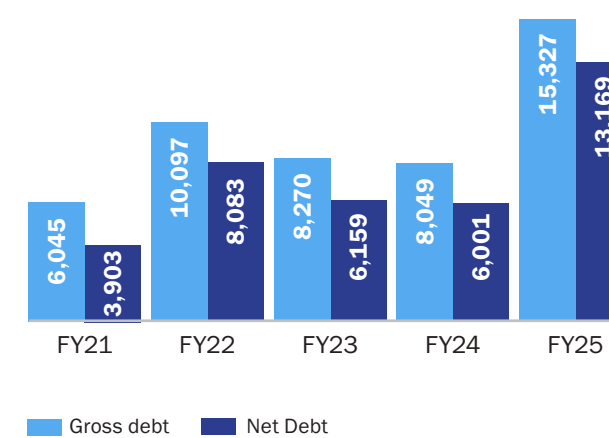
PAT and Margin (%) (in ₹ Mn)



Cash Flow (in ₹ Mn)



Debt Position (in ₹ Mn)



Board of Directors



Dr Sanjiv Goenka
Chairman, Non-Executive,
Non-Independent Director
(DIN: 00074796)



Shashwat Goenka
Vice Chairman, Non-Executive,
Non-Independent Director
(DIN: 03486121)



Rekha Sethi
Non-Executive,
Independent Director
(DIN:06809515)



Dr Rajiv Kumar
Non-Executive,
Independent Director
(DIN: 02385076)



Ritesh Idnani
Managing Director & CEO,
Executive Director
(DIN: 06403188)



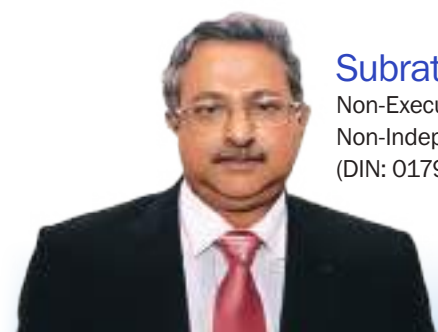
**Pradip Kumar
Khaitan**
Non-Executive,
Non-Independent Director
(DIN: 00004821)



Sunil Mitra
Non-Executive,
Independent Director
(DIN: 00113473)



Utsav Parekh
Non-Executive,
Independent Director
(DIN: 00027642)



Subrata Talukdar
Non-Executive,
Non-Independent Director
(DIN: 01794978)



Vanita Uppal
Non-Executive,
Independent Director
(DIN: 07286115)



T C Suseel Kumar
Non-Executive,
Independent Director
(DIN: 06453310)

Leadership



Ritesh Idnani
Managing Director &
Chief Executive Officer



Dinesh Jain
Chief Financial Officer



Venkatgiri Vandali
Head - Healthcare &
Lifesciences



Ashish Chawla
Head - CX & Consulting



Sohit Brahmawar
Chief Operating Officer



Shamita Mukherjee
Chief Human
Resources Officer



Vivek Sharma
Head - BFS, CMT, &
Emerging Geographies



Arjun Mitra
Head - Collections



Hasit Trivedi
Chief Digital & AI Officer



Aniket Maindarkar
Chief Marketing Officer



Rajiv Malhotra
Head - Europe, Middle
East & Africa



Sundara Sukavanam
Head - Enterprise
Transformation Officer

Management discussion and analysis

Overview

Firstsource is a leading provider of technology-driven business process solutions, committed to addressing complex client challenges and delivering measurable outcomes. Trusted by some of the world’s most respected brands across industries such as healthcare, banking and financial services, communications, media and technology, retail, and energy and utilities, we combine deep domain expertise with cutting-edge technology to help clients transform operations, drive growth, and elevate customer experiences. At the heart of our success is the passion and dedication of our people, whose contributions consistently create value for our clients. Guided by our REACCH code — our core value system — we foster a culture of excellence and accountability. Our strategic framework, One Firstsource, outlines our vision to build a sustainable, future-ready organization: one that stays aligned with our clients’ evolving priorities, creates meaningful opportunities for our employees, delivers profitable growth for our investors, and positively impacts the communities we serve.

Industry structure and developments

According to ISG, the global Business Process Management (BPM) market is estimated at USD 122–124 billion, marking a 4.2% growth over CY23. Indian BPM exports have shown a strong performance as well, growing at 4.4% year-on-year to USD 48.5 billion in FY25, as per Nasscom, versus 2.7% in FY24.

The global BPM industry is undergoing a significant transformation, driven by digital innovation, evolving customer expectations, and the growing demand for agile and resilient operations. At the core of this evolution is the rapid adoption of AI and intelligent automation, which is enabling organizations to automate complex workflows, generate real-time insights, and optimize performance. These technologies are increasingly being used for continuous monitoring and proactive intervention, unlocking new levels of operational efficiency and business agility. In the post-pandemic landscape, there has been a marked shift towards customer-centric BPM approaches. Organizations are reimagining processes with the end user in mind — emphasizing intuitive user experiences, personalized service delivery, and higher engagement. Simultaneously, the rise of low-code and no-code platforms is democratizing process development. These tools allow business users to design, test, and deploy workflows with minimal reliance on IT teams, significantly accelerating innovation cycles and improving responsiveness to dynamic market conditions.

USD 122–124 Bn

Estimated size of Global Business Process Management

Our strategic response

We believe that AI and other emerging technologies are fundamentally reshaping the BPM industry. As the axis shifts from labor arbitrage to technology arbitrage, traditional strengths — such as large-scale delivery centers and optimized employee pyramids — may turn into constraints. Providers must therefore rewire their business models, not merely enhance them. In this context, Firstsource is uniquely positioned to lead. We are large enough to deliver significant impact, yet agile enough to innovate at speed. Unlike some of our larger peers, we are unencumbered by legacy systems or organizational inertia — enabling us to capitalize on the AI-driven evolution unfolding across industries. To guide our response, we launched unBPO™, our blueprint for the future. It reimagines the BPO business model through the lens of AI and automation, challenging traditional constructs across ten tenets — from execution models to commercial constructs and resourcing models to organizational design.

UnBPO™

Launched our blueprint for the future

While unBPO™ is our blueprint designed to challenge the traditional BPO model and shape the future of our industry, the One Firstsource framework has been our north star for the strategy refresh in the organization launched in FY24, focused on making us faster, sharper, and more scalable across seven key themes. We made significant progress across each of the themes during FY25:

1.

Simplify the organization and realign leadership. We made targeted leadership hires across sales, solution design, technology, and delivery — strengthening execution across markets and capabilities. Our sales team expanded by 50% during the year, and we successfully attracted high-caliber talent, including from larger peers, validating our core strengths, our revamped go-to-market strategy, and our ability to build a resilient, durable business with industry-leading growth.
2.

Embed technology across the value chain. We continued to build technology-led propositions to disrupt incumbents and enhance the relevance of our platforms. We launched relAI™, a suite of GenAI-powered offerings aimed at responsible, full-cycle transformation. We are also investing in developing a domain-specific language model for mortgage services to significantly reduce loan processing timelines. In digital collections, AI now powers our persona-based, empathy-first outreach — delivering hyper-personalized, channel-optimized experiences that have improved outcomes by 10%.

3.

Institutionalize cross-sell and upsell. We focused on expanding multi-tower relationships and increasing wallet share within existing clients. This effort resulted in significant gains: the number of clients contributing over USD 1 million, USD 5 million, and USD 10 million in annual revenue rose by thirteen, five, and two, respectively.
4.

Expand capabilities. We realigned our portfolio around high-growth adjacencies — both organically and through acquisitions. Our collections business expanded into fintech, BNPL, and personal finance, and we began cross-selling collections into non-BFS verticals such as healthcare and utilities. The Ascensos acquisition enhanced our nearshore delivery capabilities, multilingual support, and retail vertical strength, while our entry into Australia added strategic presence in a new market.
5.

Amplify the Firstsource brand. We invested significantly in brand building — among analysts, clients, and prospects. Our newly formed Advisory Board, comprising senior industry veterans, has helped amplify our voice in the market. We hosted our first-ever client events in the US and UK, with participation from over 120 CXOs.
6.

Elevate the employee experience. We launched several initiatives to enhance hiring, training, and internal mobility. Trailing 12-month attrition dropped to 29.8% in FY25 from 35.4% the previous year. Firstsource was certified as a Great Place to Work in India, the Philippines, the UK, and the US. We delivered 200,000+ hours of digital learning in GenAI, automation, and domain-specific areas. More than 2,500 internal job moves took place under our Seeding initiative. We also launched FirstALUM, a platform to engage our alumni network and unlock new opportunities for collaboration.
7.

Drive margin expansion. Despite increased strategic investments, we maintained EBIT margins within a narrow band through rigorous cost management. We identified 37 margin levers — from offshoring to delivery consolidation — and have set a medium-term target of improving margins by 50–75 bps annually, aiming toward mid-teen profitability.

Our strategy revamp, coupled with our strong foundation of domain knowledge and deep client relationships, is helping us take advantage of the market opportunities being created by the ongoing macro and technology shifts. In FY25, we added 43 new logos, which included 12 strategic logos. We define a strategic logo as one where we see potential for at least USD 5+ million relationship. We won fourteen large deals in FY25, including five from new logos. We consider a deal with ACV of over USD 5 million as a large deal. The combined ACV of deal wins in FY25 was up over 60% versus last year, and our FY25 exit deal pipeline was higher by over 30% versus FY24. Our improved growth momentum has helped us gain almost half a percent of market share over the last four quarters against the basket of fifteen of our closest global publicly traded peers, based on trailing 4 quarters reported revenues.

Business segments

Banking & Financial Services (BFS)

The BFS industry continues to navigate a challenging macroeconomic environment marked by high interest rates, inflationary pressures, and regulatory shifts. In Europe, low economic activity and subdued transaction volumes have slowed the pace of digital transformation. In contrast, North America remains relatively resilient, with consumer lending, mortgage services, and fintech innovation emerging as key growth drivers. Across the industry, banks and financial institutions are accelerating their adoption of Generative AI, cloud platforms, and advanced data analytics to drive operational efficiency, manage costs, and reimagine service delivery. AI-led automation, lean operating models, and process reengineering are now central to the BFS transformation agenda.

In FY25, our BFS vertical grew 7% YoY in constant currency terms and contributed 34% to the total revenues. We added 18 new logos in this vertical. We have focused our efforts on broadening our presence within existing clients and expanding our footprint into adjacent segments, to reduce the macro dependency in the portfolio. To support this, we’ve strengthened our sales and solutions teams and are now bringing a wider set of capabilities to the table. For example, while elevated interest rates remain an overhang in the mortgage market, our focus on cost optimization programs with our customers is helping us expand our market share, especially among our monoliners customers. Our own domain-centric large language model specific to the mortgage process is aimed at customers looking at non-linear execution models to prepare for a potential volume upcycle in their business. Similarly, in the debt collections segment, our AI-infused digital collection platform is seeing growing interest among clients. In FY25, we also introduced new services offerings around financial crimes and compliance and expanded into building societies market in the UK.

Healthcare

The Healthcare industry is undergoing significant transformation as payers and providers respond to rising medical costs, evolving care models, and increasing regulatory complexity. In the U.S., margin pressures across health plans — driven by increased Medicare utilization, payment rate constraints, and inflation—are accelerating the need for scalable, cost-effective operating models. This, in turn, is fueling demand for transformative programs that include intelligent automation, BPaaS (Business Process as a Service) solutions, and AI-enabled decision support across the healthcare value chain. On the provider side, continued financial stress and talent shortages are prompting a shift toward technology-led Revenue Cycle Management (RCM) platforms and integrated service delivery models. The broader push toward value-based care, interoperability, and real-time data visibility remains a key strategic priority across the ecosystem.

Our deep domain knowledge and a broad-based client portfolio position us well in both the payer and the provider segments to benefit from these demand shifts. In addition, our acquisition of QBSS strengthened our revenue cycle management (RCM)

Management Discussion and Analysis

portfolio enabling us to go to the market with a significantly enhanced end-to-end value proposition. A notable development in FY25 was the launch of our BPaaS (business process as a service) offering that is aimed at mid-market healthcare payers. We bring our current capabilities across the payor value chain to play an aggregator role along with partnerships for platform and system integration capabilities to take end-to-end ownership of multiple business processes. This has enabled us to grow our revenues from the healthcare vertical by 30% in FY25. While the growth was driven by the payer segment, we had healthy growth in the provider segment as well. We added 16 new logos and had at least 5 large deal wins in the vertical, including our largest ever deal — a five-year BPaaS engagement with a mid-market U.S. health plan, in FY25.

Communications, Media, and Technology (CMT)

Over the past decade, the global CMT sector has evolved at a rapid pace, driven by convergence between traditional and digital-first players, rising customer experience expectations, and accelerated adoption of AI and automation technologies. Consumer technology companies are at the forefront of deploying Generative AI to personalize interactions, automate content creation, and reimagine product discovery. Meanwhile, traditional media and telecom players are focused on modernizing legacy systems, streamlining service operations, and improving cost efficiency through intelligent automation.

16

New logos won in Healthcare segment during the year

Our focused investments and non-traditional service propositions have positioned us well to address the distinct needs of both digital-native and traditional players. In FY25, we delivered 16% YoY growth in constant currency terms in this vertical and added 8 new logos. Our ability to support next-generation AI operations for leading consumer tech firms continues to be a strategic differentiator. For example, we are engaged in content validation and optimization services for some of the world’s top technology companies, helping them refine and scale their GenAI models. In the communications and media space, we have continued to win market share by positioning ourselves as a challenger to incumbent service providers. Our modular CX and back-office offerings—supported by scalable, multilingual delivery from nearshore locations—have allowed us to deliver measurable impact in both customer experience and cost efficiency.

Diverse

Our diverse business consists mainly of Utilities and the Retail sectors. In the utilities vertical, customer service

transformation is a key priority as providers modernize legacy systems and adapt to increased regulatory focus on billing accuracy, service responsiveness, and vulnerable customer management. Volatility in demand patterns and cost pressures are also guiding utilities to invest in digital process redesign, AI-based automation, and omnichannel engagement platforms. We added the Retail vertical to our portfolio through the Ascensos acquisition in FY25. Across both these segments, clients are seeking partners who can blend domain expertise with automation and analytics to deliver measurable outcomes across the customer lifecycle. There is a growing demand for agile, multilingual support delivered through models that balance operational resilience with cost efficiency, with a greater reliance on nearshore and offshore service delivery for non-core functions.

118%

Growth of diverse portfolio during the year

Our diverse portfolio grew by 118% in FY25, including a 5% revenue contribution from Ascensos, and contributed 10% to the total revenues. In the utilities space, we secured 1 new deal in FY25, including expansions with several long-standing clients. Our ability to manage complex customer journeys at scale — supported by AI-infused workflows and blended delivery models — continues to be a core differentiator. In the Retail segment, Ascensos has added some of the most iconic UK Retail brands to our client list for services covering the full front, middle, and back-office spectrum, including customer experience management, digital transformation and customer insights and analytics. We are now working to take these capabilities to prospects in other geographies.

Human resources

Workforce growth & global expansion

As of March 31, 2025, Firstsource employed 34,651 professionals — a 24% increase from 27,940 on March 31, 2024. This growth was driven by both organic and inorganic expansion, including operations launched in four new countries: South Africa, Trinidad, Romania, and Australia. This balance supports our long-term profitability and global competitiveness.

Certification & recognition

In FY25, Firstsource earned the prestigious Great Place to Work® certification across key geographies — India, the United Kingdom, the United States, and the Philippines. This recognition, based on rigorous employee feedback and cultural assessment, reinforces our commitment to an empowering, inclusive, and purpose-driven workplace.

Mergers & integrations

Seamless integration of two strategic acquisitions contributed significantly to our expanded capabilities, particularly within our Healthcare Provider and retail businesses in Europe. Our dedicated HR team ensured smooth alignment with Firstsource’s values, fostering innovation and operational synergy across new and legacy teams.

Talent management strategy

Talent acquisition

Our hiring teams reached a milestone by recruiting 20,737 individuals globally since April 2024, with a 104% on-time delivery rate. This success stems from an AI-first, Global Talent Acquisition Strategy that leverages advanced technologies, robust policies, and innovative practices to attract and integrate top-tier talent.

Engaging young talent

In alignment with our commitment to nurturing future leaders, we increased apprentice hiring by 78% in India under the National Apprenticeship Promotion Scheme (NAPS) and National Apprentice Training Scheme (NATS), onboarding 4,038 apprentices in FY25.

Talent retention & internal mobility

Our targeted retention initiative, ranging from leadership training and early onboarding to enhanced employee engagement, resulted in a 5.6% year-over-year reduction in attrition, bringing it to 29.8%. Additionally, 2800+ employees benefited from internal role opportunities, supported by the launch of ‘FirstLeap,’ a program designed to upskill and certify employees for critical internal roles. Complementary initiatives such as the THRIVE program have further empowered frontline associates through career development and skills enhancement.

Investing in a future-ready workforce

In FY25, we strategically invested in workforce upskilling to create a future-ready, digital-first organization. Our focus was on enhancing digital fluency, adaptability, and innovation—ensuring our employees are equipped to drive business transformation and navigate an evolving technological landscape.

Key initiatives include:

- **Customized learning content:** Developed 270 hours of tailored learning material to enhance digital fluency, innovation, and adaptability in context of our business and the industries we serve, ensuring relevance and direct impact on performance.
- **Strategic partnerships:** Collaborated with leading organizations to offer specialized technology and leadership training, ensuring our supervisors and leaders have access to best-in-class resources.
- **Learning Experience Platform (LXP):** Launched an AI-driven LXP that integrates internal, external, and social

learning opportunities, allowing personalized career and skills development.

- **Engagement & impact:** Employees logged 263,500 learning hours on digital, leadership and business focused skills, with early metrics indicating a cultural shift towards continuous learning and improved digital competencies that drive operational efficiency and innovation.

Enhancing employee well-being

Our holistic employee well-being strategy integrates continuous training, development, and wellness initiatives:

- **FitSource:** Our comprehensive wellness program addressing physical, mental, social, and financial health through monthly webinars and an updated information hub.
- **First responder program:** Over 100 employees trained as First Responders/Mental Health First Aiders, with 22 new additions from Asia in FY25, ensuring timely support during crises.
- **Employee Assistance Programs (EAP):** Collaborations with certified EAP partners provide professional counselling across India, the US, and the UK.
- **Global wellness month:** Celebrated with webinars, interactive sessions, and a Photography Contest, engaging over 700 employees live and receiving 300+ contest entries.

Upgrading our policy framework for sustainable growth

In FY25, we undertook a comprehensive upgrade of our policy framework to streamline processes, align with evolving industry standards, and foster an inclusive, growth-oriented culture. By consolidating existing policies and introducing new ones, we aimed to simplify approvals, enhance employee experience, and reinforce our commitment to best-in-class governance.

Key focus areas included:

- **Simplification:** Merging and refining policies to reduce complexity, minimize administrative overhead, and enable faster decision-making.
- **Industry trends & compliance:** Adopting best practices around mobility, leave management, and remote/hybrid work, ensuring our workforce is well-supported and our operations remain compliant across geographies.
- **Culture & employee experience:** Strengthening policies around career advancement, DE&I, and well-being — such as lactation breaks and mental health support — to create an environment where employees can thrive.
- **Monetary impact:** Optimizing benefits and leave structures to manage costs effectively, while maintaining competitive offerings that attract and retain high-performing talent.

In total, we reviewed and published 98 policies, introduced 18 new ones, and retired 12 that were no longer relevant. These measures collectively strengthen our operational resilience, support our growth trajectory, and underscore our commitment to being an employer of choice. By

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continuously refining our policy ecosystem, we aim to sustain a high-performance culture that drives long-term value for our stakeholders.

Employee engagement surveys & recognition

Utilizing Microsoft Viva Glint, our lifecycle and pulse surveys — with average participation at 73% and favorability scores around 81.5% — offer actionable insights that have refined onboarding processes and enhanced our Rewards and Recognition frameworks.

Our transition to the Advantage Club has streamlined our reward policy, and enriched the employee experience, supporting over 24,000 monetary awards and 43,000 non-monetary appreciations distributed in FY25.

Diversity, equity, and inclusion (DE&I): advancing impact and inclusion

At Firstsource, DE&I is integral to our ESG strategy. In FY25, we advanced our DE&I framework with a focus on:

- **Inclusive Workplace:** Fostering environments where every employee feels valued and empowered.
- **Enhanced Client Experience:** Leveraging our diverse workforce to serve clients with cultural intelligence.
- **Community Engagement:** Driving societal impact through inclusive hiring and strategic partnerships.

Key strategic enhancements include a revamped DE&I strategy, global ERG governance, and updated policies promoting accessibility and inclusivity. Our robust ERG network — comprising groups such as WIN, Source of Pride, Culture Collective, and the newly launched Diverse Abilities Alliance — empowers employees and drives continuous DE&I learning and engagement through initiatives like DE&I Week, which engaged 3,111 employees, and participation in global diversity observances.

Risks and concerns and their mitigation

The risk management report describes the Company's enterprise-wide risk management philosophy, structure, and practices. We caution readers that risk-related information outlined here is for information purposes only. This report contains forward-looking statements about risks and uncertainties affecting our business objectives. The business model is subject to uncertainties that could cause results to differ materially from those reflected in the forward-looking statements. Readers are requested to exercise their judgment in assessing the risks associated with the Company and review all the factors discussed elsewhere in this annual report. In today's dynamic environment, organizations face multiple risks and thus creating and sustaining the value for our stakeholders requires robust governance and a robust risk management function.

Our risk management framework

We have designed and implemented our risk management framework based on the COSO Framework (Committee of Sponsoring Organizations). This globally accepted and recognized framework provides guidance and thought leadership on enterprise risk management and internal controls. Enterprise risk management at Firstsource seeks to minimize the adverse impact of risks on key business objectives and enables the Company to leverage market opportunities effectively. We continuously track these risks with the help of Key Risk Indicators (KRIs) as defined by the risk management team and risk owners.

Risk management process

The Company has defined an integrated enterprise risk management and internal controls framework that encompasses both a top-down and a bottom-up risk assessment process.

Top-down: This approach is strategically crucial. It focuses on the broader cross-cutting risks and macroeconomic factors that affect the entire organization and the Company's ability to achieve our goals and strategic objectives. It should be at the forefront of the leadership's agenda.

Bottom-up: The bottom-up approach focuses on an in-depth assessment of the Company's business processes, our specific risks, and how we control these risks.

Aligning transactional risk data from operational risk registers, internal audits, and operational risk events with the broader enterprise-level risks identified through management discussions, workshops, and macroeconomic assessment will create a line of sight into what is causing an enterprise risk and how those risks could be mitigated or responded to. The risks are identified across the defined risk categories considering the Company's business objectives. The stakeholders with clearly defined roles and responsibilities at various levels take up the response, remediation, monitoring, tracking, reporting and review at defined periodicities.

Remuneration and financial incentives

The company's remuneration system is aligned with risk management principles. At the highest level of the organization, decisions on the remuneration of Firstsource's executive director and senior management incorporate the necessary precautions to avoid assuming excessive risks and rewarding unfavorable management results. The variable remuneration paid to the heads of departments that manage company risk (e.g. the departments of compliance, prevention of occupational risk, information security, etc.) is dependent upon the proper management, disclosure and integration of risks throughout the whole company.

Key business risks and their mitigation

The Company's critical business risks and their mitigation measures include:

A. Strategic risks

Risks	Risk description
Growth risk	We derive most of our revenues from a few big US and UK-based clients. Hence, any economic slowdown or downturn in these economies and industries may affect the Company's business.
	Increasing technology disruptions and digitization trends have made inventing and adapting digital technologies imperative. Improper adaption could impact the Company's ability to grow.
	The Company's healthcare industry services are less prone to economic or recessionary cycles. However, the customer management business is relatively low-margin and more prone to economic variations. Hence, any technology disruption could see volume shrinkage and can have an adverse impact on growth.
	The Company's continued focus on creating the digital business practices has enabled us to offer differentiated, productized services across industry segments. We have based these services on digitization, robotics, artificial intelligence, and data analytics, and other technology-enabled solutions, which allow the Company to retain and grow our wallet share with our clients and win new logos.
Country risk	The Company has also ramped up efforts to establish new relationships in new-age economy businesses and won the first few logos, which will further diversify revenue and industry concentration.
	The Company has a global footprint, with operations in multiple geographies, intermediate or operating subsidiaries and branches, and branches incorporated in India, the US, the UK, the Philippines, Mexico, and South Africa. Consequently, the Company is exposed to various geopolitical and regulatory risks that are beyond the Company's control.
	From a macroeconomic perspective, the most significant actions taken by the new US administration have been on tariffs and government operations. There have been numerous announcements of new tariffs — some have gone into effect, some have been “paused,” and some are yet to come into force.
	The Company has local management teams in all our operating countries, and they understand the country specific economic and operating nuances.
ESG	The Company has also invested significantly in creating a management structure in these geographies and has a well-diversified geographic spread to mitigate these risks.
	The Company's inability to demonstrate the outcome of our ESG program covering various areas such as Climate change, GHG reductions, responsible supply chains, Governance etc., can have an adverse impact on operations, reputation etc. Further, the expectations may change due to evolving regulatory and stakeholder expectations.
	We have established a robust ESG governance framework that is closely aligned with our Enterprise Risk Management (ERM) practices. ESG-related risks and opportunities are regularly reviewed and reported to the Board-level Risk Management Committee, ensuring strong oversight and accountability. Governance). Our governance structure supports strategic alignment across the organization, with clearly defined roles and responsibilities at both executive and operational levels. To stay responsive to evolving stakeholder expectations and regulatory requirements, we conduct an annual review of our materiality assessment. The outcomes of this review help ensure the continued relevance of our material topics, and any necessary changes are integrated into our risk management framework.

B. Industry and macroeconomic risks

Risks	Risk description
Long selling cycle	The Company's selling cycle for BPS ranges from months to multiple years and requires significant capital, resources, and time from both clients and the Company.
	The Company has robust marketing, sales and business development teams across geographies with an aggressive transition methodology that helps transition new wins fairly quickly into service delivery mode.
	Most contracts with existing clients are long-term, ensuring sustainable and scalable business from such clients.
Highly competitive Environment	The market for BPS has become highly competitive over the years. These competitors include third-party 'pure play' BPS providers based largely in India and the Philippines, local/onshore BPS providers in the US and UK, BPS divisions of global IT companies and in-house captives of potential clients.
	The Company understands that we need to retain and grow our leadership in the industry. To maintain this competitive edge, we invest significantly in strengthening domain expertise, digital capabilities, process excellence, operational prowess, and innovation quotient and creating a robust transformation framework. These measures will help us differentiate ourselves vis-à-vis competition and aid non-linear growth in revenues and margins.

Management Discussion and Analysis

C. Financial risks

Risks	Risk description
Currency volatility	<p>The exchange rate between INR and GBP, INR and USD, has been volatile in recent years, and these currencies may continue to fluctuate significantly in the future as well.</p> <p>The Company's operating results will continue to be impacted by fluctuations in these exchange rates</p> <p>The Company has a dedicated treasury function and an internal foreign exchange risk management policy that proactively hedges exposures. Per the internal guidelines, the Company has been judiciously hedging our net exposures regularly through forward cover contracts and other suitable products</p>
Customer credit risk	<p>This risk is the possible inability to collect from clients or delays in collecting the Company's dues.</p> <p>While this risk did not impact us in the current year the pressure will continue in FY25 due to the adverse impact on the overall liquidity situation and challenges faced by clients' businesses. This could have an impact on the Company's cash receivables, and the Company may be required to enhance our short-term line of credit temporarily, to continue our operations.</p> <p>The Company addresses this risk through a well-defined governance mechanism to ensure adequate liquidity and solvency.</p>
Liquidity and solvency risk	<p>The Company operates through legal entities in multiple countries and is subject to various standards and principles for accounting and reporting. Any material change in the standards will impact the Company's financial reporting.</p> <p>Furthermore, the Company uses financial leverage to ensure optimum solvency. Timely borrowing, repayment, and raising funds at the right cost are important aspects of financial management, which would otherwise adversely impact profitability and solvency.</p> <p>The Company has implemented a robust internal financial controls framework that helps mitigate these risks.</p>

D. Operational risks

Risks	Risk description
Non-renewal of key client contracts	<p>The Company continues to maintain existing accounts and acquire new clients. We constantly endeavor to grow existing client businesses and add new clients to our portfolio. The contracts with clients are of varying duration, between one and ten years. After the term expires, we put out our contracts for tender through a procurement process. Non-renewal may significantly affect the Company's revenues.</p> <p>The Company recognizes that providing excellent services and constant value enhancement is critical to ensuring a high chance of contractual renewal at the expiry of the term. The Company's sales and CRM teams constantly strive to enhance their relationships with key stakeholders to position the Company's services favorably.</p>
Cybersecurity/ Data privacy risk	<p>As part of the services offered to our clients, we handle confidential data and proprietary information. Any leakage of this information harms the Company's reputation.</p> <p>The Company faces heightened cybersecurity risk due to possible attacks on data centers and technology infrastructure. We address this risk through a robust information and data security, privacy, and cybersecurity framework and processes that applies to all our offices and employees. Various operation centers are ISO 27001-certified, which is an international standard for Information Security Management Systems (ISMS).</p> <p>Additionally, many processes are certified with HIPPA, HITRUST, and SOC2 accreditations. Audits are conducted on a periodic basis, and any non-conformance observed is fixed immediately. The Company adopts a zero-tolerance policy towards non-compliance with this framework</p> <p>We have also deployed various technical controls at the network perimeter, servers, network devices, data centers and end-user computing.</p> <p>Threat and vulnerability management: Early detection of core infrastructure vulnerabilities ensures proactive mitigation. Our comprehensive technical compliance check through a third party covers the following:</p> <ul style="list-style-type: none">Vulnerability assessment and penetration testingSegmentation penetration testingWeb application security assessmentApproved scanning vendor for Payment Card Industry Data Security StandardDesktop scans for Payment Card Industry Data Security StandardSource code reviewCloud infrastructure reviewNetwork configuration reviewSecurity operations center and digital footprint monitoring – continuous monitoring

Risks	Risk description
Cybersecurity/ Data privacy risk	<p>24/7 monitoring helps reinforce our security posture while preventing, detecting, analyzing, and responding to real-time cybersecurity incidents. Firstsource has deployed EDR /XDR on all the endpoints, servers and cloud and these digital assets are monitored through 24/7*365 using MDR services (Managed Detection and threat response service) using X-Vigil from SentinelOne</p> <p>Digital footprint monitoring is done through a security scorecard that rates the cybersecurity postures of corporate entities by completing a scored analysis of cyber threat intelligence.</p> <p>The end users must go through a highly-secure virtual private network with two-factor authentication.</p> <p>We protect end-user computing with endpoint detection and response, data loss prevention, encryption, and domain name system layer security. Internet access is managed through a proxy, blocking risky sites and all e-mails are protected by a secure mail gateway that protects them from malware, spam, phishing, ransomware, spoofing, and more.</p> <ul style="list-style-type: none">All O365 channels are protected with data loss prevention.Servers are protected with best-in-class endpoint detection and responses/extended detection and responses.Login to servers is through a secure channel using a privileged access management tool with two factor Authentication
Risks due to operational errors, frauds and internal non-compliances of policies and procedures	<p>The Company has internal policies, procedures and norms for operational activities, process compliance and controls. These norms are specified to achieve various control objectives and to prevent fraud and errors. Nonadherence to such internal policies, procedures, and norms, can therefore, lead to operational errors, fraud, and internal non-compliance.</p> <p>The Company has strong internal controls to check compliance with policies and procedures operated by various levels of management. Furthermore, these controls are also subject to risk-based internal audits by an independent internal audit team, which helps identify and remedy gaps promptly.</p>
Reputational risks	<p>Our clients are big and reputed corporates. A loss of reputation can adversely affect our operations and contractibility. As a public company, we are scrutinized by many constituents including the media.</p> <p>We have not been impacted by any event that could jeopardize our reputation in the past. Our well-managed operations do not expose our employees and clients to major risks. Moreover, our communications setup is always proactive in managing minor situations that may arise.</p>
Legal risks	<p>The Company has long-term contracts with our customers, and we deliver our services under these contracts from several offices across the US, the UK, India, Mexico, South Africa, and the Philippines. Additionally, to deliver on the various service level commitments, the Company also needs to ensure compliance with applicable laws and regulations in those geographies, including but not limited to employment, tax, and environmental laws.</p> <p>Additionally, the Company must safeguard our intellectual properties against infringement and ensure compliance with third-party licenses used in our day-to-day business.</p> <p>The Company has a legal team in place, which, in addition to advising and ensuring documentary safeguarding, closely works with business and support functions to enable compliance with contractual and/or regulatory requirements.</p>

E. Human resources risks

Risks	Risk description
Risk related to Attrition	<p>In the BPM industry, talent continuity directly impacts operational performance, client satisfaction, and cost efficiency. The accelerating pace of change — driven by automation, AI, and agentic technologies — is reshaping roles and skills, increasing pressure to retain agile, multi-skilled talent.</p> <p>Evolving employee expectations, especially across generations, further complicate retention and make it a persistent business risk. The consequences include service disruption, higher replacement costs, and diminished employee experience. To mitigate this, the Company has adopted a targeted retention strategy, with a focus on critical roles:</p> <ul style="list-style-type: none">Strengthening onboarding and early lifecycle experiences to drive faster integrationAdvancing digital and leadership capability building to equip talent for the futureAccelerating internal mobility through curated programs aligned with individual aspirations and business needsExpanding internal learning academies for continuous upskilling and reskillingDriving well-being, career enablement, and continuous learning to deepen engagementInvesting in first-line manager development to improve team stability and employee experience
Risk related to ability to recruit employees at a large-scale and manage inflationary wage costs	<p>Our ability to attract and onboard skilled talent at scale remains core to business growth. As digital transformation reshapes the BPM industry, demand for new capabilities — particularly in AI, analytics, and customer-centric roles — is rising. Simultaneously, wage inflation and talent shortages have made hiring more competitive and costly.</p>

Management Discussion and Analysis

Risks	Risk description
Risk related to ability to recruit employees at a large-scale and manage inflationary wage costs	<p>To manage these pressures, the Company has evolved its talent acquisition model to build a sustainable, future-ready pipeline:</p> <ul style="list-style-type: none">A robust employee referral program drives 30% of hiring, improving cultural alignment and retentionA structured apprentice hiring strategy brings in early-career talent for digital and emerging roles, reducing hiring costs and enabling long-term capability buildingAI-enabled hiring platforms enhance recruitment speed, accuracy, and market reachStrong employer branding through career events, digital outreach, and local partnerships increases visibility and attractivenessStrategic tie-ups with educational institutions in tier-II and III cities expand access to untapped talent poolsFocused investment in internal mobility to fill lateral roles from within
Risk related to leadership team and succession planning	<p>Effective leadership is essential to navigate market shifts, drive strategy, and sustain client trust. In a rapidly evolving market environment, leadership attrition can impact business continuity, operational stability, and cultural cohesion. To mitigate this risk, we follow a disciplined, future-oriented succession strategy:</p> <ul style="list-style-type: none">We identify and prioritize “Value Creator” roles—those with the greatest impact on strategic execution, client outcomes, and business growth—and ensure succession plans are in place for eachSuccession plans and talent fitment are reviewed regularly to ensure readiness and continuityOur total rewards framework ensures leadership compensation is competitive, performance-linked, and aligned with retention objectivesInternal talent reviews and development programs build a future-fit leadership pipeline
Risk of unethical business practices/misconduct	<p>The BPS industry is people-centric with a large employee base across cultures and geographies. It also has client-driven incentive programs in many businesses, which may lead to acts of potential misconduct cases and resultant client or reputational issues.</p> <p>The Company has a well-defined code of conduct which every employee is trained on and certifies to comply with. The Company also has a robust whistle-blowing mechanism which enables employees to report any misconduct, which is independently investigated and remediated. We also have a variety of training/refresher programs throughout the year. Additionally, the Company has a systematic background check verification program (for employees) and a due diligence process (for vendors/third parties) the appointment stage.</p> <p>The Company demonstrates zero tolerance towards cases of unethical business practices or misconduct</p>

F. Compliance risks

Risks	Risk description
Compliance and regulatory risks in various geographies	<p>As we have grown, our geographic presence, customer base, and exposure to various regulatory and compliance risks have also increased. The Company has a relatively high proportion of regulated businesses in our overall portfolio, which enhances the regulatory risk. The Company’s operations and clients are spread across multiple geographies and are governed by various regulations and government guidelines. Breach of any of these regulatory provisions can attract regulatory inspection, notices, penalties, and revocation of permits or licenses.</p> <p>The Company has implemented a robust regulatory and contractual compliance framework to identify, assess, monitor, control, and report compliance status concerning laws and regulations specific to the country we operate in, and the client-specific work in a consistent manner for our businesses across the globe.</p> <p>The framework ensures we align compliance ownerships, keep responsible personnel aware, report compliance status, and take necessary actions to comply. All laws and regulations are verified for applicability, detailed at the provision level, and tracked for compliance at the function and location level.</p>

G. Technology risks

Risks	Risk description
Advent of disruptive technologies	<p>The overall business environment continues to witness emerging disruptive technologies. However, clients seek to cut additional back-office costs due to continued budget pressures, while suppliers try to create additional services and associated revenues. Technologies such as cloud computing, artificial intelligence, data analytics software, social media platforms, and process automation software are being used in the BPS industry to enable businesses to lower costs and be more effective.</p> <p>BPS companies are moving fast to offer additional value-added services through technology enablement, partnerships, and alliances.</p> <p>As part of our productization initiatives, the Company has developed a comprehensive suite of digital solutions for robotics process automation and digital analytics. A combination of domain and process expertise with best-in-class technology is helping the Company pursue significant opportunities.</p>

Discussion on Financial Position relating to Operational Performance

Shareholders’ funds

The authorized share capital of the Company is ₹ 8,720.00 million with 872 million Equity shares of ₹ 10 each. The paid up share capital as of March 31, 2025 stands at ₹ 6,969.91 million compared to ₹ 6,969.91 million as of March 31, 2024.

There is no increase in equity share capital.

The Other equity of the Company increased from ₹ 30,034.12 million to ₹ 34,006.39 million. The details of increase in Reserves and surplus by ₹ 3,972.27 million are as below:

(Amount in ₹ million)	
Particulars	Amount
Increase on account of:	
Profit for the year less appropriation	5,888.51
Exchange Difference on consolidation of non-integral subsidiaries/entities	636.86
Employee stock option reserve	556.19
Decrease on account of:	
Dividend (Net)	(2,758.57)
Effective portion of cash flow hedges	(234.14)
Treasury shares, net	(116.58)
Net Increase in Reserves and surplus	3,972.27

Minority interest

Minority interest is created on account of 74% consolidation of Firstsource Dialog Solutions (Private) Limited, Sri Lanka.

Minority interest as of March 31, 2025 is ₹ 3.96 million as compared to ₹ 3.84 million as of March 31, 2024.

Long-term borrowings

Secured long-term borrowings represent finance lease obligation. Unsecured long-term borrowings represent loan from banks and non-banking financial companies.

Unsecured long-term borrowings outstanding as of March 31, 2025 were ₹ 3,419 million as compared to ₹ Nil as of March 31, 2024. The net increase was majorly due to loan taken from bank.

Deferred tax liabilities

Deferred tax liabilities as of March 31, 2025 were ₹ 1,645.11 million as compared to ₹ 1,470.38 million as of March 31, 2024. This is majorly due to utilization of deferred tax on business losses during the year.

Lease liabilities

Lease liabilities for the Company as of March 31, 2025 were ₹ 10,365.67 million and for March 31, 2024 were ₹ 7,209.19 million. The increase is on account of new premises taken on lease.

Provisions

Provisions represents provision for gratuity and compensated absences liability to employees based on actuarial valuation

done by an independent actuary. These provisions as of March 31, 2025 were ₹ 884.16 million as compared to ₹ 654.68 million in March 31, 2024.

Short-term and other borrowings

Short-term borrowings as of March 31, 2025 were ₹ 11,907.95 million as compared to ₹ 8,048.76 million as of March 31, 2024. The increase is on account of additional line of credit from banks netted off by decrease in current maturities of long term borrowings.

Trade payables

Trade payables as of March 31, 2025 were ₹ 3,976.20 million as compared to ₹ 3,055.81 million as of March 31, 2024.

Other financial liabilities

Other financial liabilities as of March 31, 2025 were ₹ 4,208.59 million as compared to ₹ 2,047.30 million as of March 31, 2024. The increase in other financial liabilities is majorly on account of increase in employee benefits payable and contingent consideration.

Other liabilities

Other current liabilities as of March 31, 2025 were ₹ 1,105.52 million as compared to ₹ 1,056.96 million as of March 31, 2024.

Goodwill

Goodwill as of March 31, 2025 was ₹ 36,799.24 million as compared to ₹ 29,884.90 million as of March 31, 2024. The increase in goodwill during the year was due to acquisition of Quintessence Business Solutions & Services Private Limited and Ascensos Limited.

Fixed assets

The net block of tangible assets, intangible assets and capital work-in progress amounting to ₹ 4,501.91 million as of March 31, 2025 as compared to ₹ 2,460.91 million as of March 31, 2024, resulted in a net increase of the assets to the extent of ₹ 2,041 million. This is majorly due to net additions and assets acquired on acquisition of ₹ 3,755.72 million and by upward exchange rate impact of ₹ 27.21 million and depreciation charge for the year amounting to ₹ 1,741.93 million.

Right of use assets

Right of use assets of the Company was ₹ 9,125.76 million on March 31, 2025 and ₹ 6,355.29 million on March 31, 2024. The increase is due to net additions and assets acquired on acquisition of ₹ 4,475.43 million and upward exchange rate impact of ₹ 107.16 million offset by depreciation charge for the year amounting to ₹ 1,812.12 million.

Investments

The investments of the Company represent non-current investments of ₹ 115.21 million and current investments of ₹ 615.63 million as on March 31, 2025 as compared to ₹ 115.05 million and ₹ 300.27 million respectively as on March 31, 2024.

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Deferred tax assets

Deferred Tax assets of the Company as of March 31, 2025 were ₹ 2,734.63 million as compared to ₹ 2,920.61 million as of March 31, 2024.

Income tax assets

Income Tax assets of the Company as of March 31, 2025 were ₹ 713.93 million as compared to ₹ 808.79 million as of March 31, 2024.

Other non-current assets

The other non-current assets of the Company as of March 31, 2025 were ₹ 1,964.65 million as compared to ₹ 2,086.10 million as of March 31, 2024. This decrease is due to decrease in non-current portion of deferred contract cost.

Trade receivables – billed

Billed trade receivables amount to ₹ 11,677.13 million (net of provision for doubtful debts amounting to ₹ 1,269.81 million) as of March 31, 2025 as compared to ₹ 8,606.78 million (net of provision for doubtful debts amounting to ₹ 848.23 million) as of March 31, 2024. These receivables are considered good and realizable.

The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates and general economic factors which could affect the Company’s ability to settle claims. Provisions are generally made for all receivables outstanding for more than 180 days as also for others, depending on the management’s perception of the risk. Debtors’ days as of March 31, 2025 (calculated based on per-day sales in the year

were 53 days, as compared to 50 days as of March 31, 2024. The Company constantly focuses on reducing its receivables period by improving its collection efforts.

Trade receivables – unbilled

Unbilled trade receivables amount to ₹ 5,183.18 million as of March 31, 2025 as compared to ₹ 3,001.40 million as of March 31, 2024.

Cash and bank balances

Cash balance represents balance in cash with the Company to meet its petty cash expenditures. The bank balances in India include both Rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are maintained to meet the expenditure of the overseas subsidiaries and branches. The cash and bank balance as of March 31, 2025 was ₹ 1,542.12 million as compared to ₹ 1,747.74 million as of March 31, 2024. This decrease in cash was due to cash used in investing activities and payment of dividend offset by cash generated from operating activities.

Other financial assets

Other Financial Assets as of March 31, 2025 were ₹ 1,232.78 million as compared to ₹ 845.11 million as of March 31, 2024. The increase in these assets was on account of increase in deposits.

Other current assets

The other current assets of the Company as of March 31, 2025 were ₹ 2,888.28 million as compared to ₹ 1,486.16 million as of March 31, 2024. This increase is majorly due to increase in prepaid expenses.

Income

Income from Services

Income from services increased by 25.9% to ₹ 79,721.00 million in FY25 from ₹ 63,325.28 million in FY24. The Company attributes this increase in its income from services to new business from existing clients and addition of few new clients. The average exchange rate for consolidation of subsidiaries for USD and GBP in FY25 was ₹ 84.55 per USD and ₹ 107.87 per GBP as compared to ₹ 82.78 per USD and ₹ 104.05 per GBP in FY24.

Consolidated revenues by segment

The Company serves clients for Banking and Financial Services, Healthcare, Communication, Media & Technology and Diverse Industries. Clients from Banking and Financial Services accounted for 34.0% (FY24: 39.3%), clients from Healthcare accounted for 34.9% (FY24: 33.0%), clients from Communication, Media and Technology accounted for 21.2% (FY24: 22.3%), clients from Diverse Industries accounted for 9.9% (FY24: 5.4%) of the income from services in FY25.

The following table gives a segment-wise breakdown of the income from services for the corresponding periods:

	Amount (₹ million)	
	FY25	FY24
Business Segment		
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
Total	79,721.00	63,325.28

Consolidated revenues by geography

The Company reports its revenue based on geography, categorizing clients into the USA, UK and Rest of the World. Clients from USA accounted for 67.7% (FY24: 64.8%), clients from UK accounted for 32% (FY24: 35.1%), clients from Rest of the World accounted for 0.3% (FY24: 0.1%). The following table gives a segment wise breakdown of the income from services for the corresponding periods:

	Amount (₹ million)	
	FY25	FY24
Geography		
UK	25,534.70	22,239.21
USA	53,923.55	41,012.03
Rest of the World	262.75	74.04
Total	79,721.00	63,325.28

Client concentration

In FY25 income from the Company’s five largest clients amounted to ₹ 24,876.56 million versus ₹ 22,937.78 million in FY24, accounting for 31.2% versus 36.2% of total income from services respectively. In FY25, the Company had 30 clients contributing individually over USD 5 million each in annual revenues as compared to 25 clients in FY24. Although the Company continues to increase and diversify its client base, it focuses on gradually reducing this concentration by adding more high-value clients.

Other operating income

Other operating income of ₹ 82.14 million in FY25 (FY24: ₹ 37.17 million) includes exchange gain of on restatement and settlement of debtor balances and related gain/(loss) on forward/option contracts as these transactions relate to the operations of the Company.

Revenue from operations

The Company’s revenue from operations increased by 25.9% to ₹ 79,803.14 million in FY25 from ₹ 63,362.45 million in FY24 in rupee terms and grew by 1.1% in constant currency terms.

Expenditure

Personnel costs

Personnel costs increased by 27.8% to ₹ 49,957.80 million in FY25 from ₹ 39,093.25 million in FY24, with the number of employees increasing to 34,651 as of March 31, 2025 from 27,940 as of March 31, 2024.

Other expenses

Other expenses for FY25 amounted to 22.3 % of the income for that period, as compared to 23.2% of income in FY24. Operating costs increased to ₹ 17,769.14 million in FY25 from ₹ 14,704.80 million in FY24. This increase is majorly due to increment in operating expenses with high variability.

Operating EBITDA (Earnings before Interest, Tax and Depreciation)

Operating EBITDA increased to ₹ 12,076.20 million in FY25 from 9,564.40 million in FY24. Operating EBITDA in FY25 is 15.1% of income as compared to 15.1% in FY24.

Depreciation

Depreciation costs for FY25 amounted to 4.1% of the income for that period, as compared to 4.1% in FY24. Depreciation increased year-on-year to ₹ 3,270.35 million in FY25 from ₹ 2,602.24 million in FY24.

Operating EBIT (Earnings before interest and tax)

Operating Earnings before Interest and Tax (EBIT) increased by ₹ 1,843.69 million to ₹ 8,805.85 million in FY25 from ₹ 6,962.16 million in FY24. Operating EBIT in FY25 is 11.0% compared to 11.0% in FY24.

Finance cost

Finance cost for FY25 amounted to 1.9% of income for that period, as compared to 1.6% of income in FY24. Finance charges increased to ₹ 1,478.76 million in FY25 from ₹ 1,033.85 million in FY24.

Other income

Other income/(expense), net decreased to ₹ (8.67) million in FY25 from ₹ 368.44 million in FY24. The components of other income in FY25 were profit from the sale/redemption of current investments of ₹ 68.45 million, loss on sale of fixed assets of ₹ 49.98 million, interest income of ₹ 26.84 million, foreign

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exchange loss of ₹ 62.99 million and other miscellaneous income, net of ₹ 9.01 million which is on account of changes in the fair value of the liabilities for purchase of non-controlling interest and contingent considerations respectively.

Profit before tax

Profit before tax increased to ₹ 7,406.51 million in FY25 from a profit before tax of ₹ 6,296.75 million in FY24. Profit before tax in FY25 was 9.2% of the income, as compared to 9.9% of the income in FY24.

Tax expense

Tax expense increased to ₹ 1,462.00 million in FY25, from ₹ 1,149.50 million in FY24. Income tax expense comprises of current tax, net change in the deferred tax assets and liabilities in the applicable FY period and minimum alternate tax credit. Current tax expense comprises tax on income from operations in India and foreign tax jurisdictions. The Company had the benefit of tax-holiday under Section 10AA under the Special Economic Zone scheme, since few of the centers in India are in Special Economic Zone.

Current tax expense amounted to ₹ 1,294.64 million in FY25 as compared to ₹ 900.54 million in FY24, and deferred tax charge of ₹ 167.36 million in FY25 compared to a deferred tax charge of ₹ 248.96 million in FY24.

Profit after tax before minority interest

As a result of the foregoing, profit after tax before minority interest increased to ₹ 5,944.51 million for FY25 from profit after tax before minority interest of ₹ 5,147.25 million in FY24.

Minority interest

Minority interest is ₹ (0.04) million in FY25 as compared to ₹ (0.04) million in FY24.

Profit after tax

As a result of the foregoing, profit after tax to ₹ 5,944.55 million in FY25 from profit after tax of ₹ 5,147.29 million in FY24. Profit after tax in FY25 was 7.4% of the income, as compared to 8.1% of the income in FY24.

Liquidity and capital resources cash flows

The Company needs cash to fund the technology and infrastructure requirements in its operation centers, to fund its working capital needs, to pay interest and taxes, to fund acquisitions and for other general corporate purposes. The Company funds these capital requirements through variety of sources, including cash from operations, short and long-term lines of credit and issuances of share capital. As of March 31, 2025, the Company had cash and cash equivalents of ₹ 1,542.12 million. This represents cash and balances with banks in India and abroad.

The Company’s summarized statement of consolidated cash flows is set forth below:

Amount (₹ million)		
	FY25	FY24
Net Cash flow from Operating activities	7,010.96	6,440.54
Net Cash flow generated from /(used in) from Investing Activities	(7,458.96)	(579.93)
Net Cash flow generated/used in Financing Activities	225.92	(5,634.50)
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

Operating activities

Net cash generated from the Company’s operating activities in FY25 amounted to ₹ 7,010.96 million. This consisted of net profit before tax of ₹ 7,406.51 million and a net upward adjustment of ₹ 5,767.14 million relating to various non-cash items and non-operating items including depreciation of ₹ 3,270.35 million; net decrease in working capital of ₹ 4,943.97 million; and income taxes paid of ₹ 1,218.72 million. The working capital change was due to increase in trade receivables of ₹ 4,208.57 million, increase in loans and advances by ₹ 1,233.46 million and increase in liabilities and provisions by ₹ 498.06 million.

Net cash generated from the Company’s operating activities in FY24 amounted to ₹ 6,440.54 million. This consisted of net profit before tax of ₹ 6,296.75 million and a net upward adjustment of ₹ 3,272.93 million relating to various non-cash items and non-operating items including depreciation of ₹ 2,602.24 million; net increase in working capital of ₹ 2,820.07 million; and income taxes paid of ₹ 717.75 million. The working capital change was due to increase in trade receivables of ₹ 1,545.95 million, increase in loans and advances by ₹ 1,274.12 million and increase in liabilities and provisions by ₹ 408.68 million.

Investing activities

In FY25, the Company used ₹ 7,458.96 of cash from its investing activities. These investing activities included capital expenditure of ₹ 2,236.09 million, including fixed assets purchased and replaced in connection with the Company’s operation centers in UK, USA and India and net purchase of money and debt market mutual funds amounting to ₹ 159.30 million.

In FY24, the Company used ₹ 579.93 million of cash from its investing activities. These investing activities included capital expenditure of ₹ 850.43 million, including fixed assets purchased and replaced in connection with the Company’s operation centers in UK, USA and India and net purchase

of money and debt market mutual funds amounting to ₹ 357.34 million.

Financing activities

In FY25, net cash generated in financing activities amounted to ₹ 225.92 million. This comprised of repayment of long term borrowings of ₹ 1,793.68 million, proceeds from long term borrowings of ₹ 3,382.11 million, Proceeds of short term borrowings of ₹ 5,198.48 million. The Company paid towards purchase of Non-controlling Interest in a subsidiary of ₹ 224.82 million, interest of ₹ 1,579.22 million, purchase of treasury shares (net) of ₹ (362.00) million. During the year, the Company also paid dividend of ₹ 2,758.57 million to its shareholders and repaid lease liability of ₹ 1,636.38 million.

In FY24, net cash used in financing activities amounted to ₹ 5,634.50 million. This comprised of repayment of long term borrowings of ₹ 1,561.24 million, proceeds from long term borrowings of ₹ NIL, proceeds of short term borrowings of ₹ 1,277.99 million. The Company paid towards purchase of Non-controlling Interest in a subsidiary of ₹ 583.32 million, interest of ₹ 1,010.70 million, purchase of treasury shares (net) of ₹ 58.85 million. During the year, the Company also paid dividend of ₹ 2,405.94 million to its shareholders and repaid lease liability of ₹ 1,410.14 million.

Internal control systems and their appropriateness

Firstsource has institutionalized a system of internal controls, with documented procedures covering all corporate functions. Internal controls provide reasonable assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls, and compliance with applicable laws and regulations.

Cautionary statement

This document contains statements about expected future events, financial and operating results of the Company, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management’s discussion and analysis of Firstsource Solutions Annual Report for the Financial Year 2024-25.

Cash position

The Company funds its short-term working capital requirements through cash flow from operations, working capital overdraft facilities with commercial banks, medium-term borrowings from banks and other commercial financial institutions. As of March 31, 2025, the Company had cash and bank balances of ₹ 1,542.12 million as compared to ₹ 1,747.74 million as of March 31, 2024.

Key financial ratios

Ratios	FY25	FY24
Debtors Turnover	6.83	7.36
Current Ratio	0.9	0.9
Debt Equity Ratio	0.4	0.2
Interest Coverage	5.9	7.1
Operating EBITDA	15.1%	15.1%
Operating EBIT	11.0%	11.0%
Net Profit Margin	7.4%	8.1%

Table presents key financial ratios, as applicable, for Firstsource Solutions Limited.

Corporate Information

Board of Directors	Designation
Dr Sanjiv Goenka	Chairman, Non-Executive, Non-Independent Director
Shashwat Goenka	Vice - Chairman, Non-Executive, Non-Independent Director
Ritesh Idnani	Managing Director & CEO, Executive Director
Pradip Kumar Khaitan	Non-Executive, Non-Independent Director
Subrata Talukdar	Non-Executive, Non-Independent Director
Sunil Mitra	Non-Executive, Independent Director
Vanita Uppal	Non-Executive, Independent Director
Utsav Parekh	Non-Executive, Independent Director
Rekha Sethi	Non-Executive, Independent Director
T. C. Suseel Kumar	Non-Executive, Independent Director
Dr Rajiv Kumar	Non-Executive, Independent Director (w.e.f. May 03, 2024)

COMPANY SECRETARY

Pooja Nambiar

COMMITTEE DETAILS

Audit Committee

Utsav Parekh - Chairman
Sunil Mitra
T C Suseel Kumar
Subrata Talukdar

Nomination and Remuneration Committee

T C Suseel Kumar - Chairman
Utsav Parekh
Subrata Talukdar

Stakeholders Relationship Committee

Subrata Talukdar - Chairman
Ritesh Idnani
Rekha Sethi

Corporate Social Responsibility Committee

Shashwat Goenka - Chairman
Ritesh Idnani
Subrata Talukdar
Dr Rajiv Kumar

Risk Management Committee

Shashwat Goenka - Chairman
Ritesh Idnani
Vanita Uppal
Dinesh Jain

Investment Committee

Subrata Talukdar - Chairman
Ritesh Idnani

Strategy Committee

Subrata Talukdar - Chairman
Ritesh Idnani

Registered Office

Firstsource Solutions Limited
CIN: L64202MH2001PLC134147
5th Floor, Paradigm ‘B’ Wing,
Mindspace, Link Road, Malad (West),
Mumbai – 400 064, India.
www.firstsource.com

Statutory Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants
One International Center,
Tower 3, 27th -32nd Floor,
Senapati Bapat Road,
Elphinstone Road (West),
Mumbai – 400 013, India.

Major Bankers

Bank of the Philippines Islands
Barclays Bank PLC
Citibank, N.A.
DBS Bank India Limited
HDFC Bank Limited
HSBC Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
PNC Bank, N.A.

Notice

NOTICE is hereby given that the 24th Annual General Meeting (AGM) of the Members of **Firstsource Solutions Limited** will be held on Wednesday, July 30, 2025 at 11.00 a.m. Indian Standard Time (“IST”), through Video Conferencing/Other Audio-Visual Means (“VC/OAVM”) Facility to transact the following business/(es):

Ordinary Business:

1.

To receive, consider and adopt:

a)

the Audited Financial Statements of the Company for the financial year ended March 31, 2025 along with the reports of the Board of Directors and the Auditors thereon; and

b)

the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2025 along with the report of the Auditors thereon.
2.

To confirm the payment of Interim Dividend @ 40% (i.e. ₹ 4.00 per share) on Equity Shares of ₹ 10/- each, already paid for the financial year ended March 31, 2025.
3.

To appoint a Director in place of Mr Shashwat Goenka (DIN 03486121), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. Appointment of Secretarial Auditor:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), other applicable laws/statutory provisions, if any, as amended from time to time, M/s. Makarand M. Joshi & Co., Practicing Company Secretaries (Firm Registration No. P2009MH007000), be and are hereby appointed as Secretarial Auditor of the Company for term of five consecutive years commencing from the financial year 2025-26 till the financial year 2029-30, at such fees, plus applicable taxes and other out-of-pocket expenses as may be determined by the Board of Directors (including its Committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to do all such necessary acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Firstsource Solutions Limited
CIN: L64202MH2001PLC134147

Registered Office:
5th Floor, Paradigm ‘B’ Wing,
Mindspace, Link Road,
Malad - (West), Mumbai - 400 064, India
Tel : +91-22-66660888
Fax: +91-22-66660887
<https://www.firstsource.com/>
Email:complianceofficer@firstsource.com

April 28, 2025

Pooja Nambiar
Company Secretary
FCS No.: 10710

Notice

Notes:

1. In compliance with the applicable provisions of the Companies Act, 2013 (“Act”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), and pursuant to the Ministry of Corporate Affairs, Government of India (“MCA”) General Circular No. 9/2024 dated September 19, 2024, read with circulars dated May 5, 2020, April 13, 2020, April 8, 2020, January 13, 2021, December 8, 2021 and December 28, 2022 issued in this respect (collectively referred to as “MCA Circulars”), and the Securities and Exchange Board of India (“SEBI”) Circular dated October 3, 2024 (“SEBI Circular”), the 24th Annual General Meeting of the Company (“AGM”) is being held through VC/OAVM without the physical presence of the Members at a common venue. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 and SEBI Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July 2023, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 24th AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the 24th AGM will be provided by CDSL.
3. Members can join the 24th AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and the same will be available for members on a first-come-first-served basis.
4. The attendance of the Members attending the 24th AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. However, as this AGM is being held through VC/OAVM, and physical attendance of Members has been dispensed with, the facility for appointment of proxies by the members will not be available for the AGM and therefore the proxy form and attendance slip is not annexed to this notice. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the Quorum under section 103 of the act.

6. Pursuant to SEBI Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024, the Notice of the AGM along with the Annual Report for financial year (“FY”) 2024-25 is being sent by electronic mode to those Members whose e-mail IDs are registered with the National Securities Depository Limited or Central Depository Services (India) Limited, collectively (“Depositories”). The Notice and the Annual Report FY 2024-25 is available on the following websites (a) Company - <https://www.firstsource.com/> (b) BSE Limited - www.bseindia.com (c) National Stock Exchange of India Limited - www.nseindia.com and (d) Website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM) at www.evotingindia.com.
- Further, in accordance with Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), a letter providing a web-link for accessing the Annual Report is being sent to those Members who have not registered their e-mail IDs.

Note for Mutual Funds/their Asset Management companies:

- Pursuant to SEBI circular SEBI/HO/IMD/DF4/CIR/P/2021/29 dated March 05, 2021, it is mandatory that Mutual Funds/ their Asset Management Companies (AMCs) have to compulsorily cast their votes by exercising their voting rights in respect of their investments held in various companies through various Schemes, including passive investment schemes like Index Funds, Exchange Traded Funds etc., in respect of following resolutions with effect from April 01, 2021:
- i. Corporate governance matters, including changes in the state of incorporation, merger and other corporate restructuring and anti-takeover provisions;

ii. Changes to capital structure, including increases and decreases of capital and preferred stock issuances;

iii. Stock option plans and other management compensation issues;

iv. Social and corporate responsibility issues;

v. Appointment and Removal of Directors;

vi. Any other issue that may affect the interest of the shareholders in general and interest of the unit-holders in particular;

vii. Related party transactions of the investee companies (excluding own group companies).
- Further, SEBI vide its circular SEBI/HO/IMD/DF4/ CIR/P/2021/29 dated March 05, 2021 has asked Mutual Funds/AMCs to compulsorily vote on above mentioned resolutions with effect from April 01, 2021 and on all other resolutions with effect from April 01, 2022.

Further, please note that for any resolutions mentioned in the Notice on which Mutual Funds/AMCs intend to vote, they are advised to thoroughly review the respective resolutions along with the explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013, and take an informed decision accordingly.

The intructions of shareholders for e-voting and joining virtual meetings are as under:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Friday, July 25, 2025 at 9.00 a.m. and ends on Tuesday July 29, 2025 at 5.00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Wednesday, July 23, 2025, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 and SEBI circular no SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July 2023** on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab.
	2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Notice

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<div>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</div> <div>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</div> <div>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</div>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-voting and joining virtual meetings for Physical shareholders other than individual shareholders holding in Demat.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on “Shareholders” module.

3) Now enter your User ID:

a. For **CDSL**: 16 digits beneficiary ID.

b. For **NSDL**: 8 Character DP ID followed by 8 Digits Client ID.

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:
- | For Physical shareholders and other than individual shareholders holding shares in Demat | |
|--|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Shareholders who have not updated their PAN with the Depository Participant are requested to use the sequence number sent by RTA or contact RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the depository or company, please enter the member id/ folio number in the Dividend Bank details field. |
- (vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN 250616011

(x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” as desired. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload Board Resolution (BR) and Power of Attorney (POA) if any uploaded, which will be made available to scrutinizer for verification.

(xvii)**Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only:**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module;
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com;
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on;
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping;
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same;
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer M/s. TRR & Associates, Practicing Company Secretaries (email: trravichandran@yahoo.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for Shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.

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3. Shareholders who have voted through remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/ iPads for better experience.
5. Further shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their name, DP ID and Client ID/ Folio number, PAN, mobile number at fsl@3i-infotech.com from Monday, July 21, 2025 (9:00 a.m. IST) to Friday, July 25, 2025 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 48 hours prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at fsl@3i-infotech.com. Queries raised will be suitably replied via email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Process for those shareholders whose email ID and/or mobile number are not registered with the Company/Depositories

1. For physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-

attested scanned copy of Aadhar Card) by email to fsl@3i-infotech.com.

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911.

Other Guidelines for Members:

- a. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date of Wednesday, July 23, 2025.
- b. Any person who acquires shares of the Company and becomes a Member after the Notice of the 24th AGM has been sent by email, and who holds shares as on the cut-off date, i.e., Wednesday, July 23, 2025, may obtain the User ID and password by sending a request to helpdesk.evoting@cdslindia.com."
- c. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the meeting.
- d. Mr T. R. Ravichandran (Certificate of Practice No. 11651) of M/s. TRR & Associates, Practicing Company Secretaries (email: trravichandran@yahoo.com), failing him, Ms Geetha Sridhar (Certificate of Practice No. 22225), Practicing Company Secretary (email: gs.gsconsultants@gmail.com), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.

- e. During the 24th AGM of the Company, the Chairman shall, after responding to the questions raised by the Members in advance or as a speaker at the 24th AGM, formally propose to the Members not having already cast their votes by following the remote e-voting process and participating through VC/OAVM facility, to vote on

the resolutions as set out in the Notice of the 24th AGM of the Company.

- f. The Scrutinizer shall after the conclusion of e-voting at the 24th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the result of the voting forthwith. The result of e-voting will be declared within two working days of the conclusion of the 24th AGM.
- g. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.firstsource.com/>, the websites of NSE at www.nseindia.com and BSE at www.bseindia.com and on the website of CDSL at www.evotingindia.com, immediately after the declaration of Results by the Chairman or a person authorized by him. The result will simultaneously be communicated to the Stock Exchanges.
- h. Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 24th AGM and the Annual Report for the financial year ended March 31, 2025 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:
 - (i) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to Registrar & Share Transfer Agents at fsl@3i-infotech.com.
 - (ii) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
- i. Corporate members intending to send their authorized representatives to attend the 24th AGM are requested to send a certified true copy of the appropriate resolution/ authority, as applicable, authorising their representatives to attend and vote on their behalf at the AGM.

- j. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 24, 2025 to Wednesday, July 30, 2025 (both days inclusive) for the purpose of the AGM.

- k. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, 3i Infotech Limited for assistance in this regard.

- l. Members whose shareholding is in electronic mode are requested to direct change of address notification and updates of bank account details to their respective depository participant(s). Members are requested to utilize the Electronic Clearing System (ECS) for receiving dividends.

- m. Members are requested to address all correspondence, including on matters relating to dividends, to the Registrar and Share Transfer Agents, 3i Infotech Limited Tower #5, 3rd to 6th Floor, International Infotech Park, Vashi, Navi Mumbai – 400 703 or can email at fsl@3i-infotech.com.

- n. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares will be transfer to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in

- o. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

- p. Members holding shares in electronic (dematerialised) form are advised to send the request(s) for change

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pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Mandates, Nomination, Power of Attorney, Change of Address, Change of Name, Email Address, Contact Numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Transfer Agents to provide efficient and better services. The Company or its Registrars cannot act on any such requests received directly from the members holding shares in electronic form.

- q. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account/ (s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
- r. Pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information/ brief profiles about the Directors proposed to be appointed/ re-appointed at the AGM are given in the Annexure to this Notice.
- s. Members desirous of getting any information about the accounts and operations of the Company are requested to write to the Company at least 7 days before the AGM to enable the Company to keep the information ready at the AGM.
- t. The Registers, Contracts and relevant documents referred to in this Notice or Explanatory Statement will be available electronically for inspection by the Members. Members seeking to inspect such documents can send an e-mail to corporate.secretarial@firstsource.com and fsl@3i-infotech.com.

Explanatory Statement

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice:

Item No. 4:

Appointment of Secretarial Auditor

M/s. Makarand M. Joshi & Co., a leading firm of practicing Company Secretaries (hereinafter referred to as MMJC) with over 25 years of experience in delivering comprehensive professional services across Corporate Laws, SEBI Regulations and FEMA Regulations. Their expertise includes conducting Secretarial Audits, Due Diligence Audits, Compliance Audits etc. MMJC were appointed as Secretarial Auditor of the Company for conducting secretarial audit for the financial year 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 and the same is not considered as a term of Appointment of Secretarial Auditor as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "LODR Regulations"). In terms of Regulation 24A of LODR Regulations read with SEBI notification dated December 12, 2024, and other applicable provisions, the Company can appoint a peer reviewed firm as Secretarial Auditor for not more than two (2) terms of five (5) consecutive years. MMJC is eligible for appointment for a period of five (5) years and on the basis of recommendations of the Audit Committee, the Board of Directors, at its meeting held on April 28, 2025, approved the appointment of MMJC as Secretarial Auditor of the Company to hold office for a term of five (5) consecutive years commencing from Financial Year 2025-26 till Financial Year 2029-30. The appointment is subject to approval of the shareholders of the Company.

MMJC has given their consent to act as Secretarial Auditor of the Company and confirmed that their aforesaid appointment (if approved) would be within the limits specified by Institute of Company Secretaries of India. Furthermore, in terms of the amended regulations, MMJC has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.

The proposed fees in connection with the secretarial audit shall be ₹310,000/- (Rupees Three Lakhs Ten Thousand only) per annum for a period of three (3) financial years, namely FY 2025-26, FY 2026-27 and FY 2027-28. plus applicable taxes and other out-of-pocket expenses. The Board of Directors and the Audit Committee shall approve revisions to the remuneration of MMJC for the remaining part of the tenure. In addition to the secretarial audit, Makarand M. Joshi & Co., shall provide such other permitted services in the nature of certifications and other professional work, as

approved by the Board of Directors. The relevant fees will be determined by the Board (including its Committees thereof).

Based on the recommendations of the Audit Committee, the Board of Directors have approved and recommended the aforesaid proposal for approval of members taking into account the eligibility of the firm's qualification, experience, independent assessment & expertise of the partners in providing secretarial audit related services, competency of the staff and Company's previous experience based on

the evaluation of the quality of audit work done by them in the past.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of this Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 4 of this Notice.

By Order of the Board of Directors

Firstsource Solutions Limited
CIN: L64202MH2001PLC134147

Registered Office:
5th Floor, Paradigm 'B' Wing,
Mindspace, Link Road,
Malad - (West), Mumbai - 400 064, India
Tel : +91-22-66660888
Fax: +91-22-66660887
<https://www.firstsource.com/>
Email: complianceofficer@firstsource.com

April 28, 2025

Pooja Nambiar
Company Secretary
FCS No.: 10710

Annexure to the Notice

DETAILS OF THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED AS DIRECTOR AT THE ENSUING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]

MR SHASHWAT GOENKA

Mr Shashwat Goenka (DIN: 03486121), 35 years of age, has been a Director of the Company since December 5, 2012. Mr Goenka is the Vice-Chairman of RP-Sanjiv Goenka Group and the Chairman of Spencer's Retail Limited. He also serves as the Vice-Chairman of CESC Limited and as a Director of PCBL Chemical Limited, RPSG Ventures Limited, Dhariwal Infrastructure Limited, Haldia Energy Limited, Purvah Green Power Private Limited, Spencer International Hotels Limited, and the Retailers Association of India. Additionally, he is the Founder of FMCG brands “Too Yumm,” “Naturali,” and “Within & 360.” Mr Goenka is the Chairman of FICCI's Young Leaders Forum, CII's National Retail Committee on Retail & E-Commerce, Ayush, and CII Eastern Regional Council. He has also been the youngest ever President of the Indian Chamber of Commerce.

Brief Resume	As mentioned above
Age	35 years
DIN	03486121
Qualification	Graduated from The Wharton School of Business, University of Pennsylvania, Philadelphia, with a Bachelor of Science in economics, specializing in finance, marketing and management and is currently the Honorary Consul of Finland.
Nature of expertise in specific functional areas	As mentioned in his profile
Justification of his appointment	Not Applicable
Inter-se relationships with directors and key managerial personnel	Dr Sanjiv Goenka, Chairman is father of Mr Shashwat Goenka, Vice-Chairman.
List of Directorships held in other companies including listed entities, if any	<div><div>1.</div><div>Haldia Energy Limited</div></div> <div><div>2.</div><div>Purvah Green Power Private Limited</div></div> <div><div>3.</div><div>Dhariwal Infrastructure Limited</div></div> <div><div>4.</div><div>PCBL Chemical Limited</div></div> <div><div>5.</div><div>CESC Ltd</div></div> <div><div>6.</div><div>Retailers Association of India</div></div> <div><div>7.</div><div>Spencer's Retail Limited</div></div> <div><div>8.</div><div>RPSG Ventures Limited</div></div> <div><div>9.</div><div>Spencer International Hotels Limited</div></div>
Chairmanship/ Membership of the Committees of Boards of other companies	<div>PCBL Chemical Limited<div><div>1.</div><div>Corporate Social Responsibility Committee - Member</div></div></div> <div>Spencer's Retail Limited<div><div>1.</div><div>Stakeholders' Relationship Committee - Member</div></div><div><div>2.</div><div>CSR Committee - Member</div></div><div><div>3.</div><div>Risk Management Committee - Chairman</div></div></div> <div>RPSG Ventures Limited<div><div>1.</div><div>Stakeholders' Relationship Committee - Member</div></div><div><div>2.</div><div>CSR Committee - Chairman</div></div><div><div>3.</div><div>Risk Management Committee - Chairman</div></div></div>
Shareholding in the Company including shareholding as a beneficial owner	Nil
Key terms and conditions of appointment	Not Applicable
Remuneration proposed to be paid	He will be paid sitting fees as per Nomination and Remuneration Policy of the Company read with the provisions of the Act.
Date of first appointment on Board	December 05, 2012
Details of remuneration last drawn	Sitting fees for attending Board Meetings and Committee Meetings where he is a member. The details of the sitting fees are given in the Corporate Governance Report
Number of Board meetings attended during FY 2024-25	Four (4)
Membership in Board Committees	<div><div>1.</div><div>Corporate Social Responsibility Committee - Chairman</div></div> <div><div>2.</div><div>Risk Management Committee - Chairman</div></div>
Listed Entities from which Mr Shashwat Goenka has resigned as Director in past 3 years	NIL

Information at a glance:

1	Date and Time of AGM	Wednesday, July 30, 2025 at 11:00 a.m. (IST).
2	Mode of conduct	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
3	Link to participate in the AGM through VC/OAVM	www.evotingindia.com (For details please refer Note No. (iv) & (v) on Page Nos. 95 & 96 respectively in the Notice)
4	Contact details of CDSL for assistance before or during the AGM	E-mail: helpdesk.evoting@cdslindia.com Contact No.: 1800 21 09911 Members may connect with: Mr Rakesh Dalvi, (Sr Manager-CDSL)
5	Cut-off date to determine entitlement for e-voting	Wednesday, July 23, 2025,
6	E-voting start date and time	Friday, July 25, 2025 at 9.00 a.m (IST)
7	E-voting end date and time	Tuesday, July 29, 2025 at 5.00 p.m (IST)
8	E-voting event number (EVEN)	250616011
9	Registration as speaker shareholder	Commences from Monday, July 21, 2025 9:00 a.m (IST) to Friday, July 25, 2025 5:00 p.m. (IST) Send email to fsl@3i-infotech . (Please send the request from your registered e-mail ID and mention name, DP ID and Client ID/Folio No., PAN, Mobile No. in the e-mail sent for registration)
10	Name, address and contact details of Registrar and Transfer Agent	3i Infotech Limited Tower # 5, International Infotech Park, Vashi Station, Complex, Navi Mumbai-400703 Contact Details: Email id: fsl@3i-infotech / vijaysingh.chauhan@3i-infotech.com Contact No.:02267928037 Website: www.3i-infotech.com

Directors’ Report

Dear Members,

Directors of your Company take great pleasure in presenting the 24th Annual Report on the business and operations of your Company and the Audited Financial Statements for the financial year ended March 31, 2025.

Financial Results:

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 w.e.f. April 01, 2016. The performance of the Company for the FY 2024-25 is summarized herein below:

Particulars	(₹ in million)			
	Consolidated		Standalone	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Total Income	79,794.47	63,730.89	23,468.43	16,377.31
Profit Before Interest and Depreciation	12,067.53	9,932.84	6,474.13	4,892.71
Interest and Finance Charges	1,478.76	1,033.85	429.16	173.35
Depreciation/ Amortization	3,270.35	2,602.24	1,257.45	920.36
Profit Before Tax and exceptional items	7,318.42	6,296.75	4,787.52	3,799.00
Exceptional item	88.09	-	551.44	-
Profit from ordinary activities before tax and after share in net profit of associate	7,406.51	6,296.75	5,338.96	3,799.00
Provision for Taxation (including Deferred Tax Charge/ Credit)	1,462.00	1,149.50	1,068.52	602.01
Net Profit After Tax	5,944.51	5,147.25	4,270.44	3,196.99
Owners of the Company	5,944.55	5,147.29	4,270.44	3,196.99
Non-controlling Interest	(0.04)	(0.04)	-	-
Total	5,944.51	5,147.25	4,270.44	3,196.99
Opening Balance in Profit & Loss Account	20,009.92	17,425.98	15,875.49	15,241.85
Closing Balance in Profit & Loss Account	23,139.86	20,009.92	17,316.68	15,875.49
Earning Per Share (₹) – Basic	8.63	7.52	6.20	4.67
Earning Per Share (₹) – Diluted	8.42	7.34	6.05	4.56

Result of Operations:

The consolidated total income increased from ₹63,730.89 million to ₹79,794.47 million, an increase of 25.20% over the previous financial year. The consolidated Net Profit After Tax increased from ₹5,147.25 million to ₹5,944.51 million, an increase of 15.48% over the previous financial year. The detailed analysis of the consolidated results forming part of the Management Discussion and Analysis Report is provided separately in the Annual Report.

The standalone total income increased from ₹16,377.31 million to ₹23,468.43 million, an increase of 43.29% over the previous financial year. The standalone Profit After Tax increased from ₹3,196.99 million to ₹4,270.44 million, an increase of 33.57% over the previous financial year.

Global Operation Centers:

The Company, on a consolidated basis has 51 global operation centers as on March 31, 2025. The centers are located across the North America, the EMEA, India, the Philippines and the Australia. 16 of the Company’s operation centers are located in India which includes Chennai (4), Mumbai (4), Coimbatore (3), Bangalore (1), and 1 each in Trichy, Pondicherry, Hyderabad & Vijayawada, 17 in the North America, 13 in the EMEA, 4 in the Philippines and 1 in Australia.

During the year, the Company incurred capital expenditure of ₹2,236.09 million mainly towards refurbishment and

maintenance of operation centers, technology upgrade and setting up of new operations centers.

Quality Initiatives:

The Company follows global best practices for process excellence and the quality framework is based on COPC principles. The Company uses innovative techniques like Speech & Text Analytics, Robotic Process Automation and Intelligent Action Board to drive improvements across. Also, as part of the Quality Management System, the Company has embraced ISO 9001:2008. The Company continues to follow process improvement methodologies like Six Sigma, Lean and Kaizen.

Awards and Accolades:

The Company received the following awards and accolades during the year under review.

Awards:

- Recognized as a ‘Leader’ in Lending Services Operations PEAK Matrix® Assessment 2024 by Everest Group.
- Recognized as a ‘Leader’ in Everest Group's Healthcare Payer Business Process as a Service Solutions PEAK Matrix® Assessment 2024.
- Recognized as a ‘Major Contender’ and a ‘Star Performer’ by Everest Group for Revenue Cycle Management Operations.

- Recognized as a 'Leader' in Avasant Mortgage Business Process Transformation Radarview 2024.
- Recognized by Everest as a 'Front-Runner' for Gen AI capabilities in the report 'AI-deas to Action: Operationalizing Generative AI in Healthcare Payer'.
- Firstsource won the 'Legal Team of the Year - BPO & KPO' award at the India Legal Awards 2024, organized by Biz Integration and the Society of Indian Law Firms (SILF).
- Firstsource featured among 'AI First Mover' organizations by Microsoft for FirstSenseAI Copilot.
- Firstsource won the ‘India CSR Leadership Award 2024’, under the ‘Large Impact- Multiple States’ category.
- Firstsource's Workforce Management team won the 'Most Ingenious Best Practice Award' for Forward Flex.
- Firstsource certified as a Great Place To Work® in four of our key regions - India, the Philippines, the UK, and the USA.
- Firstsource UK's Talent Acquisition team won 'In House Recruitment Team of the Year (5000+ employees)' at the British Recruitment Awards.
- Firstsource bagged the ‘Top Employer (Bronze) for LGBTQ+ Inclusion’ award by India Workplace Equality Index (IWEI).
- Firstsource Named among "Top 50 Companies with Great Managers" in India for 2024 by People Business Consulting; Four managers recognized among "Top 100 Great Managers in India".
- Firstsource bagged the 'Best Client Partnership' and 'Customer Team of the Year'; 'Team Leader of the Year' (Jade Robinson) and 'Rising Star' (Chloe Turley) at the CCNNI (Contact Center Network North Ireland) Awards.
- Firstsource UK HR team won SILVER in 'Brilliance in Employee Engagement' category at the International Brilliance Awards 2025.
- Firstsource received the “Best first-time responder (Core Indicators)” award from Workforce Disclosure Initiative (WDI).
- Firstsource recognized among the Top 50 India's Best Workplaces 'Building a Culture of Innovation by All 2025' (Large Category) by GPTW.
- Firstsource earned an S&P Global Sustainable1 ESG Score and CSA score of 81, earning recognition as an “Industry Mover” and achieving a “Top 5% S&P Global CSA Score” for FY2025.
- Firstsource has been recognized as one of the “Masters of CX” Award at CX Transformation Conclave 2025.
- Firstsource secured 'Silver' in the EcoVadis sustainability rating for FY24 and recognized as a 'Leader' in carbon management.

Consolidated Financial Statements:

In accordance with Section 129(3) of the Companies Act, 2013 and in view of notification issued by the Ministry of Corporate Affairs on Ind-AS, the Company has prepared consolidated financial statements of the Company and all its subsidiaries as per Ind-AS, which forms part of this Annual Report.

Dividend:

The Board approved and declared an interim dividend on February 07, 2025 at the rate of 40% i.e. ₹ 4.00 per share of ₹10/- each.

The interim dividend for FY2024-25 aggregated to ₹ 2,544.88 million (net of applicable TDS).

The Dividend Distribution Policy of the Company was approved by the Board at its meeting held on August 8, 2017 and is available on the Company's website at <https://www.firstsource.com/sites/default/files/2025-03/Dividend-Distribution-Policy-19th-March.pdf>

Transfer to Reserve:

The Board of Directors of the Company (hereinafter referred to as the “Board”) has not recommended transfer of any amount of profit to reserves during the year under review. Hence, the remaining amount of profit for the financial year under review has been carried forward to the Statement of Profit & Loss.

Human Resources:

On a consolidated basis, the Company has 34,651 employees as of March 31, 2025.

Particulars of the employees and related Disclosures:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 (“Act”) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of this Report and are annexed as Annexure I.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this Report. Further, the Report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Public Deposits:

During the year under review, your Company has not accepted any deposits under Section 73 of the Act, and as

Directors’ Report

such, no amount on account of principal or interest on public deposits was outstanding as of March 31, 2025.

Particulars of Loans, Investments, Guarantees and Securities:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the notes to the standalone financial statements. (Please refer to Note No. 6 and 31 to the standalone financial statements).

Credit Ratings:

During the year under review, the rating given by CARE and CRISIL are mentioned herein below:

(i) CARE Rating:

Long/ Short term Bank Facilities	CARE A+; Stable/CARE A1+
Commercial Paper	CARE A1+

(ii) CRISIL Rating:

Long/ Short term Bank Facilities	CRISIL A+/Stable
Commercial Paper	CRISIL A1

Corporate Social Responsibility Initiatives:

The Company seeks to be a good corporate citizen in all aspects of its operations and activities. The Company commits to operating in an economically, socially and environmentally responsible manner whilst balancing the interests of diverse stakeholders. Our CSR Policy is governed and guided by our Group’s corporate vision to enable inclusive growth and our aspiration to be India’s leading business group serving multiple market segments, for our customers, shareholders, employees and community. The Company seeks to undertake programmes in the areas of Healthcare, Education, Environment, Arts & Culture, Promotion of Sports as well as support initiatives towards Gender Equality and Empowerment of Women.

The Board constituted a Corporate Social Responsibility (CSR) Committee, pursuant to Section 135 of the Act, consisting of Mr Shashwat Goenka (Chairman), Mr Ritesh Idnani, Mr Subrata Talukdar and Dr Rajiv Kumar as its members.

The CSR Committee meets at least once in a year. During the year under review, the Committee met once. The details of CSR Committee and its meetings are given in Report on Corporate Governance forming part of the Annual Report. The CSR Committee has framed and formulated a CSR Policy indicating the activities to be undertaken by the Company, in accordance with Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy)

Rules, 2014 issued under the Act. The same has also been approved by the Board. The CSR policy is available on the website of the Company at the link: <https://www.firstsource.com/sites/default/files/2025-03/Firstsource-Corporate-Social-Responsibility-Policy-2.0.pdf>

The Annual Report on CSR Activities, as stipulated under the Act and the SEBI (LODR) Regulations, 2015 forms an integral part of this Report and is appended as Annexure II. The details of focus areas of engagement as mentioned in the CSR Policy of the Company are mentioned in the said Annual Report on CSR Activities.

The CSR activities, as per the provisions of the Act, may also be undertaken by the Company through a registered trust. Accordingly, “RP - Sanjiv Goenka Group CSR Trust” (“Group CSR Trust”) was formed along with other Group Companies to pursue CSR activities as mentioned in the CSR Policy of the Company.

The Company has been contributing a portion of amount of its CSR obligation every year for the project to set up an International Baccalaureate School in Kolkata taken up by the Group CSR Trust which is identified as an ‘Ongoing Project -1,’ as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014. This Ongoing Project – 1 achieved its completion during FY 2024-25.

During the year, the Company has spent an amount of ₹ 70.81 million towards CSR. Group CSR Trust had now undertaken launching from Grade 6 to Grade 12 of the said school as ongoing project from FY 2024-25 (“Ongoing Project – 2”). The Company had transferred ₹56.81 million to Unspent CSR Account for FY 2024-25.

The CSR at the Company is a platform for giving back to the communities in which we live and work. The Company looks to engage employees in focus areas where possible through programs such as employee volunteering, payroll giving, participating in fundraising events, partnering with NGO’s and response to disasters.

The Company is committed to advancing its CSR objectives through its overarching vision to “create a nurturing and an empowering environment to deepen our societal engagement with a goal of improving lives and livelihood of communities on a sustainable basis.

The Company's goal is to be a purpose driven and socially responsible company aligning with the Group's vision of empowering lives by providing access to education, environment, healthcare, promoting sports, arts and culture, supporting gender equality and women empowerment to improve the overall quality of life.

CSR Impact Overview

This year, as a collective efforts at Company as well as its acquired companies Ascensos Limited and Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private

Limited), the Company’s commitment to social responsibility has been stronger than ever. With an investment of whopping ₹ 23.87 Million, through CSR projects, corporate donations and employee giving programs, the company has positively impacted 52,307 lives through various initiatives. Overall 6,842 employees participated in community outreach programs and dedicated 21,042 hours to volunteering through 1,027 unique events, reinforcing a purpose-led approach to sustainability and community development. In addition, environmental efforts resulted in planting and nurturing 14,764 number of trees reflecting the Company’s commitment to a greener future.

CSR Agenda & focus

As a purpose-driven organization, the Company integrates sustainability at the core of its transformation journey, creating a tangible impact on its people, clients, shareholders, and communities. This year, the Company’s CSR efforts also extended to impact hiring initiatives in India, where it partnered with various organizations to support 4,535 underrepresented and unemployed youth, including Persons with Disabilities with essential job skills and career guidance. A few of these youth got a golden opportunity getting selected to work at the Company.

Community Projects

The Company’s CSR team effectively utilized ₹ 14.00 Million across 14 impactful projects throughout India. The fund distribution was as follows:

- 29% towards Empowerment & Gender Equality projects;
- 26% towards Education Initiatives;
- 37% towards Healthcare Programs;
- 8% towards Environmental Sustainability.

These initiatives positively impacted 7,566 lives and ensured 7,200 no of trees planted and nurtured in collaboration with our non-profit partners.

Additionally, these efforts were complemented by CSR projects undertaken through our RP Sanjiv Goenka Group CSR Trust.

Firstsource Provider Services Private Limited CSR (formerly known as Quintessence Business Solutions & Services Private Limited)

Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited) CSR team invested ₹ 2.0 million through implementing projects under Education and Environmental focus areas. Through this thoughtfully selected and implemented projects we impacted 1,391 lives.

Employee Volunteering & Giving

India: Volunteers engaged in clean-ups, plantation drives, microgreen growing, eco-friendly bag making, medical camps, career guidance in schools, and marathon support

programs. They also contributed pro bono work for NGOs and livelihood support initiatives.

Philippines: Employees participated in donation drives, providing stationery, clothes, shoes, and hygiene materials for children with disabilities in Manila. Essential and hygiene items were also donated to Bahay Puso - Home for the Aged. In Cebu, employees contributed to community welfare programs through donations and active engagement.

UK: Employees contributed to regular giving programs and engaged in various fundraising events to support community causes.

US: Employees supported initiatives such as the Candy Drive for patients in children's hospitals and the Angel Tree initiative in partnership with the Salvation Army.

Mexico: Students from EDUCA from Mexico were distributed the school supplies and donated blankets and winter wear for senior citizens. Our volunteers visited senior citizens home and spent time with them by engaging with them a month worth of groceries and toiletries. We also donated board games to the elderly citizens in the home.

Australia: Leaders took part in blood donation camp. Employees donated in-kind for Kmart Wishing Tree Appeal in office - Items worth Approx. USD 200 donated impacting 12 students.

Employees worldwide demonstrated their generosity through fundraising and employee giving programs, with 1336 unique donors contributing ₹ 3.22 million. From charitable donations to in-kind contributions such as groceries, stationeries, toys, clothes, and books, our employees have consistently supported Community Outreach through the core.

The Company’s Annual Payroll Giving Programs like Gift a Smile, Book a Smile and Pad to Pad initiatives have positively impacted over 5,390 students in India.

Beyond financial contributions, employees participated in various donation drives, starting from supporting the circular economy project by donating clothes till providing relief materials for disaster relief. Not stopping with just donation of materials, globally 694 employees donated blood saving 2,082 lives. Every effort and contribution was impacting elderly, children with disabilities, and underprivileged communities directly.

These collective efforts reinforce company’s commitment to creating a more inclusive and compassionate society.

Looking Ahead:

The Company’s CSR initiatives continue to create a significant and lasting impact across multiple spheres. With a steadfast commitment to sustainability, community development, and employee engagement, company's aim to further expand the outreach and introduce innovative social impact programs in the coming year. The Company is also planning to increase opportunities for mentoring, tutoring programs alongside taking up pro bono initiatives.

Directors’ Report

The Company express its gratitude to every employee, leader, and partner who has contributed to making Company’s CSR initiatives a success. Together, the Company is building a more sustainable and inclusive future.

Risk Management:

The Company has implemented a comprehensive and fully integrated ‘Enterprise Risk Management’ framework in order to anticipate, identify, measure, manage, mitigate, monitor and report the principal risks and uncertainties that can impact its ability to achieve its strategic business objectives.

The Enterprise Risk Management drives a common integrated view of risks and optimal risk mitigation responses. This integration is enabled by alignment of Risk Management and Internal Audit methodologies and processes in order to maximize enterprise value of the Company and ensure high value creation for our stakeholders over a time.

The details of the ‘Enterprise Risk Management’ framework with details of the principal risks and the plans to mitigate the same are given in the ‘Risk Management Report’ section of the ‘Management Discussion and Analysis Report’ which forms part of this Annual Report.

Further, in view of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), effective April 01, 2019, the Board constituted a Risk Management Committee on February 04, 2019 to monitor & mitigate the Risk.

Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to financial statements. Such internal financial controls over financial reporting are operating effectively and the Statutory Auditor has also expressed their opinion on the same in the Annexures to the Auditors Report.

Whistle Blower Policy:

The Company has a Whistle Blower Policy (the “WB Policy”) with a view to provide vigil mechanism to Directors, Employees and other Stakeholders to disclose instances of wrongdoing in the workplace and report instances of unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy. The WB Policy also states that this mechanism provides for adequate safeguards against victimization of Director(s)/ Employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The WB Policy has been posted on the website of the Company and the details of the same are provided in the ‘Report on Corporate Governance’ forming part of this Annual Report.

The WB Policy is available on the website of the Company at <https://firstworld.firstsource.com/intranet/wp-content/uploads/PDFS/2025/Global-Whistleblowing-Policy-8.0.pdf>

Prevention of Sexual Harrassment Policy:

The Company has a ‘Prevention of Sexual Harassment Policy’ in force in compliance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this Policy is to ensure a safe, secure and congenial work environment where employees deliver their best without any inhibition, threat or fear. The Company has Zero Tolerance to any form of harassment especially if it is sexual in nature. The complaints filed under the Policy are reported to the Audit Committee at its quarterly meetings with details of action taken thereon.

It is confirmed that during the year under review, the Company has complied with applicable provisions in relation to sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including the provisions relating to the constitution of Internal Complaints Committee under the said act.

Board of Directors:

The following are the changes in the Board of Directors during the year under review and other proposed changes, subject to the approval of the Members:

- Mr Shashwat Goenka (DIN 03486121) retires by rotation and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting (“AGM”).
- The Board re-appointed Ms Vanita Uppal (DIN 07286115) as an Independent Director on the Board of the Company for a term of three (3) consecutive years w.e.f. May 05, 2025. Her appointment was approved by members through Postal Ballot on December 13, 2024. The Company has received the declaration from Ms Vanita Uppal confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Act.
- The Board re-appointed Mr Utsav Parekh (DIN 00027642) as an Independent Director on the Board of the Company for a term of three (3) consecutive years w.e.f. November 02, 2025. His appointment was approved by members through Postal Ballot on December 13, 2024. The Company has received the declaration from Mr Utsav Parekh confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act.

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

Board and Audit Committee Meetings:

During the FY2024-25, the following four (4) Board Meetings were held on:

1. May 03, 2024
2. July 30, 2024
3. October 28, 2024
4. February 07, 2025

During the FY2024-25, the following four (4) Audit Committee Meetings were held on:

1. May 03, 2024
2. July 29, 2024
3. October 28, 2024
4. February 07, 2025

Time gap between any two meetings was not more than one hundred twenty (120) days.

The full details of the said meetings are given in the ‘Report on Corporate Governance’ forming part of this Annual Report.

The Familiarisation Programmes for Independent Directors:

The Company has put in place a system to familiarise its Independent Directors with the Company, their roles, rights & responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The details of such familiarisation programmes are put up on the website of the Company at the link: <https://www.firstsource.com/sites/default/files/2025-03/Policy-on-familiarisation-of-Independent-Directors-19th-March.pdf>

Board Evaluation:

(i) Performance Evaluation of the Independent Directors and Other Individual Directors:

The Company has framed a policy for Appointment of Directors and Senior Management and Evaluation of Directors’ Performance (“Board Evaluation Policy”). The said policy sets out criteria for performance evaluation of Independent Directors, other Non-Executive Directors and the Executive Directors.

Pursuant to the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Board carries out the performance evaluation of all the Directors (including Independent Directors) on the basis of recommendation of the Nomination and Remuneration Committee and the criteria mentioned in the Board Evaluation Policy. The Board decided that the performance evaluation of Directors should be done by the entire Board of

Directors excluding the Director being evaluated and unanimously agreed on the following assessment criteria for evaluation of Directors’ performance:

- Attendance and active participation in the Meetings;
- Bringing one’s own experience to bear on the items for discussion;
- Governance covering Awareness and Observance; and
- Value addition to the business aspects of the Company.

(ii) Performance Evaluation of Executive Director:

The performance of the Managing Director & CEO is evaluated on the basis of achievement of performance targets/criteria given to him by the Board from time to time.

(iii) Performance Evaluation by the Board of its own performance and its Committees:

The performance of the Board is evaluated by the Board in the overall context of understanding by the Board of the Company’s principle and values, philosophy and mission statement, strategic and business plans and demonstrating this through its action on important matters, the effectiveness of the Board and the respective Committees in providing guidance to the Management of the Company and keeping them informed, open communication, the constructive participation of members and prompt decision making, level of attendance in the Board meetings, constructive participation in the discussion on the Agenda items, monitoring cash flow, profitability, income & expenses, productivity & other financial indicators, so as to ensure that the Company achieves its planned results, effective discharge of the functions and roles of the Board, etc.

The performance of the Committees is evaluated by the members of the respective Committees on the basis of the Committee effectively performing the responsibility as outlined in its Charter, Committee meetings held at appropriate frequency, length of the meetings being appropriate, open communication & constructive participation of members and prompt decision-making, etc.

Policy on Directors’ appointment and Remuneration:

The criteria for Directors’ appointment and for determining qualification, positive attributes and independence of a Director as mentioned in the ‘Policy for Appointment of Directors and Senior Management and Evaluation of Directors’ Performance’ in terms of Section 178(3) of the Act is mentioned below:

Directors’ Report

Appointment criteria and qualifications:

- The Nomination and Remuneration Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, Key Managerial Personnel (“KMP”) or at Senior Management level and recommend the same to the Board for appointment, if found suitable;
- A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position; and
- The Company shall not appoint or continue the employment of any person as Managing Director/Whole-Time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the statement pursuant to the provisions of Section 102 of the Act annexed to the notice or such motion indicating the justification for extension of appointment beyond seventy years.

Meeting of Independent Directors:

There should be atleast one meeting of Independent Directors in a year, without the attendance of non-independent Directors and members of the Management. During the year under review, one (1) meeting of the Independent Directors of the Company was held on February 07, 2025.

The Independent Directors in the meeting:

- Review the performance of non-independent Directors including Managing Director & CEO and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of the flow of information between the Company’s Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Remuneration Policy:

The Board, on the recommendation of the Nomination and Remuneration Committee framed a Remuneration Policy for Non-Executive Directors (including Independent Directors) and a Remuneration Policy for Key Managerial Personnel and other Employees of the Company. The details of Remuneration Policy for Non-Executive Directors and Independent Directors are provided as Annexure IIIA and details of Remuneration Policy for Key Managerial Personnel and Other employees of the Company are provided as Annexure IIIB to this Report.

Committees of the Board:

A detailed note on the Board and its Committees is provided in the ‘Report on Corporate Governance’ forming part of this Annual Report. The composition of the major Committee/(s) is as follows:

Audit Committee:

As on March 31, 2025, the Audit Committee comprised of three (3) Independent Directors viz. Mr Utsav Parekh (Chairman), Mr T. C. Suseel Kumar, Mr Sunil Mitra and one (1) Non-Independent Director, Mr Subrata Talukdar.

Nomination and Remuneration Committee:

As on March 31, 2025, the Nomination and Remuneration Committee comprised of two (2) Independent Directors viz. Mr T. C. Suseel Kumar (Chairman), Mr Utsav Parekh and one (1) Non-Independent Director, Mr Subrata Talukdar.

Corporate Social Responsibility Committee:

As on March 31, 2025, Corporate Social Responsibility Committee comprised of four (4) members viz Mr Shashwat Goenka (Chairman), Mr Ritesh Idnani, MD & CEO, Dr Rajiv Kumar and one (1) Non-Independent Director, Mr Subrata Talukdar.

Stakeholders Relationship Committee:

As on March 31, 2025, Stakeholders Relationship Committee comprised of three (3) members viz. Mr Subrata Talukdar (Chairman), Mr Ritesh Idnani, MD & CEO, and one (1) Independent Director, Ms Rekha Sethi.

Investment Committee:

As on March 31, 2025, Investment Committee comprised of two (2) members viz. Mr Subrata Talukdar (Chairman),Non-Independent Director and Mr Ritesh Idnani, MD & CEO.

Strategy Committee:

As on March 31, 2025, Strategy Committee comprised of two (2) members viz. Mr Subrata Talukdar (Chairman),Non-Independent Director and Mr Ritesh Idnani, MD & CEO.

Risk Management Committee:

As on March 31, 2025, Risk Management Committee comprised of four (4) members viz. Mr Shashwat Goenka (Chairman), Mr Ritesh Idnani, MD & CEO, one (1) Independent Director, Ms Vanita Uppal and Mr Dinesh Jain, Official of the Company.

Related Party Transactions:

All the contracts/arrangements/transactions that were entered into by the Company during the financial year with related parties were on an arm’s length basis and in the ordinary course of business and none of such related party transactions required the approval of the Board of Directors

or the Shareholders as per the Act or LODR Regulations. Further, there were no materially significant related party transactions that may have potential conflict of interests of the Company at large. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm’s length. All Related Party Transactions are placed before the Audit Committee for approval.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company at the link: <https://www.firstsource.com/sites/default/files/2025-03/Related-Party-Transaction-Policy-19th-March.pdf>

The details of the related party transactions as required under the Act and the Rules are attached in Form AOC-2 as Annexure IV.

Employees Stock Option Scheme:

In continuation of the Company’s philosophy of aligning employee interests with shareholder value creation and in line with global practices, the Nomination and Remuneration Committee of the Board of Directors has approved the Long Term Incentive Structure (“LTI”) in the form of ESOP grants which will be granted to identified eligible employees as per ESOP 2019 Plan. This unique plan is a combination of tenure and performance based ESOPs aligned to shareholder value creation which will deepen employee ownership in the Company.

Firstsource Solutions Limited Employee Stock Option Plan 2019 (“ESOP 2019 plan”):

The Company has established the ESOP 2019 Plan, pursuant to approval of shareholders at the Annual General Meeting on August 02, 2019, to allow our employees to acquire greater proprietary stake in our success and growth, and to encourage our employees to continue their association with us. The ESOP 2019 Plan is in compliance with SEBI (SBEB&SE) Regulations 2021, as amended from time to time.

As per the ESOP 2019 Plan, the Nomination and Remuneration 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 Nomination and Remuneration Committee considering the prevailing market conditions and the norms as prescribed by SEBI and other relevant regulatory authorities. Further, the stock options under the said plan would vest & be exercisable in tranches as determined by the

Nomination and Remuneration Committee basis the power given to the Nomination and Remuneration Committee in line with the ESOP 2019 Plan.

Long Term Incentive Structure Grants Under Esop 2019 Plan:

In continuation of the Company’s philosophy of aligning employee interests with shareholder value creation and in line with global practices, the Nomination and Remuneration Committee of the Board of Directors has approved the Long Term Incentive Structure (“LTI”) in the form of ESOP grants which will be granted to identified eligible employees as per ESOP 2019 Plan. This unique plan is a combination of tenure and performance based ESOPs aligned to shareholder value creation which will deepen employee ownership in the Company.

A) Tenure based Structure (ESOP Structure):

Options in this structure will be granted to identified eligible employees, basis the below criteria:

1. Drives ownership of employees in Company's fortunes for better engagement and retention;
2. Seen as part of the total compensation package, in line with competition/ market practice;
3. Quantum of grants is based on the performance and potential of the individual employee.

Vesting Schedule in the given structure is:

Period within which options will vest unto the participant	% of options that will vest
End of 12 months from the date of grant of options	25%
At the end of every quarter after year 1, till end of year 4 from date of grant	6.25%

B) Performance based Structure (PSU Structure):

1. 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 performance period has no bearing on performance and vesting in another performance period;
2. Subject to terms and conditions of the scheme, the performance-based component of the grant is measured basis the Performance targets as agreed annually by the Management.

Directors’ Report

Vesting Schedule in the given structure is: (The vesting schedule is effective from May 3, 2024)

Period within which options will vest unto the participant	% of options that will vest
End of 12 months from the date of grant of options	15%
End of 24 months from the date of grant of options	20%
End of 36 months from the date of grant of options	25%
End of 48 months from the date of grant of options	40%

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 Nomination and Remuneration Committee and will have an exercise period up to three (3) years as per the ESOP 2019 Plan and as determined by the Nomination and Remuneration Committee.

Under the ESOP 2019 Plan, as on March 31, 2025, the Nomination and Remuneration Committee has approved grant of 8,343,871 options which are a mix of tenure based and performance-based structure options to its senior leadership team and employees.

Firstsource Employee Benefit Trust under ESOP 2019 Plan:

The ESOP 2019 Plan shall be implemented through the Trust which will be administered under the guidance, advice and direction of the Nomination and Remuneration Committee in accordance with the provisions of the Companies Act, 2013 and SEBI (SBEB&SE) Regulations, 2021.

The Board of Directors has facilitated setting up of Employee welfare trust, viz “Firstsource Employee Benefit Trust” (“ESOP Trust”) to implement the ESOP 2019 Plan which has been formed by the Company. The Company shall provide financial assistance to the ESOP 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 (SBEB&SE) Regulations 2021.

As on March 31, 2025, the ESOP Trust holds 7,732,074 equity shares purchased through secondary market.

Subsidiary Companies:

As on March 31, 2025, your Company has 31 Subsidiaries and 1 Associate Company:

Domestic Subsidiary: (3)

1. Firstsource Process Management Services Limited [Wholly Owned Subsidiary (“WOS”) of the Company]
2. Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited) [WOS of the Company]

3. Accunai India Services Private Limited [WOS of the Company]

International Subsidiaries: (28)

4. Firstsource Solutions UK Limited, UK (WOS of the Company)
5. Firstsource Solutions S.A., Argentina (Subsidiary of Firstsource Solutions UK Limited)
6. Firstsource BPO Ireland Limited (WOS of Firstsource Solutions UK Limited)
7. Firstsource Group USA, Inc., USA (Subsidiary of the Company)
8. Firstsource Business Process Services, LLC, USA (WOS of Firstsource Group USA, Inc)
9. Firstsource Advantage, LLC, USA (WOS of Firstsource Business Process Services, LLC)
10. One Advantage, LLC, USA (WOS of Firstsource Business Process Services, LLC)
11. MedAssist Holding, LLC, USA (WOS of Firstsource Group USA, Inc)
12. Firstsource Solutions USA, LLC, USA (WOS of MedAssist Holding, LLC)
13. Firstsource Health Plans and Healthcare Services, LLC, USA (WOS of Firstsource Solutions USA, LLC)
14. Sourcepoint, Inc. (WOS of Firstsource Group USA, Inc.)
15. Sourcepoint Fulfillment Services, Inc. (WOS of Sourcepoint, Inc.)
16. Firstsource Dialog Solutions (Private) Limited (Subsidiary of the Company)
17. PatientMatters LLC (WOS of Firstsource Solutions USA, LLC)
18. Kramer Technologies, LLC (WOS of PatientMatters LLC)
19. Medical Advocacy Services For Healthcare, Inc. (WOS of PatientMatters LLC)
20. The StoneHill Group, Inc (WOS of Sourcepoint, Inc.)
21. American Recovery Services, Inc. (WOS of Firstsource Business Process Services, LLC, USA)
22. Firstsource Solutions Mexico, S. de R.L. de C.V (Subsidiary Company of Firstsource Group USA, Inc.)
23. Firstsource Solutions Jamaica Limited (WOS of Firstsource Group USA, Inc.)
24. Firstsource BPO South Africa (Pty) Ltd (WOS of Firstsource Solutions UK Limited)
25. Firstsource Solutions Australia Pty Limited (WOS of the Company)

26. Quintessence Health LLC (WOS of Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited))
27. Ascensos Limited, UK (WOS of Firstsource Solutions UK Limited)
28. Ascensos Trinidad Limited (WOS of Ascensos Limited)
29. Ascensos South Africa (RF) (PTY) Ltd (WOS of Ascensos Limited)
30. Ascensos Contact Centres Romania SRL (WOS of Ascensos Limited)
31. Firstsource Solutions Limited Colombia S.A.S. (WOS of Firstsource Group USA Inc)

Associate Company: (1)

1. Nanobi Data and Analytics Private Limited

Note:

- (a) A Company had executed a share purchase agreement dated May 03, 2024 to acquire 100% shares in the Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited), engaged in the business of providing revenue cycle management for entities involved in healthcare business. On account of this, Firstsource Provider Services Private Limited became a wholly owned subsidiary of the Company. Accordingly, Quintessence Health LLC, WOS of Firstsource Provider Services Private Limited, became a step-down subsidiary of the Company.
- (b) Firstsource Solutions UK Limited, WOS of the Company, had executed a share purchase agreement dated September 23, 2024 to acquire 100% shares in Ascensos Limited, UK, a BPM services for the retail, consumer, and e-commerce verticals. On account of this, Ascensos Limited, UK became a wholly owned subsidiary of Firstsource Solutions UK Limited. Accordingly, Ascensos Limited along with its wholly owned subsidiary companies namely; Ascensos Trinidad Limited, Ascensos South Africa (RF) (PTY) Ltd, and Ascensos Contact Centres Romania SRL became the step-down subsidiary companies of the Company.
- (c) A Company had executed a share purchase agreement dated February 07, 2025 to acquire 100% shares in the Accunai India Services Private Limited, an AI development service provider. On account of this, Accunai India Services Private Limited became a wholly owned subsidiary of the Company.
- (d) Firstsource Solutions Limited Colombia S.A.S. was incorporated as a wholly owned subsidiary of Firstsource Group USA Inc., Subsidiary of the Company, on March 07, 2025. On account of this, Firstsource Solutions Limited Colombia S.A.S. became a step down subsidiary of the Company.

The Company has no other joint venture Company. No company has ceased to be a joint venture or associate during FY2024-25.

Report on the Performance and Financial Position of Subsidiaries:

A report on the performance and financial position of each of the subsidiaries as per the Act, in the prescribed format AOC - 1 is annexed to the consolidated financial statement and hence not repeated here for the sake of brevity. The Company has a policy on material subsidiaries pursuant to Regulation 16(1)(c) of the Listing Regulations. The same is available on the website of the Company viz: <https://www.firstsource.com/sites/default/files/2025-03/Material-Subsidiary-Policy-19th-March.pdf>

Management Discussion and Analysis Report:

Management Discussion and Analysis Report for the year as stipulated under Regulation 34(3) of the Listing Regulations is separately given and forms part of this Annual Report.

Business Responsibility and Sustainability Report:

With effect from FY 2024-25, the requirement of submitting Business Responsibility Report is discontinued and replaced with Business Responsibility and Sustainability Report (BRSR) for the top one thousand listed entities based on market capitalization. Since your company is falling under this category, the Company has adopted the BRSR as stipulated under Regulation 34(2)(f) of the Listing Regulations and forms part of this Annual Report.

Report on Corporate Governance:

The adherence to the corporate governance practices by the Company not only justifies the legal obedience of the laws but dwells deeper conforming to the ethical leadership and stability. It is the sense of good governance that our leaders portray, which trickles down to the wider Management and is further maintained across the entire functioning of the Company.

The Company is committed to maintain the highest standards of corporate governance and adheres to the corporate governance requirements set out by SEBI.

The report on Corporate Governance as stipulated under provisions of Chapter IV & Schedule V of the Listing Regulations is separately given and forms part of this Annual Report. The requisite certificate from a Practicing Company Secretary confirming compliance of the conditions of corporate governance is attached to the Report on Corporate Governance.

Pursuant to amendment of Rule 12 of Companies (Management and Administration) Rules, 2014 by MCA, wherein, instead of attaching an extract of annual return (to

Directors’ Report

be prepared in Form MGT - 9) to the Directors’ Report, the Company can host a copy of annual return on the website of the Company and a web link of the same to be given in the Directors’ Report.

Accordingly, a copy of Annual Return is available on the website of the Company at the below link: https://www.firstsource.com/sites/default/files/2025-06/Annual_Return_FY2024-25.pdf

Statutory Disclosures of Particulars:

A) Conservation of Energy:

The Company continues to make progress towards energy conservation across all its operation centres by adopting efficient Air-conditioning management system, usage of Energy efficient LED and efficient power back-up system. The Company is continuously monitoring earlier initiatives of reducing energy consumption within data centre/(s) and across its’ operation centres. The Company, similar to its previous year’s initiatives of GREEN IT, continued to replace the normal Desktops and old thin clients with Mini Desktops/Zero thin-clients in US Geography as the power consumption of mini desktop & Zero thin-clients is 2.5 times less than the power consumed by normal desktops and nearly 5 times less during standby mode. Scripts have been deployed where possible to shut down the Desktops/ thin clients which are not being used for more than 1 hour which helps further conserve energy. We are also consolidating the Data Center by leveraging Hyper Converged Infrastructure (HCI) for Servers and Storage further reducing our DC footprint and reducing space and power consumption.

B) Absorption of Technology:

- **SmartRow Solution:** As a part of the ESG and Green IT Initiative, the Company have implemented a SmartRow solution in April 2024, a best in class solution that enables better resource management and energy efficiency, contributes to a reduced environmental/CO2 footprint and aligns with the Company’s sustainability goals. The solution optimizes energy usage by adjusting cooling based on actual server load leading to energy savings and reduced real estate requirements. The Mumbai Data Centre which spanned over 3100 sq. ft. is now reduced to 380 sq. ft.
- **Cloud-First Initiatives:** As part of Company’s Cloud-First journey, the Company continues to migrate a significant part of its Operations and Deliveries, across the geographies and business units, to cloud. Over the past few years, the Company has adopted multiple state-of-the-art technologies by partnering with Global Cloud Services Platforms. Be it for Infrastructure As A Service (IaaS) where the Company partner with leading global CSPs such as

Microsoft Azure, AWS and Google or adopting SaaS solutions such as SalesForce, SAP SuccessFactors or Office365 or companies like Zscaler, Cato and Palo Alto which provide cloud based Zero Trust Security solutions. Most of Company’s client facing applications are deployed on Multi-Cloud environment to make them more Scalable, Resilient and Fault-tolerant.

- **Digital Enabled Contact center (DECC):** As part of our enterprise-wide CX transformation, the Company have implemented multiple Next Generation Contact Centers (NGCC) across global regions and business units, forming the foundation of our Digital Enabled Contact Center (DECC) strategy. These centres are designed to deliver consistent, scalable, and intelligent customer engagement across all channels and elevated by a suite of advanced digital capabilities, including AI-driven virtual assistants and chatbots, speech and text analytics, sentiment detection, predictive engagement, and Agentic solutions.

These innovations not only automate and streamline contact center operations but also result in tangible improvements in customer satisfaction (CSAT), net promoter scores (NPS), and overall operational efficiency. The DECC initiative is a key driver in our journey towards delivering modern, data-driven, AI and humanized customer experiences at scale.

- **NextGen Cybersecurity:** Firstsource has also deployed various technical controls at the perimeter, Endpoints, Data center and end user computing; Threat and Vulnerability
- **Threat and Vulnerability Management:** Early Detection of vulnerability on Core Infra structure and proactive mitigation

Comprehensive Technical Compliance check through 3rd party covering the following:

- Vulnerability Assessment
- Penetration testing (Red Teaming Exercise)
- Web Application Security Assessment
- ASV Scans for PCI DSS Desktop Scans for PCI DSS
- Source Code Review
- Segmentation
- Penetration Testing
- Firewall Rule and configuration reviews
- Cloud Infrastructure review
- Network Config review

- Security Operations Center & Digital Footprint Monitoring -Continuous Monitoring.
- 24/7 monitoring helps reinforce our security posture while preventing, detecting, analyzing, and responding to real-time cybersecurity incidents. Firstsource has deployed EDR /XDR on all the endpoints, servers and cloud and these digital assets are monitored through 24/7 * 365 using MDR services (Managed Detection and threat response service) using X-Vigil from SentinelOne.
- Digital Footprint monitoring is done through Security Scorecard that rates cybersecurity postures of corporate entities through completing scored analysis of cyber threat intelligence.
- The end users are required to go through Zero trust network (Zscaler) Cisco AnyConnect - VPN, High Secure Network Access, Cisco Duo - Two Factor Authentication and the end user computing are protected with Cisco AMP - EDR for Endpoints and Servers and the end user *internet and DNS are Cisco Umbrella - DNS Layer Security, Internet gateways using Cisco WSA - Blocking risky sites and al emails are protected by Cisco Mail Security.

C) Foreign Exchange Earnings and Outgo Activities relating to exports, initiatives taken to increase exports, development of new export markets for services and export plans:

The Company’s income is diversified across a range of geographies and industries. During the year, 99.81% of the Company’s standalone total revenues were derived from exports. The Company provides BPO services mostly to clients in North America, UK and Asia Pacific region. The Company has established direct marketing network around the world to boost its exports.

Foreign Exchange Earned and Used:

The Company’s Foreign Exchange Earnings and Outgo during the year were as under:

(Standalone figures in ₹ million)		
Particulars	FY2025	FY2024
Foreign Exchange Earnings	23,020.99	15,921.48
Foreign Exchange Outgo (including capital goods and imports)	286.61	59.14

Secretarial Audit:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company obtained Secretarial Audit Report from MMJB & Associates LLP (CP No. 8968), Company Secretaries for the FY 2024-25. The Secretarial Audit Report is annexed to this Report as Annexure V.

Annual Secretarial Compliance Report:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report issued by Practicing Company Secretaries under Form MR - 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has engaged the services of MMJB & Associates LLP (CP No. 8968), Company Secretaries for providing this certification.

Statutory Auditors and Auditors’ Report:

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, bearing Registration Number: 117366W/W-100018, were re-appointed as the Statutory Auditors of the Company by the members at their 21st Annual General Meeting (AGM) for a second term of consecutive five (5) years i.e. till the conclusion of 26th AGM.

The Notes on financial statements referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. The Auditors’ Report does not contain any qualification, reservation or adverse remark.

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit conducted and therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

General:

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the FY2024-25:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares to employees of the Company under any scheme save and except Employees Stock Option Schemes as referred to in this Report;
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company’s operations in future.

Further, your Directors would like to mention that the MD & CEO received ₹ 174.66 million as remuneration during the year from Firstsource Group USA Inc. subsidiary of the Company.

The disclosure pursuant to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

Directors’ Report

read with Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015, will be placed on the website of the Company.

Directors’ Responsibility Statement:

Pursuant to the requirements under Section 134(3)(c) and 134(5) of the Companies Act, 2013, Directors of your Company state and confirm that:

1.

In the preparation of the annual accounts for the FY2024-25, the applicable Ind-AS accounting standards have been followed and there are no material departures from the same;
2.

The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for year ended on that date;
3.

The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4.

The Directors had prepared the annual accounts on a going concern basis;
5.

The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6.

The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Application/proceeding pending under IBC:

None of the application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

Acknowledgements:

The Board wishes to place on record its sincere appreciation for the support and co-operation extended by all the customers, vendors, bankers and business associates. The Board also expresses its gratitude to the Department of Telecommunications, Collector of Customs and Excise, Director of Special Economic Zone, Ministry of Labour, Ministry of Corporate Affairs, Software Technology Parks of India, and various Governmental departments and organisations for their help and cooperation.

Further, the Board places on record its appreciation to all the employees for their dedicated service. The Board appreciates and values the contributions made by every member across the world and is confident that with their continued support, the Company will achieve its objectives and emerge stronger in the coming years.

For and on behalf of the Board of Directors

Mumbai
April 28, 2025

Dr Sanjiv Goenka

Chairman
(DIN: 00074796)

Annexure I to the Directors’ Report

Information required under Section 197 of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i)

The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY2024-25 and
- (ii)

The percentage increase in remuneration of each Director, Managing Director & Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company in the FY2024-25.

Name & Designation	% increase/ decrease in remuneration in the FY2024-25	Ratio of remuneration of each Director to median remuneration of employees
Directors		
Dr Sanjiv Goenka, Chairman, NI-NED	(20.00%)	1.25
Mr Shashwat Goenka, Vice Chairman, NI-NED	(15.38%)	1.72
Mr Ritesh Idnani, MD & CEO	111.11%	77.31
Mr Pradip Kumar Khaitan, NI-NED	(20.00%)	1.25
Ms Vanita Uppal, I-NED ^{\$}	(54.55%)	0.78
Mr Subrata Talukdar, NI-NED	38.46%	2.82
Mr Sunil Mitra, I-NED	(13.33%)	2.04
Mr Utsav Parekh, I-NED ^{\$}	13.33%	2.66
Ms Rekha Sethi, I-NED	100.00%	1.57
Mr T. C. Suseel Kumar, I-NED	120.00%	1.72
Dr Rajiv Kumar, I-NED [#]	NA	1.25
KMP's		
Mr Dinesh Jain, President & CFO*	(14.45%)	NA
Ms Pooja Nambiar, CS	11.00%	NA

Legends: KMP – Key Managerial Personnel, MD & CEO – Managing Director & CEO, NI-NED – Non Independent, Non-Executive Director, I-NED - Independent, Non-Executive Director, CFO – Chief Financial Officer; CS - Company Secretary

Notes:

- *The remuneration is exclusive of taxable value of perquisite on stock options exercised during the year.
- Non-Executive Directors have received only sitting fees and no other remuneration have been paid to them.
- Median remuneration of all the employees of the Company for the FY2024-25 is ₹ 319,332.
- \$ Ms Vanita Uppal and Mr Utsav Parekh were re-appointed as an Non-Executive - Independent Directors w.e.f. May 05, 2025 and November 02, 2025 respectively. Further, their appointment were approved by the members through Postal Ballot via Special Resolution passed on December 13, 2024.
- # Dr Rajiv Kumar was appointed as an Additional (Non-Executive - Independent) Director w.e.f. May 03, 2024. Further, his appointment was approved by the members at the Annual General Meeting held on July 30, 2024.

- (iii)

The percentage increase in the median remuneration of employees in the FY2024-25

Median remuneration of employees during the FY2024-25 was ₹ 319,332 compared to ₹ 301,560 of the previous financial year.

The payment of managerial remuneration was as per the remuneration approved by the Shareholders of the Company and within the limit specified under the Companies Act, 2013.
- (iv)

The number of permanent employees on the rolls of Company

As on March 31, 2025, there were 24,751 permanent employees on the rolls of Company on standalone basis.
- (v)

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average percentile increase in the median remuneration of comparable employees in the FY2024-25 other than the Managing Director & CEO was 6.91% and the increase in the salary of the Managing Director & CEO was 0%.
- (vi)

Affirmation that the remuneration is as per the Remuneration Policy of the Company

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

ANNEXURE - II

1. Brief outline on CSR policy of the Company:

RPSG GROUP CSR VISION

To be a leading and socially responsible Indian Group empowering lives by providing access to healthcare facilities, education, skill development, livelihood opportunities including in sports, arts, etc. to improve the overall quality of life.

FIRSTSOURCE SOLUTIONS LTD CSR VISION

Corporate Social Responsibility (CSR) lies at the core of everything the Company does. Firstsource is committed to advancing its CSR objectives through its overarching vision: “Create a nurturing and an empowering environment to deepen our societal engagement with a goal of improving lives and livelihood of communities on a sustainable basis.”

Firstsource Solutions Limited Focused Areas of CSR Intervention:

1. Programme Focus Area 1 Category: Healthcare
2. Programme Focus Area 2 Category: Education
3. Programme Focus Area 3 Category: Environment
4. Programme Focus Area 4 Category: Art & Culture
5. Programme Focus Area 5 Category: Gender equality and women empowerment
6. Programme Focus Area 6 Category: Promoting Sports

2. Composition of CSR committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr Shashwat Goenka	Chairman (Non-Executive, Non-Independent Director)	1	1
2.	Mr Ritesh Idnani	Member (MD & CEO)	1	1
3.	Mr Subrata Talukdar	Member (Non-Executive, Non- Independent Director)	1	1
4.	Dr Rajiv Kumar [#]	Member (Non-Executive, Independent Director)	1	1

[#]Inducted as a Member of the Committee w.e.f. May 11, 2024.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.

<https://www.firstsource.com/sites/default/files/2025-03/Firstsource-Corporate-Social-Responsibility-Policy-2.0.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

<https://www.firstsource.com/sites/default/files/2025-04/SIA-Firstsource-2025-V2.pdf>

5. Details of total CSR obligation:

Sl No.	Particulars	₹ in million
5(a)	Average net profit of the company as per sub-section (5) of section 135	3,540.73
5(b)	Two percent of average net profit of the company as per sub-section (5) of section 135	70.81
5(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
5(d)	Amount required to be set-off for the financial year, if any.	Not Applicable
5(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	70.81

6. Details given herein below

- a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 70.81 million
- b. Amount spent in Administrative Overheads: Nil
- c. Amount spent on Impact Assessment, if applicable: Nil
- d. Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 70.81 million
- e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in millions.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹14.00	₹56.81	March 28, 2025	NA	NA	NA

- f. Excess amount for set-off, if any: **Not applicable**

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)
					Amount (in ₹)	Date of Transfer	
1	FY-1	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes : ☒ No:

Annexure II

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not applicable**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not applicable

	Mr Ritesh Idnani	Mr Shashawat Goenka
Mumbai April 28, 2025	MD & CEO (DIN 06403188)	Chairman of the CSR Committee (DIN 03486121)

Annexure IIIA to the Directors’ Report

SUMMARY OF REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS

- 1. Purpose of the policy**

This policy aims to set out the approach to make payment of Remuneration to the Non-Executive Directors, including Independent Directors of Firstsource Solutions Limited (“the Company”).
- 2. Objective**

The Objective of this Policy is to ensure that-

a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Non-Executive Directors of the quality required to run the Company successfully; and

b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 3. Remuneration to non-executive directors including independent directors**

A. Remuneration/ Commission:

The Non-Executive Directors may be paid remuneration as may be approved by the Board of Directors whereas the aggregate amount of such remuneration shall not exceed one percent of the net profits of the Company, except with the approval of shareholders in the general meeting, computed as per the applicable provisions of the Companies Act, 2013 and rules framed thereunder.

B. Remuneration for Professional Services rendered by any Director:

The remuneration payable to any Director shall be inclusive of remuneration payable to him for services rendered in any other capacity. However, the remuneration for services rendered by any such Director in any other capacity shall not be so included if the services rendered are of a professional nature and in the opinion of the Nomination & Remuneration Committee, the Director possesses the requisite qualification for the practice of the profession.
- C. Sitting Fees:**

The Board of Directors, at its meeting held on August 1, 2014 had decided a sitting fees of ₹ 0.1 million to be paid for attending each meeting of the Board and ₹ 0.05 million for attending each meeting of a Committee of the Board of which the Director is member, payable to all the Non-Executive Directors of the Company including Independent Directors.
- D. Reimbursement of Expenses:**

Besides the sitting fees, Non-Executive Directors are also entitled for reimbursement of travel, hotel and other incidental expenses incurred by them in the performance of their roles and duties.
- E. Stock Options:**

Pursuant to the provisions of the Companies Act, 2013, an Independent Director of the Company shall not be entitled to any stock option of the Company.
- F. Refund of Excess Remuneration paid to any Director:**

If any Director draws or receives directly or indirectly, any remuneration in excess of the limits prescribed under the Companies Act, 2013 without prior consent of Shareholders/ Central Government, where required, he shall refund the same to the Company.
- G. Premium on Insurance taken by the Company:**

The premium paid on the insurance taken by the Company for indemnifying the Directors against any liability in respect of breach of trust for any negligence, default, misfeasance, breach of duty or breach of trust for which they may be found guilty in relation to the Company, shall not be treated as part of remuneration payable to any such Director. However, if such Director is proved guilty, the premium paid on such insurance shall be treated as part of remuneration.

Annexure IIIB to the Directors’ Report

SUMMARY OF REMUNERATION POLICY FOR KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

1. Purpose

The purpose of this policy is to define the remuneration policy for employees at all levels.
2. Grade structure

The Company follows grade structure in most of the geographies. Broadly, grades are divided into Associates and Coordinators, Junior Management, Middle Management, Senior Management and MD & CEO.
3. Pay philosophy

The Company follows a total compensation approach by which it seeks to attract, retain and motivate employees.
4. Salary structure

All employees’ salary structures are a mix of fixed pay components and variable pay components. In the Company, compensation practices differ across different levels and geographies.
5. Annual variable pay structure

Some employees get Variable Pay on an annual basis-

Eligibility:

- Grade F1 and above employees having Annual Variable Pay;
 - Variable pay is a part of an employee’s CTC.
 - Payout is linked to financial performance of the Company, Business Unit and individual employee’s performance.
 - The Company performance is decided by the Nomination and Remuneration Committee every year.
 - Variable Pay Pool & Payout is approved by Nomination and Remuneration Committee.
- 6 Long term incentive plans/ ESOP

ESOP 2003:

a. Eligibility

- Eligibility restricted to senior positions - Critical and key employees
 - All Grants approved by Nomination and Remuneration Committee
 - Granted on quarterly basis for New joiners and Annually for existing employees

b. Vesting Schedule

- 25% after 1 year
 - 12.5% after every 6 months for next 3 years
- c. Exercise Period

- 10 years from the date of grant

Note: Since the inception of ESOP Plan 2019, no grants were made under ESOP 2003.

ESOP 2019:

a. Eligibility

- Granted to identified eligible key and critical employees;
 - All Grants approved by Nomination and Remuneration Committee.

b. Vesting Schedule and Exercise period

Grants will be issued at face value of the shares or any higher price which may be decided by the Nomination and Remuneration Committee and will have an exercise period of three (3) years from the date of vesting as per the Scheme and as determined by the Nomination and Remuneration 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:
- Tenure based Structure (ESOP Structure)

Period within which options will vest unto the participant	% of options that will vest
End of 12 months from the date of grant of options	25%
At the end of every quarter after year 1, till end of year 4 from date of grant	6.25%

Performance based Structure (PSU Structure) (The vesting Schedule is effective from May 3, 2024.):

Period within which options will vest unto the participant	% of options that will vest
End of 12 months from the date of grant of options	15%
End of 24 months from the date of grant of options	20%
End of 36 months from the date of grant of options	25%
End of 48 months from the date of grant of options	40%

*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. Subject to terms and conditions of the scheme, the performance-based component of the grant is measured basis the Performance targets as agreed annually by the Management.
7. Increments

The Company usually administers hikes as per the Company’s policy and depending on geography, employee category, etc. and is subject to Board/ Nomination and Remuneration Committee approval.

Annexure IV

- Form AOC-2
- Details of Related Party Transactions
- [Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]
- Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:
1. Details of contracts or arrangements or transactions not at arm’s length basis:

No contracts or arrangements or transactions entered into during the year under review, which were not at arms's length basis.
2. Details of material contracts or arrangement or transactions at arm’s length basis:

No material contracts or arrangement or transactions at arm's length basis were entered by the Company during the year under review.

Annexure V

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Firstsource Solutions Limited
5th Floor, Paradigm 'B' wing, Mindspace,
Link Road, Malad (West),
Mumbai - 400064, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Firstsource Solutions Limited** (hereinafter called ‘the Company’). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor’s Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 (hereinafter called the ‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- (i)

The Companies Act, 2013 (‘the Act’) and the rules made there under;
- (ii)

The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii)

The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv)

Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment (Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period);
- (v)

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -

(a)

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b)

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c)

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period);

(d)

The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e)

The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period);

(f)

The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g)

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period) and

(h)

The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. (Not Applicable to the Company during the Audit Period).
- We have also examined compliance with the applicable clauses of the following:
- (i)

Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii)

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. (‘Listing Regulations’).
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. mentioned above.
- We further report that**, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test- check basis, the Company has generally complied with The Special Economic Zones Act, 2005 and the rules made thereunder which is specifically applicable to the Company.
- We further report that
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- We further report that** there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.
- We further report that**, during the audit period the Company has:
- transferred 3,345,768 Equity Shares pursuant to exercise of the Employee Stock Options under ESOP Scheme through Firstsource Employee Benefit Trust to respective employees.

•

executed Share Purchase Agreement for acquisition of 100% ownership in Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited) (FPSPL). Post acquisition of FPSPL it became wholly owned subsidiary of the Company.

•

executed a Share Purchase Agreement for acquisition of 100% ownership in Accunai India Services Private Limited (AccunAI). Post acquisition of AccunAI it became wholly owned subsidiary of the Company.
- For **MMJB & Associates LLP**
Company Secretaries
ICSI UIN: L2020MH006700
Peer Review Cert. No.: 2826/2022
- Deepti Joshi**
Designated Partner
FCS No. 8167
CP No. 8968
UDIN: F008167G000213306
- Date:** April 28,2025
Place: Mumbai
- This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
- FIRSTSOURCE SOLUTIONS LIMITED
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- ANNUAL REPORT 2024-25

Annexure V

‘Annexure A’

To,
The Members,
Firstsource Solutions Limited
5th Floor, Paradigm 'B' wing, Mindspace,
Link Road, Malad (West),
Mumbai 400064, Maharashtra, India

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **MMJB & Associates LLP**
Company Secretaries
ICSI UIN: L2020MH006700
Peer Review Cert. No.: 2826/2022

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Date: April 28,2025
Place: Mumbai

Report On Corporate Governance

Corporate Governance is not merely the compliance of a set of regulatory laws and regulations but is a set of good and transparent practices that enable an organization to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. It goes beyond building and strengthening the trust and integrity of the Company by ensuring conformity with the globally accepted best governance practices. The Securities and Exchange Board of India (SEBI) observes keen vigilance over governance and fulfillment of these regulations in letter and spirit, which entails surety towards sustainable development of the Company, enhancing Stakeholders' value eventually.

Company’s philosophy on Corporate Governance:

At Firstsource Solutions Limited (“the Company”), adherence to Corporate Governance practices not only justifies the legal obedience of the laws but translates into ethical leadership and organizational stability. It is the sense of good governance that our leaders portray, which trickles down to the wider management and is further maintained across the entire functioning of the Company. Your Company envisages the importance of building trust and integrity through transparent and accountable communication with the internal and external stakeholders as well as the customers of the Company. This involves keeping the stakeholders of the Company updated on a timely basis about the development, the plans and the performance of the Company with a view to establish the long-term affiliations. The Company keeps itself abreast with the best governance practices on the global front and at the same time conforms to the recent amendments.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), as applicable, to ensure good Corporate Governance practices across the Company in letter and in spirit. The Company has complied with all the mandatory requirements of the Listing Regulations and the detailed status of the same is covered separately hereafter.

Board of Directors:

The Board of Directors (“the Board”) of your Company provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board plays a crucial role in piloting the Company towards enhancement of the short-term and long-term value interests of stakeholders. The Board comprises of members distinguished in various fields such as management, finance, law, marketing, technology and strategic planning. This provides reliability to the Company's functioning and the Board ensures a critical examination of the strategies and operational planning mechanisms adopted by the management across the globe.

The Company has an optimum combination of Directors on the Board and is in conformity with Regulation 17 of the

SEBI LODR. As on March 31, 2025, the Board comprised of eleven 11 experts drawn from diverse fields/professions of which ten (10 i.e. 90.90 percent) are Non-Executive Directors and one (1) is Executive Director. Six (6 i.e. 54.55 percent) out of eleven (11) Directors are Independent Directors.

Independent Directors are Non-executive Directors as defined under Regulation 16(1)(b) of the SEBI LODR read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI LODR, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI LODR and that they are independent of the management.

In view of amended SEBI LODR, following Directors are nominated on the Board of Company's three (3) material subsidiaries:

- Mr Utsav Parekh (DIN: 00027642), Director of the Company was nominated on the Board of Firstsource Group USA, Inc., USA;
- Mr Utsav Parekh (DIN: 00027642), Director of the Company was nominated on the Board of Firstsource Solutions UK Limited, UK.
- Mr Utsav Parekh (DIN: 00027642), Director of the Company was nominated on the Board of Firstsource Health Plans and Healthcare Services, LLC, USA.

For each Board and Committee meetings, agenda papers are circulated to the Directors/ Members at least seven (7) days before the meetings, supported with significant information including that as enumerated in Part A of Schedule II of the SEBI LODR for an effective and well-informed decision making during the meetings.

The Board meets at regular intervals to discuss and decide on the Company's business policy and strategy apart from other normal business, the maximum interval between any two meetings did not exceed one hundred twenty (120) days. The Company adheres to the Secretarial Standards on the Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India. The Board has complete access to any information within the Company. Agenda papers containing all necessary information/ documents are made available to the Board/ Committee Members in advance to enable them to discharge their responsibilities effectively and take informed decisions. The information as specified in the SEBI LODR is regularly made available to the Board, whenever applicable, for discussion and consideration. During the year ended March 31, 2025 the Company had four (4) Board Meetings. These were held on:

- May 03, 2024
- July 30, 2024
- October 28, 2024
- February 07, 2025

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Time gap between any two meetings was not more than one hundred twenty (120) days.

Details of the Composition, Status, Attendance at the Board Meetings and last Annual General Meeting, Number of other Directorships and other Committee Memberships held are as under:

Name of the Director	Position/ Status	No. of Board Meetings Attended	No. of Equity Shares held as on March 31, 2025	Attendance at previous AGM Held On July 30, 2024 (Y-Yes, N-No)	Director-ships in other Public Companies as on March 31, 2025*	Committee Chairmanships/ Memberships in other Public Companies as on March 31, 2025**		Directorship in other listed entity (Category of Directorship)
						Chairmanships	Memberships	
Dr Sanjiv Goenka, Chairman + (DIN 00074796)	NI- NED	4	-	Y	8	3	3	1. Saregama India Limited (Non-Executive, Non-Independent Director-Chairman) 2. PCBL Chemical Limited (formerly known as Phillips Carbon Black Limited) (Non-Executive, Non-Independent Director-Chairman) 3. CESC Ltd. (Non-Executive, Non-Independent Director-Chairman) 4. RPSG Ventures Limited (Non-Executive, Non-Independent Director-Chairman)
Mr Shashwat Goenka, Vice-Chairman + (DIN 03486121)	NI-NED	4	-	Y	7	-	2	1. PCBL Chemical Limited (formerly known as Phillips Carbon Black Limited) (Non-Executive, Non-Independent Director) 2. CESC Ltd. (Non-Executive, Non- Independent Director) 3. RPSG Ventures Limited (Non-Executive, Non-Independent Director) 4. Spencer's Retails Limited (Non-Executive, Non-Independent Director- Chairman)
Mr Ritesh Idnani MD & CEO (DIN 06403188)	ED	4	-	Y	1	-	1	-
Mr Pradip Kumar Khaitan (DIN 00004821)	NI-NED	4	-	Y	2	-	-	1. CESC Limited (Non-Executive, Non-Independent Director)
Mr Subrata Talukdar (DIN 01794978)	NI-NED	4	-	Y	5	-	1	-
Mr Sunil Mitra (DIN 00113473)	I-NED	4	-	Y	3	-	1	1. CESC Limited (Non-Executive, Independent Director) 2. Century Plyboards (India) Limited (Non-Executive, Independent Director)
Ms Vanita Uppal (DIN 07286115)#	I-NED	2	-	N	-	-	-	-
Mr Utsav Parekh (DIN 00027642)#	I-NED	4	-	Y	7	2	6	1. Jayshree Tea & Industries Limited (Non-Executive, Independent Director) 2. Texmaco Rail & Engineering Limited (Non-Executive, Independent Director) 3. Eveready Industries India Limited (Non-Executive, Non- Independent Director) 4. Nexome Capital Markets Limited (formerly known as SMIFS Capital Markets Limited) (Non-Executive, Non-Independent Director-Chairman) 5. Spencer's Retail Limited (Non-Executive, Independent Director)
Ms Rekha Sethi (DIN 06809515)	I-NED	4	-	Y	4	-	3	1. Samvardhana Motherson International Limited (Non-Executive, Independent Director) 2. Spencer's Retail Limited (Non-Executive, Independent Director) 3. Kirloskar Brothers Limited (Non-Executive, Independent Director)
Mr T. C. Suseel Kumar (DIN 06453310)	I-NED	3	-	Y	4	4	5	1. Manappuram Finance Limited (Non-Executive, Independent Director) 2. PCBL Chemical Limited (formerly known as Phillips Carbon Black Limited) (Non-Executive, Independent Director)
Dr Rajiv Kumar (DIN 02385076)@	I-NED	3	-	Y	-	-	-	-

Legends: I-NED: Independent- Non- Executive Director, NI- NED: Non-Independent – Non-Executive Director, ED: Executive Director

* The Directorships of other Indian Public Limited Companies only have been considered. Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies have not been considered.

**Memberships/Chairmanships in Audit Committee and Stakeholders Relationship Committee only of Indian Public Limited Companies have been considered.

+ Mr Shashwat Goenka, Vice-Chairman is son of Dr Sanjiv Goenka, Chairman. No other Director is related to any other Directors of the Company.

@ Dr Rajiv Kumar was appointed as an Additional (Non-Executive - Independent) Director w.e.f. May 03, 2024. Further, his appointment was approved by the members at the Annual General Meeting held on July 30, 2024.

Ms Vanita Uppal and Mr Utsav Parekh were re-appointed as the (Non-Executive Independent) Directors for a second term of three (3) consecutive years w.e.f. May 05, 2025 and November 02, 2025 respectively. Further, their appointments were approved by the members through Postal Ballot vide Special Resolutions passed on December 13, 2024.

In accordance with Section 167(1)(b) of the Companies Act, 2013, the Company requires its Board members to attend at least one meeting in a Financial Year.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Sr. No.	Name of the Directors	Global Business	Strategy and Planning	Governance	Risk	Financial Performance
		Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems	Qualifications and experience in accounting and/or finance and the ability to: <ul style="list-style-type: none">Analyse key financial statements;Critically assess financial viability and performance;Contribute to strategic financial planning; and Oversee budgets and the efficient use of resources and oversee funding arrangements and accountability
1.	Dr Sanjiv Goenka, Chairman	✓	✓	✓	✓	✓
2.	Mr Shashwat Goenka, Vice-Chairman	✓	✓	✓	✓	✓
3	Mr Ritesh Idnani, MD & CEO	✓	✓	✓	✓	✓
4	Mr Pradip Kumar Khaitan	✓	-	✓	-	✓
5	Mr Subrata Talukdar	✓	✓	✓	✓	✓
6	Mr Sunil Mitra	✓	✓	✓	✓	✓
7	Ms Vanita Uppal	✓	-	✓	✓	✓
8	Mr Utsav Parekh	✓	-	✓	✓	✓
9	Ms Rekha Sethi	✓	-	✓	✓	✓
10	Mr T. C. Suseel Kumar	✓	-	✓	✓	✓
11	Dr Rajiv Kumar	✓	-	✓	✓	✓

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/ fields from where they come.

The Board periodically reviews the compliance report of all laws applicable to the Company. All the Directors have made necessary disclosures about the directorships and committee positions they occupy in other companies.

None of the Director on the Board is a Director (including any alternate directorship) in more than twenty companies. Also, none of the Director on the Board is a Director in more than 10 Public Companies.

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None of the Directors on the Board is a Member of more than ten (10) Committees and Chairman of more than five (5) Committees across all Companies in which they are Directors and none of the Independent Directors serves as an independent director on more than seven (7) listed entities.

A certificate has been received from MMJB & Associates LLP, Practising Company Secretaries, that none of the Directors on the Board of the Company for the financial year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

The particulars of Directors, who are proposed to be appointed/ re-appointed at the ensuing Annual General Meeting (“AGM”), are given in the notice convening the 24th AGM.

Committees Of Board Of Directors:

Audit Committee:

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them as Independent Directors including the Chairperson/Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc.

Ms Pooja Nambiar, the Company Secretary acts as the Secretary to the Committee.

During FY 2024-25, following four (4) meetings of the Audit Committee were held on:

- 1. May 03, 2024
- 2. July 29, 2024
- 3. October 28, 2024
- 4. February 07, 2025

The time gap between any two meetings was not more than one hundred twenty (120) days and the Company has complied with all the requirements as mentioned under the Listing Regulations and the Companies Act, 2013 (“the Act”).

Details of the composition of the committee and the status of attendance during the year are as under:

Name of the Director/Member	Category	No. of Meetings Attended
Mr Utsav Parekh, Chairman	I-NED	4
Mr Anjani K. Agrawal*	I-NED	1
Mr Sunil Mitra	I-NED	4
Mr Subrata Talukdar	NI-NED	4
Mr T. C. Suseel Kumar**	I-NED	2

I-NED: Independent- Non- Executive Director, NI-NED: Non-Independent, Non- Executive Director

* His term as an Independent Director of the Company came to an end on May 10, 2024 (EOD) by efflux of time. Accordingly, he ceased to be a member of the Committee.

**Inducted as a Member of the Committee w.e.f. May 11, 2024.

The terms of reference of the Audit Committee covers the matters specified under Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act. This Committee has the following powers, roles and terms of reference:

- To provide oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To recommend to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fee;
- To approve payment to statutory auditors for any other non-audit services rendered by them;
- To review with the management, the quarterly/annual standalone and consolidated financial statements and auditors’ report thereon, before submission to the Board for approval, with particular reference to:
 - Matters to be specified in the Director’s Responsibility Statement to be included in the Board’s Report;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report.
- To review with the management, the quarterly financial statements before submission to the board for approval;
- To review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- To review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- To mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Management letters/letters of internal control weaknesses issued by the statutory auditors;

- Internal audit reports relating to internal control weaknesses;
 - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
 - statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- Invite such of the executives, as it considers appropriate (particularly the CFO) to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company. The MD & CEO, CFO, Head of Internal Audit and a representative of the Statutory Auditors may be present as invitees to the meetings of the Audit Committee;
 - To secure attendance of outsiders with relevant expertise at the meetings of Audit Committee, if it considers necessary;
 - To review with the Management, performance of statutory and internal auditors and adequacy of the internal control systems;
 - To evaluate internal financial controls and risk management systems;
 - To review and monitor the Auditor’s independence and performance and effectiveness of audit processes;
 - To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and reviewing appointment, removal and terms of remuneration of the Chief Internal Auditor;
 - To discuss with internal auditors any significant findings and follow up thereon;
 - To review the findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - To look into the reasons for substantial defaults in the payments, if any, to the depositors, debenture holders,

shareholders (in case of non-payment of declared dividends) and creditors;

- To direct the Company to establish a vigil mechanism for directors and employees to report genuine concerns to the Audit Committee and to ensure that the vigil mechanism provides adequate safeguards against victimization of persons who use such mechanism and make provisions for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases;
- To ensure that the details of establishment of vigil mechanism is disclosed by the Company on its website and in Board’s report;
- To review the functioning of the Whistle Blower/ Vigil mechanism;
- To approve appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- To scrutinise inter-corporate loans and investments;
- To approve any subsequent modification of transaction/s of the Company with related parties;
- To review valuation of undertakings or assets of the Company, wherever it is necessary;
- To investigate into any matter or activity within its terms of reference referred to it by the Board and for this purpose shall have power to obtain legal or other professional advice from external sources and have full access to information contained in the records of the Company;
- To seek information from any officer or employee of the Company;
- To call for the comments of the Auditors about internal control systems, the scope of audit, including the observations of the Auditors and also discuss any related issue/s with the Internal and Statutory Auditors and the Management of the Company;
- To carry out any other function as is mentioned in the terms of reference of the Audit Committee or as enumerated in Section 177 of the Act or Regulation 18 of the Listing Regulations with Stock Exchanges or in any subsequent amendment thereto;
- To exercise any other power or perform any other function as enumerated in the Act or the Listing Regulations with the Stock Exchanges or in any subsequent amendment thereto;
- To review the utilisation of loans and/or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision;

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32. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation, etc on the listed entity and its shareholders.

The MD & CEO, the CFO, Internal Auditors, the Statutory Auditors and all the Directors of the Company are invited to the meetings of the Audit Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee's constitution, its role and terms of reference are in compliance with provisions of Section 178 of the Act, Regulation 19 read with Part D of Schedule II of the Listing Regulations and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, as amended from time to time.

During FY2024-25, following four (4) meetings of the Committee were held on:

1. May 03, 2024
2. July 29, 2024
3. October 28, 2024
4. February 07, 2025

Details of composition of the Committee and attendance during the year are as under:

Name of the Director/ Member	Category	No. of Meetings Attended
Mr Anjani K. Agrawal, Chairman*	I-NED	1
Mr T. C. Suseel Kumar, Chairman**	I-NED	3
Mr Utsav Parekh	I-NED	4
Mr Subrata Talukdar	NI-NED	4

I-NED: Independent- Non- Executive Director, NI-NED: Non-Independent, Non- Executive Director

* His term as an Independent Director of the Company came to an end on 10th May 2024 (EOD) by efflux of time. Accordingly, he ceased to be Chairman and Member of the Committee.

**He was designated as the Chairman of the Committee w.e.f. May 11, 2024.

This Committee is entrusted with the following powers:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination & Remuneration Committee or by an independent external agency and review its implementation and compliance;
2. To formulate the criteria for evaluation of Independent Directors and the Board and to carry out the evaluation of every Director's performance;

3. To formulate the criteria for determining qualification, positive attributes and independence of Directors;
4. To recommend/ approve remuneration of the Executive Directors and any increase therein from time to time, within the limit approved by the members of the Company;
5. To recommend/ approve remuneration of Non-Executive Directors in the form of sitting fees for attending meetings of Board and its Committees, remuneration for other services, commission on profits, grant of stock options or payment of any other amount;
6. To decide the overall compensation structure/ policy for the Employees, Senior Management and the Directors of the Company including ratio of fixed and performance pay, performance parameters etc.;
7. To approve rating of Company's performance for the purpose of payment of annual bonus/ performance incentive to Employees and Executive Director(s) of the Company;
8. To approve Management Incentive Plan or any other Incentive Plan for the purpose of payment of performance Incentive to the Employees and Executive Director(s) of the Company;
9. To engage the services of any consulting/ professional or other agency at the cost of the Company for the purpose of recommending to the Committee on compensation structure/policy including Stock Option Scheme;
10. To recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees;
11. To recommend amendment to Employees Stock Option Scheme of the Company or to recommend any such new Scheme for approval of members of the Company;
12. To exercise all the powers as mentioned in the Employees Stock Option Scheme of the Company to be exercised by the Compensation Committee of the Company;
13. To approve grant of stock options to Directors and Employees of the Company;
14. To invite any executive or outsider, at its discretion at the meetings of the Committee;
15. To devise a policy on Board diversity;
16. To recommend to the Board, all remuneration, in whatever form, payable to senior management;
17. To exercise such other powers as may be delegated to it by the Board from time to time;
18. To recommend to the board, all remuneration, in whatever form, payable to senior management;

19. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
20. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

Policy for Selection and Appointment of Non-Executive Directors:

The Nomination and Remuneration Committee has framed a policy relating to appointment of the Directors (Executive/ Non-Executive) on the Board and the MD & CEO and their remuneration. The details of the said Policy are given hereunder:

- a) The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in various fields namely marketing, finance, taxation, law, governance and general management;
- b) In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regards to the experience, expertise and independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively;

- c) The Nomination and Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Act;
- d) The Nomination and Remuneration Committee shall consider the qualification, expertise and experience of the Directors in their respective fields whilst recommending to the Board the candidature for appointment as a Director;
- e) In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his/ her engagement level.

Remuneration Policy for Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fee and reimbursement of expenses for participation in the Board/ Committee meetings. The details of Remuneration Policy for Non-Executive Directors and Independent Directors are given in Annexure IIIA to the Directors' Report forming part of this Annual Report.

Details of sitting fee paid to Non-Executive Directors during FY2024-25:

All the Non-Executive Directors are paid sitting fees of ₹ 0.1 Million for attending each meeting of the Board of Directors and ₹ 0.05 Million for attending each meeting of any Committee of the Board.

The details of sitting fees paid to Non-Executive Directors during the FY2024-25 are as under:

(Amount in ₹ million)

Name of the Director	Sitting Fee		
	Board Meetings	Committee Meetings#	Total
Dr Sanjiv Goenka, Chairman	0.40	-	0.40
Mr Shashwat Goenka, Vice-Chairman	0.40	0.15	0.55
Mr Pradip Kumar Khaitan	0.40	-	0.40
Mr Subrata Talukdar	0.40	0.50	0.90
Mr Anjani K. Agrawal^	0.10	0.10	0.20
Mr Sunil Mitra	0.40	0.25	0.65
Ms Vanita Uppal	0.20	0.05	0.25
Mr Utsav Parekh	0.40	0.45	0.85
Ms Rekha Sethi	0.40	0.10	0.50
Mr T. C. Suseel Kumar	0.30	0.25	0.55
Dr Rajiv Kumar#	0.30	0.10	0.40
TOTAL	3.70	1.95	5.65

@ Sitting fees for attending meetings of all the committees including meeting of Independent Directors.

^ Ceased to be a Non-Executive, Independent Director from the closing of business hours on May 10, 2024 by efflux of time.

Dr Rajiv Kumar was appointed as Additional (Non-Executive - Independent) Director w.e.f. May 03, 2024. Further, his appointment was approved by the members at the Annual General Meeting held on July 30, 2024.

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Remuneration Policy for Key Managerial Personnel and other Employees of the Company:

The Company’s Remuneration Policy for Key Managerial Personnel and other employees is driven by the success and the performance of the Company and the individual and industry benchmarks and is decided by the Nomination and Remuneration Committee. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high-performance workforce. The Company follows a mix of fixed/variable pay, benefits and performance related pay. The Company also grants stock

The details of remuneration of the MD & CEO for the year ended March 31, 2025 are as under:

(Amount in ₹ million)					
Name	Salary & Allowances	Performance Bonus	Retirals*	Perquisites	Total
Mr Ritesh Idnani	18.95	3.03	1.70	1.00	24.68

*Retirals include contribution to Provident Fund but does not include provision for gratuity and this salary excludes the remuneration received by the MD & CEO from the Company’s foreign subsidiary.

The performance bonus as stated in the table above represents the variable component of the remuneration availed by the MD & CEO and was decided by the Nomination and Remuneration Committee based on the performance of the Company and the individual performance of the MD & CEO during the previous financial year. This was in line with the Remuneration Policy as approved by the Board.

During FY 2024-25, no stock options were granted to Mr Ritesh Idnani, MD & CEO under the Company’s Employees Stock Option Scheme.

The notice period of termination either by the Company or by the MD & CEO is 3 months or payment of gross salary of 3 months by the Company as the case may be in lieu of notice.

Particulars of senior management:

The particulars of senior management including the changes during FY 2024-25 are as follows:

Name	Designation
Ms Shamita Mukherjee*	Chief Human Resources Officer
Mr Aftab Javed**	Chief Human Resources Officer
Mr Akash Pugalìa^	President - Global Trust and Safety
Mr Aniket Maindarkar	Chief Marketing Officer
Mr Arjun Mitra	President - Collections & US CM
Mr Ashish Chawla	President - CX and Consulting
Mr Dinesh Jain	Chief Financial Officer
Mr Hasit Trivedi	Chief Digital and AI Officer
Mr Prashanth Nandella#	Chief Operating Officer
Ms Pooja Nambiar	Company Secretary
Mr Rajiv Malhotra	President – EMEA
Mr Sohit Brahmar^##	President – Chief Operating Officer
Mr Sundara Sukavanam	Head – Enterprise Transformation
Mr Venkatgiri Vandali	President - Healthcare and Lifescience
Mr Vivek Sharma	President – CMT & Emerging Geos

*Appointed as the Chief Human Resources Officer of the Company w.e.f. May 05, 2025.

options to senior management and deserving employees of the Company. The details of Remuneration Policy for Key Managerial Personnel and other Employees of the Company are given in Annexure III-B to the Directors’ Report forming part of this Annual Report.

Remuneration of the MD & CEO:

The Nomination and Remuneration Committee of the Board is authorized to decide the remuneration of the MD & CEO, subject to the approval of the members and the Central Government, if required.

**Resigned as the Chief Human Resources Officer of the Company w.e.f. May 05, 2025.
#Resigned as the Chief Operating Officer of the Company and the last working day was November 29, 2024.
##Appointed as the Chief Operating Officer of the Company w.e.f. June 10, 2024.
^Resigned as the President - Global Trust and Safety w.e.f. October 15, 2024.

Changes in Senior Management during FY 2024-25

Senior Management Personnel	Effective date
Appointments	
Mr Hasit Trivedi, Chief Digital and AI Officer	May 03, 2024
Mr Sohit Brahmar, President – Chief Operating Officer	June 10, 2024
Ms Shamita Mukherjee, Chief Human Resources Officer	May 05, 2025
Resignation	
Mr Akash Pugalìa, President – Global Trust and Safety	October 15, 2024
Mr Prashanth Nandella, Chief Operating Officer	November 29, 2024
Mr Aftab Javed, Chief Human Resources Officer	May 05, 2025

Stakeholders Relationship Committee:

One (1) meeting of the Committee was held during FY 2024-25 on July 29, 2024. The details of composition of the Committee and attendance during the year are as under:

Name of the Director/ Member	Category	No. of Meetings Attended
Mr Subrata Talukdar, Chairman	NI-NED	1
Mr Ritesh Idnani	NI-ED	1
Ms Rekha Sethi	I-NED	1

I-NED: Independent- Non-Executive Director, NI-NED: Non-Independent , Non-Executive Director

The Stakeholders Relationship Committee and its terms of reference are in line with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. The Committee looks into the various aspects of interest of shareholders, debenture holders and other security holders. Further, the Committee reviews Shareholders’/Investors’ complaints like non-allotment of shares under IPO, non-receipt/short receipt of IPO refund, non-receipt of Annual Report, physical transfer/transmission/transposition, split/consolidation of share certificates, issue of duplicate share certificates, etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including debenture-holders, deposit-holders and other security holders, if any.

This Committee has the following terms of reference:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Ms Pooja Nambiar, Company Secretary is the Compliance Officer of the Company.

During the year under review, the total numbers of communications/complaints received were 52, all of which were satisfactorily replied and there was no pending complaint as on March 31, 2025.and further the Company didn’t receive any transfer request.

Corporate Social Responsibility Committee:

The Board had constituted the Corporate Social Responsibility Committee as per terms of Section 135 of the Act. The Committee is entrusted with the following powers:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- To recommend the amount of expenditure to be incurred on the activities referred in clause (a) above;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- To formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy.

One (1) meeting of the Committee was held during the year on February 07, 2025.

The details of composition of the Committee and attendance during the year are as under:

Name of the Director/ Member	Category	No. of Meetings Attended
Mr Shashwat Goenka, Chairman	NI-NED	1
Mr Ritesh Idnani	NI-ED	1
Mr Subrata Talukdar	NI-NED	1
Dr Rajiv Kumar	I-NED	1

I-NED: Independent- Non-Executive Director, NI-NED: Non-Independent, Non-Executive Director, NI-ED: Non-Independent, Executive Director

Risk Management Committee:

The Board had constituted Risk Management Committee on February 04, 2019 as per Regulation 21 of the Listing Regulations. The Committee shall have the following powers:

- To formulate a detailed risk management policy which shall include
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To assist the Board of Directors (“Board”) in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks;
- To assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities;
- To review and approve the Risk management policy and associated framework, processes and practices;
- To evaluate significant risk exposures including business continuity planning and disaster recovery planning in case of any significant changes to client profile or on an Annual basis;
- To assess management’s actions in mitigating the risk exposures in a timely manner;
- To promote Enterprise-wide Risk Management and obtain comfort based on adequate and appropriate evidence that the Management of the Company ensures the implementation and effective functioning of the entire risk management process and embedding of a comprehensive risk management culture in the Company at every stage of its operations;

Report On Corporate Governance

8. To assist the Board in maintaining and developing a supportive culture related to risk management, we ensure that all directors, including non-executive directors, receive regular training on risk management topics. Additionally, employees receive training on relevant risk topics. This comprehensive approach, along with procedures and leadership actions, ensures that everyone in the organization is aware of the broader the broader impact their actions and decisions have on the entire organization;
9. To maintain an aggregated view on the risk profile of the Company/ Industry in addition to the profile of individual risks;
10. To ensure the implementation of and compliance with the objectives set out in the Risk Management Policy;
11. To advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the Company’s operations;
12. To review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time;
13. The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required the Committee may assign tasks to the Internal Auditor, the Company’s internal Risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee;
14. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Two (2) meetings of the Committee were held during the year on July 01, 2024, and January 14, 2025.

The maximum interval between two meetings did not exceed two hundred and ten (210) days.

The details of composition of the Committee and attendance during the year are as under:

Name of the Director/Member	Category	No. of Meeting Attended
Mr Shashwat Goenka, Chairman	NI-NED	2
Mr Ritesh Idnani	I-NED	2
Ms Vanita Uppal	I-NED	1
Mr Dinesh Jain	President & CFO	2

I-NED: Independent- Non-Executive Director, NI-NED: Non-Independent, Non-Executive Director, NI-ED: Non-Independent, Executive Director

Other Committees of the Board:

Investment Committee:

The Committee comprises of Mr Subrata Talukdar, Chairman and Mr Ritesh Idnani as Member. It reviews the investment

decisions made by the Management, ensures adherence to the ‘Investment Policy’ of the Company and approves modifications to the Investment Policy as may be required from time to time.

During the year under review, no meeting of the Investment Committee was held.

Strategy Committee:

The Committee comprises of Mr Subrata Talukdar, Chairman and Mr Ritesh Idnani as Member. It deliberates on various strategic initiatives from time to time. During the year under review, no meeting of the Strategy Committee was held.

General body meetings:

Venue, day, date and time of last three (3) Annual General Meetings (AGM):

Meeting and Venue	Day & Date and Time
23rd Annual General Meeting Meeting conducted through VC / OAVM pursuant to the MCA Circular	Tuesday, July 30, 2024 at 10.00 a.m.
22nd Annual General Meeting Meeting conducted through VC/OAVM pursuant to the MCA Circular	Wednesday, August 02, 2023 10.00 a.m.
21st Annual General Meeting Meeting conducted through VC / OAVM pursuant to the MCA Circular	Tuesday, August 03, 2022 10.00 a.m.

Details of Special Resolutions passed:

- a) 23rd AGM held on July 30, 2024:

(i) Continuation of Appointment of Dr Sanjiv Goenka (DIN: 00074796) as Non-Executive, Non-Independent Director of the Company;

(ii) Appointment of Dr Rajiv Kumar (DIN: 02385076) as an Independent Director of the Company;

(iii) Appointment/ Continuation of Mr Pradip Kumar Khaitan (DIN:00004821), as a Director of the Company.
- b) 22nd AGM held on August 02, 2023:

(i) Appointment/continuation of Mr Pradip Kumar Khaitan (DIN: 00004821) as a Director of the Company.
- c) 21st AGM held on August 03, 2022:

(i) Appointment/continuation of Mr Pradip Kumar Khaitan (DIN 00004821) as a Director of the Company;

(ii) Appointment of Ms Vanita Uppal (DIN 07286115), as an Independent Director of the Company;

(iii) Approval of Amendment in Firstsource Employees Stock Option Scheme 2019 (ESOP 2019).

During the period under review no EGM was held.

Postal ballot:

During last financial year ended March 31, 2025, the Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated October 28, 2024 for below Special Businesses, which was duly passed on December 13, 2024 and the results of which were announced on December 16, 2024. Mr T. R. Ravichandran (Certificate of Practice No. 11651) of M/s. TRR & Associates, Practicing Company

The details of the resolution passed and voting results has been depicted below:

Sr. No.	Particulars	Type of Resolution (Ordinary/ Special)	For the Resolution			Against the Resolution		
			No. of Voters	No. of Shares Voted	% of total valid votes cast	No. of Voters	No. of Shares Voted	% of total valid votes cast
1	Re-Appointment of Ms Vanita Uppal (DIN: 07286115) as an Independent Director of the Company	Special	925	569,453,921	99.92	54	472,475	0.08
2	Re-Appointment of Mr Utsav Parekh (DIN: 00027642) as an Independent Director of the Company	Special	842	455,411,912	79.91	141	114,515,661	20.09

In compliance with General Circular No.11/2022, dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023 and General Circular No. 09/2024 dated September 19, 2024 of Ministry of Corporate Affairs read with the Sections 108 and 110 and other applicable provisions of the Act, read with the related Rules, the Company had provided electronic voting (e-voting) facility, to all its members. For this purpose, the Company had engaged the service of Central Depository Service (India) Limited (“CDSL”). The Company had completed the dispatch of the Postal Ballot Notice dated November 12, 2024 along with the Explanatory Statement through email, to the shareholders who had registered their e-mail IDs with the Depositories. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

The voting under the postal ballot was kept open from Thursday, November 14, 2024 from 9.00 a.m. IST to Friday, December 13, 2024 upto 5.00 p.m. IST (both days inclusive). Upon completion of scrutiny of the postal ballot forms and votes cast through evoting in a fair and transparent manner, the scrutinizer submitted his report to the Company and the results of the postal ballot were announced by the Company on December 16, 2024. The voting results were sent to the Stock Exchanges and were also displayed on the Company’s website www.firstsource.com and on the website of CDSL www.evoting.com.

Training for Board Members:

Pursuant to Regulation 25 of the Listing Regulations, the Company has put in place a system to familiarise its Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry

Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner:

1. Re-Appointment of Ms Vanita Uppal (DIN: 07286115) as an Independent Director of the Company;
2. Re-Appointment of Mr Utsav Parekh (DIN: 00027642) as an Independent Director of the Company.

in which the Company operates, business model of the Company, etc. Newly appointed Independent Directors are taken through roles and responsibilities. To ensure that they uphold the highest standards of business conduct, Code for Independent Directors, Code of Conduct for Non-Executive Directors and Code of Conduct for Prevention of Insider Trading as issued by the Company are also shared with them at the time of their appointment/re-appointment. Further, presentations are made at the Board and its Committee meetings, on a quarterly basis, covering the business and financial performance of the Company and its subsidiaries, quarterly/annual financial results, revenue and capital budget, review of Internal Audit findings, etc.

The details of such familiarisation programmes are published on the Company’s website at: <https://www.firstsource.com/sites/default/files/2025-03/Policy-on-familiarisation-of-Independent-Directors-19th-March.pdf>

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are people of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the Management.

Performance evaluation:

Pursuant to the provisions of the Act and the Listing Regulations, the Board carries out the annual performance evaluation of its own performance, the Directors individually (including the Chairman) as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The details of the performance evaluation process are given in the Directors’

Report On Corporate Governance

Report under the heading “Board Evaluation” which forms part of the Annual Report.

Statutory Auditors:

The details of fees pertaining to services provided by the statutory auditor and entities in the network firm/network entity of which the statutory auditor is a part, to Firstsource Solution Limited and its subsidiaries during the year ended March 31, 2025 are given in the following table:

Particulars	Amount (₹ In million)
Auditors remuneration and expenses	
- Audit fees	20.80
- Taxation matters	1.20
- Other services	2.78
- Reimbursement of expenses	1.16
Total	25.94

Disclosures:

i. Related Party Transactions:

The transactions with related parties as per Accounting Standard AS- 18 are set out in Notes to Accounts under Note no. 27 forming part of financial statements.

All transactions entered into with Related Parties as defined under the Act and Regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required under Ind-AS have been made in the Notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company’s website at <https://www.firstsource.com/sites/default/files/2025-05/Related-Party-Transaction-Policy-12thMay-25.pdf>

ii. Disclosures from Senior Management:

In Compliance with Regulation 26(5) of the Listing Regulations, disclosures from Senior Management are obtained on as quarterly basis to the effect that they have not entered into any material, financial and commercial transactions, where they have personal interest that may have potential conflict with the interest of the Company at large.

iii. Compliances by the Company:

The Company has complied with the requirements of the Regulatory Authorities on matters related to the capital market and no penalties/ strictures have been imposed against the Company by the Stock Exchanges or SEBI or any other Regulatory Authority on any matter related to capital market during the year under review and in last Three years no such penalties has been levied, except during the FY 2023-24 wherein on one

occasion penalty of Rs.10,000 has been levied by the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) for delay of Two working days intimating the Record date for the Interim Dividend to the Stock Exchanges.

iv. Whistle Blower Policy/ Vigil Mechanism:

The Company has adopted a Whistle Blower Policy to provide a vigil mechanism to Directors, Employees, Agents, Consultants, Vendors and Business Partners to disclose instances of wrongdoing in the workplace. The object of this Whistle Blower Policy is to encourage individuals to disclose instances of any irregularity, unethical practice and/ or misconduct and protect such individuals in the event of a disclosure. The Company is keen on demonstrating the right values and ethical, moral & legal business practices in every field of activity within the scope of its work. Policy provides for a vigil mechanism and framework to promote responsible whistle blowing and ensure effective remedial action and also protect the interest of the whistle blower as guided by legal principles. This policy is intended to:

- a) Encourage and enable Directors, Employees, Agents, Consultants, Vendors and Business Partners to raise issues or concerns, which are either unacceptable or patently against the stated objectives, law or ethics, within the Company;
- b) Ensure that Directors, Employees, Agents, Consultants, Vendors and Business Partners can raise issues or concerns without fear of victimization, subsequent discrimination or disadvantage thereof;
- c) Reassure the whistle blower(s) that they will be protected from possible reprisals or victimization, if they have made disclosures in good faith;
- d) Ensure that where any wrongdoing by the Company or any of its Directors, Employees, Agents, Consultants, Vendors and Business Partners, is identified and reported to the Company under this policy, it will be dealt with expeditiously, thoroughly investigated and remedied. The Company will further examine the means of ensuring how such wrongdoing can be prevented in future and will take corrective action accordingly.

The policy also provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. All complaints received under the said policy are reviewed by the Audit Committee at its meeting held every quarter.

In staying true to our values of Strength, Performance and Passion and in line with Company’s vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and Stakeholder Responsibility.

v. Corporate Social Responsibility Activities:

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has established Corporate Social Responsibility (CSR) Committee, details of which are given earlier in this Report. An Annual Report on CSR Activities forms part of Directors’ Report. The Company has also formulated Corporate Social Responsibility Policy and same is available at the website of the Company viz.

<https://www.firstsource.com/sites/default/files/2025-03/Firstsource-Corporate-Social-Responsibility-Policy-2.0.pdf>

vi. Global Ethics Compliance, Gift & Entertainment Policy and Anti Bribery Policy:

The Company has implemented Global Ethics Policy, Gift & Entertainment Policy and Anti Bribery Policy after keeping in mind the regulatory requirements of UK Bribery Act, 2010 (“UKBA”) and US Foreign and Corrupt Practices Act, 1977 (“FCPA”). A system of ongoing training, monitoring and review of bribery and corruption issues has been implemented. The Company observes ‘zero tolerance’ policy towards unethical behaviour and bribery.

vii. CEO/CFO Certification:

Certification on financial statements pursuant to Regulation 17(8) of the Listing Regulations has been obtained from the MD & CEO and the CFO of the Company. Extract of the same is given at the end of this Report.

viii. Code of Conduct for Directors and Senior Management:

The Board has laid down Code of Conduct for Executive Directors and Senior Management and for Non-Executive/ Independent Directors of the Company. The Codes of Conduct have been circulated to the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the MD & CEO in this regard is given at the end of this Report. The Code of Conduct is available at the website of the Company.

<https://www.firstsource.com/sites/default/files/2025-03/Code-of-Conduct-Non-Executive-Directors-19th-March.pdf>

ix. Code of Conduct for Prohibition of Insider Trading:

The Company has framed ‘Firstsource Solutions Code of conduct for prohibition of Insider Trading’ pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015 (“the Code”), as amended from time to time which is applicable to its Directors, Officers, and Designated Employees. The Code includes provisions relating to disclosures, opening and closure of Trading Window and Pre-Clearance of trades procedure. In compliance with SEBI Regulations, the Company sends intimations to Stock Exchanges from time to time. Further, the Company has maintained a structured digital database containing the name of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases is maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

x. Compliance Reports:

The Board reviews the compliance reports on all laws applicable to the Company on a quarterly basis. The MD & CEO submits a ‘Compliance Certificate’ to the Board every quarter based on the compliance certificates received from the functional heads and heads of subsidiaries of the Company.

xi. Subsidiary Companies:

As on March 31, 2025, the Company had 31 Subsidiaries, three (3) domestic subsidiary and Twenty eight (28) foreign subsidiaries. Three (3) domestic subsidiary and Twenty six (26) out of Twenty eight (28) foreign subsidiaries are wholly owned by the Company or its subsidiary companies. The Company has no material non-listed Indian Subsidiary Company as defined in Regulation 16 of the Listing Regulations. The Company has a policy for determining ‘material subsidiary’ which is available on website of the Company viz.

<https://www.firstsource.com/sites/default/files/2025-03/Material-Subsidiary-Policy-19th-March.pdf>

Nanobi Data and Analytics Private Limited is an associate company.

Summary of Resolutions passed by the subsidiary companies on a quarterly basis are placed at the Board Meetings of the Company. The consolidated financial statements of the Company and its subsidiaries are reviewed by the Audit Committee.

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Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Name of the Material Subsidiary as per Reg 16(c) of SEBI (LODR) Regulation 2015	Date & Place of Incorporation of the Material Subsidiary	Name & Date of the appointment of the Statutory Auditors of such subsidiaries
Firstsource Solutions UK Limited	Date of Incorporation: May 23, 2000 Place of Incorporation: London (England)	05 August, 2022
Firstsource Health Plans and Healthcare Services, LLC	Date of Incorporation: May 26, 2011 Place of Incorporation: Delaware (USA)	05 August, 2022
Firstsource Solutions USA LLC	Date of Incorporation: April 01, 2010 Place of Incorporation: Kentucky (USA)	05 August, 2022

xii. Policies as Per SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 (“Listing Regulations”):

The Company has framed Policy for Preservation of Documents, Policy for Determination of Materiality of Events/ Information and Archival Policy as per requirement of Listing Regulations. The same are available on the website of the Company viz.

<https://www.firstsource.com/sites/default/files/2025-03/Archival-Policy-19th-March.pdf>

xiii. Risk Management & Internal Control:

The Company has implemented a comprehensive ‘Enterprise Risk Management’ framework in order to anticipate, identify, measure, mitigate, monitor and report the risks to meet the strategic business objectives, details of which are given in the Risk Management section under ‘Management Discussion and Analysis Report’ which forms part of this Annual Report.

In view of Listing Regulations, effective April 01, 2019, the Board constituted a Risk Management Committee on February 04, 2019 to monitor and mitigate potential risks associated with the Company and its business.

The Company has a competent in-house Internal Audit team which prepares and executes a vigorous Audit Plan covering various functions such as operations, finance, human resources, corporate secretarial, legal, administration and business development etc. across different geographies. Internal Audit function presented the audit outcomes to the audit committee on a quarterly basis. The Audit Committee and the Management update the members about the remedial actions taken or proposed for the same. The suggestions and comments from the Committee members are vigilantly incorporated and executed by the Company.

xiv. Prevention of Sexual Harassment Policy:

The Company has Prevention of Sexual Harassment policy to promote a protective and healthy work environment. The complaints received are investigated by a Committee instituted within the policy framework. Details of actions recommended by the Committee and implemented by the Company are reviewed by the Audit Committee at its meeting held every quarter. The

Company has a zero-tolerance policy towards such sexual harassment. Employees are trained and made aware of the policy requirements at the time of induction and once every year during their employment. Vendor staff compliances are ensured through agreement and regular monitoring. As on March 31, 2025, there were overall 24 cases of sexual harassment reported for India in FY 2024-25, out of which 19 are closed and 5 pending. Among the 5 pending cases:

- 3 cases are currently within the prescribed Turnaround Time (TAT) of 90 days.
- 2 cases have exceeded the TAT due to the following reasons:
 - 1.The Presiding Officer of the Internal Committee (IC) stepped down due to personal reasons, necessitating the reconstitution of the IC in compliance with POSH requirements.
 - 2.A delay of 18 days occurred due to scheduling challenges involving the concerned employee and IC members.

xv. Secretarial Standards Issued by the Ministry of Corporate Affairs:

The Company follows Secretarial Standard-1 (SS-1) on “Meetings of the Board of Directors” and Secretarial Standard-2 (SS-2) on “General Meetings” which were issued and amended from time to time by the Ministry of Corporate Affairs based on the recommendation of the Institute of Company Secretaries of India.

xvi. Management Discussion and Analysis Report:

Management Discussion and Analysis Report forms a part of this Annual Report.

xvii. Independent Directors:

The Independent Directors of the Company have the option and freedom to meet and interact with the Company's Management whenever they consider it appropriate or necessary. They are provided with necessary resources and support to enable them to analyze the information/ data provided by the Management and help them to perform their role effectively.

xviii. Share Reconciliation Audit:

As stipulated by SEBI, a qualified Practising Company Secretary carries out reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

xix. Requirements of Chapter IV of Listing Regulations:

The Company has complied with all applicable requirements of Chapter IV of the Listing Regulation.

xx. Discretionary Requirements under Regulation 27:

The Company has adopted the following discretionary requirements as prescribed in Part E to Schedule II under Regulation 27 of the Listing Regulations:

a) Shareholders’ Rights:

The Company follows a practice of e-mailing the quarterly and annual financial statements to all shareholders, who have provided their e-mail addresses to the Depositories through their respective Depository Participants.

b) Unqualified Audit Report:

The Company adopts best practices to move towards a regime of financial statements with unmodified audit opinion. There are no audit qualifications in the Company’s financial statements for the year ended March 31, 2025.

c) Separate posts of Chairman and CEO:

There are separate posts of the Chairman and the MD & CEO and there is a clear demarcation of the roles and responsibilities of the Chairman and the MD & CEO of the Company.

Means of communication:

The announcement of quarterly and annual financial results to the Stock Exchanges is followed by media call and earnings conference calls subject to directives issued by the Government from time to time.

The quarterly and annual consolidated financial results are normally published in Financial Express (English) and Loksatta (Marathi).

The following information is promptly uploaded on the Company’s website viz. <https://www.firstsource.com/>

- Standalone and Consolidated financial results, investors’ presentations, press release, fact sheet and transcript of earnings conference calls;
- Shareholding pattern (Regulation 31(1) of Listing Regulations) filed with Stock Exchanges on a quarterly basis; and
- Presentations made to institutional investors or the analysts.

General shareholder information:

I. Annual General Meeting:

Day, Date & Time	Wednesday, July 30, 2025 at 11.00 a.m.
Venue	Meeting will be conducted through VC/ OAVM pursuant to the MCA Circular dated May 05, 2020 read with circulars dated April 08, 2020, April 13, 2020, January 13, 2021, May 05, 2022, December 28, 2022, September 25, 2023 and September 19, 2024

II. Financial Year:

April 1, 2025 to March 31, 2026

Financial Calendar (Tentative): FY2025-26

Q1 ending June 30, 2025	Last week of July 2025 or First/ Second week of August 2025
Q2 ending September 30, 2025	Last week of October 2025 or First/ Second week of November 2025
Q3 ending December 31, 2025	Last week of January 2026 or First/ Second week of February 2026
Q4 and financial year ending March 31, 2026	First/ Second week of May 2026
Annual General Meeting (Financial Year 2025-26)	In the month of July 2026 or August 2026

III. Dates of Book Closure for Annual General Meeting (both days inclusive):

The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 24, 2025 to Wednesday, July 30, 2025 (both days inclusive) for the purpose of the Annual General Meeting.

IV. Dividend:

The Board vide the resolution passed at its Board Meeting held on February 07, 2025 declared an interim dividend at the rate of 40% i.e. ₹ 4.00 per share of ₹ 10/- each. Interim dividend declared by the Company was paid on Wednesday, March 05, 2025.

Report On Corporate Governance

V. Listing on Stock Exchanges and Payment of Listing Fee:

The equity shares of the Company are listed on the National Stock Exchange of India Ltd. (NSE) - Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 and the BSE Limited (BSE). - P. J. Towers, Dalal Street, Mumbai 400 001. Annual Listing fee for FY 2024-25 were paid by the Company to NSE and BSE on time.

VI. Custodian Fee to Depositories:

The Company has paid fee for FY 2024-25 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on time.

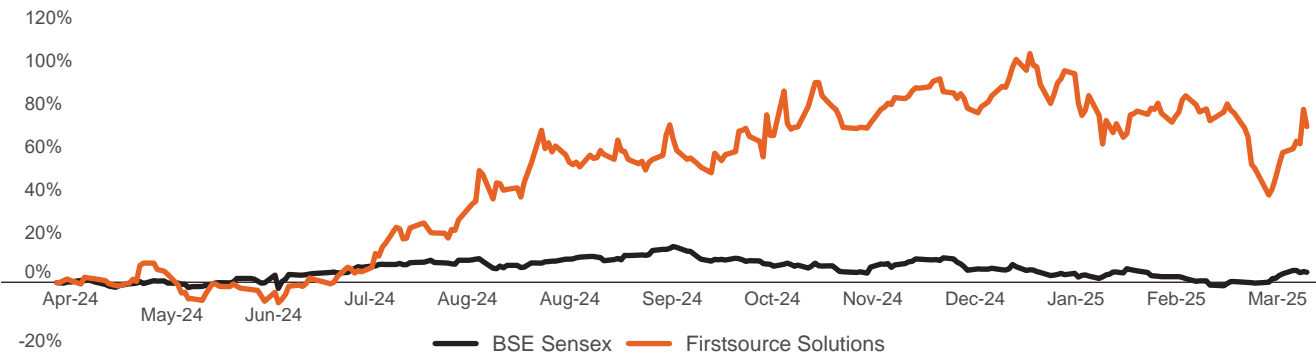
VII. (a) Stock Code / Symbol:

NSE	FSL
BSE	532809
ISIN in (NSDL and CDSL)	INE684F01012
Corporate Identity Number (CIN)	L64202MH2001PLC134147

VIII. Market Price Data – The market price data i.e. monthly high and low prices of the Company’s shares on NSE and BSE are given below:

Month	NSE			BSE		
	Share Price (₹)		No. of shares traded	Share Price (₹)		No. of shares traded
	High	Low		High	Low	
Apr – 2024	228.90	193.00	5,00,09,866	229.00	190.05	26,40,864
May – 2024	213.90	180.10	2,94,14,416	213.95	180.15	19,16,938
Jun – 2024	217.23	176.25	5,13,38,487	217.20	176.70	27,55,752
Jul – 2024	278.94	208.45	13,19,31,121	278.85	208.35	60,08,632
Aug – 2024	343.90	272.25	29,51,23,855	343.85	265.25	1,25,71,539
Sep – 2024	345.00	294.50	15,47,21,779	344.85	294.55	69,62,068
Oct – 2024	378.00	295.05	14,97,58,771	377.95	296.00	69,40,017
Nov – 2024	390.85	334.65	11,32,75,468	390.80	334.85	48,03,648
Dec – 2024	391.50	346.45	5,34,74,433	391.50	346.60	31,55,560
Jan – 2025	422.30	318.40	12,39,19,850	422.80	318.35	45,94,262
Feb – 2025	369.25	322.50	7,03,85,830	373.60	323.00	30,75,579
Mar –2025	368.60	275.25	8,48,09,494	368.55	272.40	37,35,145

IX. The performance of share price of the Company in comparison to BSE Sensex is given below:



X. Registrar & Transfer Agent:

3i Infotech Limited

Tower #5, 3rd to 6th Floors, International Infotech Park, Vashi, Navi Mumbai - 400 703.
Email: fsl@3i-infotech.com

thereof, provided all the documents are in order. In case of shares in electronic form, the transfers are done by Depositories viz. NSDL and CDSL. In compliance with Regulation 40(9) of the Listing Regulations, the Company obtains a certificate from a Practicing Company Secretary on a yearly basis confirming that all certificates have been issued within one (1) month from the date of lodgement for transfer, sub-division, consolidation, etc.

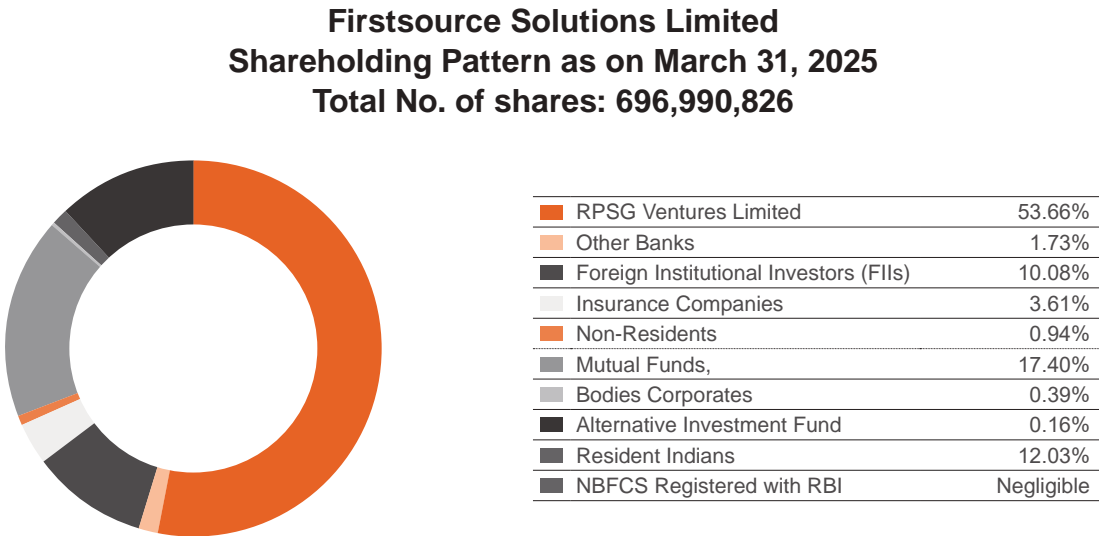
XI. Share Transfer System:

The transfer of shares in physical form is generally processed by Registrar & Transfer Agent within a period of seven (7) days from the date of receipt

XII. Distribution of shareholding as on March 31, 2025:

Share Holding (Nominal Value)	Shareholders		Nominal Capital	
	Number	% to total	₹	% to total
1	2	3	4	5
Upto 5000	250,631	92.10	213,455,130	3.06
5001-10000	11,131	4.09	88,954,070	1.28
10001-20000	5,166	1.90	77,884,290	1.12
20001-30000	1,724	0.63	44,410,110	0.64
30001-40000	734	0.27	26,555,730	0.38
40001-50000	661	0.24	31,312,740	0.45
50001-100000	990	0.36	71,914,560	1.03
100001 and above	1,085	0.40	6,415,421,630	92.40
Total	272,122	100.00	6,969,908,260	100.00

The Shareholding pattern as on March 31, 2025 is given as under:



Top 10 Shareholders as on March 31, 2025:

Sr. No.	Name of the Shareholders	Category of Shareholder	No of Shares	%
1	RPSG Ventures Limited	Promoters	373,976,673	53.66
2	HDFC Small Cap Fund	Mutual Funds	54,282,581	7.79
3	Life Insurance Corporation of India	Insurance Companies	17,350,438	2.49
4	ICICI Bank Limited	Bank	12,029,927	1.73
5	Tata Digital India Fund	Mutual Funds	10,123,112	1.45
6	SBI Innovative Opportunities Fund	Mutual funds	8,049,649	1.15
7	Firstsource Employee Benefit Trust	Resident Indian	7,732,074	1.11
8	SBI Technology Opportunities Fund	Mutual Funds	7,645,887	1.10
9	SBI Life Insurance Co. Limited	Insurance Companies	4,801,873	0.69
10	HSBC Small Cap Fund	Mutual funds	4,407,721	0.63
Total			500,399,935	71.79

Report On Corporate Governance

XIII. Dematerialisation of Shares and Liquidity:

Trading in the Company's shares is permitted only in dematerialised form. The Company has established connectivity with both the Depositories viz. NSDL and CDSL through its Registrar and Share Transfer Agents, whereby the investors have the option to dematerialise their shares with either of the depositories.

The Company obtains a certificate from a Practising Company Secretary every quarter, which confirms that total issued capital of the Company is in agreement with total number of shares in dematerialised form with NSDL and CDSL and shares in physical form.

Shares held in dematerialised and physical form as on March 31, 2025:

	Shareholders		Share Capital	
	No. of Shareholders	% to Total Shareholders	No. of Shares	% to Total share Capital
Dematerialised Form				
NSDL	98,283	36.12	662,116,907	95
CDSL	173,834	63.88	34,872,794	5
Total in dematerialised from	272,117	100	696,989,701	100
Physical Form	5	0.00	1,125	0.00
Total	272,122	100.00	696,990,826	100.00

As on March 31, 2025, almost 100% of the paid-up share capital constituting 99.99% of the number of shareholders, is in dematerialised form.

Details of Unclaimed Shares:

The Company made an Initial Public Offering (IPO) in February 2007. The Equity shares issued pursuant to the said IPO which remained unclaimed are lying in the Demat Suspense Account/Escrow Account of the Company with ICICI Bank Ltd. The Company had sent three (3) reminders to the investors requesting them to furnish correct demat account details so that the shares lying in the said Escrow Account can be transferred to their demat account.

Pursuant to Schedule V of the Listing Regulations, the details of unclaimed shares as on March 31, 2025 are as under:

Particulars	No. of shareholders	No. of shares
Outstanding shares in the Escrow Account with ICICI Bank Ltd. as on April 01, 2024	49	5,521
Investors who have approached the Company for transfer of shares from Escrow Account during the FY 2024-25	0	0
Investors to whom shares were transferred from Escrow Account during the FY 2024-25	0	0
Outstanding shares in the Escrow Account as on March 31, 2025	49	5,521

XIV. Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants or any convertible instruments, conversion date and likely impact on Equity:

The Company had fully discharged its obligation towards the bondholders in December 2012. The Company did not have any other outstanding convertible instruments/ADRs/GDRs/Warrants as on March 31, 2025.

Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

XV. Delivery Centres:

The Company along with its 31 subsidiaries has 51 global delivery centers of which 16 are located in India, 17 in the North America, 13 in the EMEA, 4 in the Philippines and 1 in Australia as per the details given below:

India (16): Chennai (4), Mumbai (4), Coimbatore (3), Bangalore (1), and 1 each in Trichy, Pondicherry, Hyderabad & Vijayawada.

North America (17): Louisville in Kentucky, Kingston & Amherst in New York, Salt Lake City in Utah, Colorado Springs in Colorado, Sunrise in Florida, Dallas in Texas, Chattanooga in Tennessee, Bridgewater in New Jersey, Laporte in Indiana, York in Pennsylvania, Trinidad in Caribbean, Thousand Oak in California, Dayton Ohio in Ohio, Palm Bay in Florida, Chico in Chico and Mexico City.

EMEA (13): Scotland (2), South Africa (2) and 1 each in Belfast, Londonderry, Middlesbrough, Derby, London, Birmingham, England, Romania & Pontypridd.

Philippines (4): 2 each in Cebu and McKinley.

Australia (1): Melbourne

XVI.Address for Correspondence:

Ms Pooja Nambiar
Company Secretary
Firstsource Solutions Ltd.
5th Floor, Paradigm 'B' wing, Mindspace, Link Road,
Malad-(W), Mumbai 400 064
Tel. No.: 91 (22) 6666 0888
Fax: 91 (22) 6666 0887

Dedicated e-mail Ids for redressal of Investors Grievances:
fsl@3i-infotech.com
complianceofficer@firstsource.com

Mumbai
April 28, 2025

Report On Corporate Governance

Practising Company Secretaries’ Certificate regarding compliance of conditions of Corporate Governance

To,
The Members of
Firstsource Solutions Limited

We have examined the compliance of conditions of Corporate Governance by Firstsource Solutions Limited (“the Company”) for the year ended on March 31, 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MMJB and Associates LLP**
Company Secretaries
Deepti Joshi
Designated Partner
FCS No. 8167
CP No. 8968
Peer Review No: L2020MH006700

Place: Mumbai
Date: April 28, 2025

Certification from the Managing Director & CEO and the CFO:

In terms of Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 (“Listing Regulations”), we hereby certify as under:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. The Company have indicated to the Auditors and the Audit Committee:

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which the Company have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For Firstsource Solutions Limited

Ritesh Idnani
MD & CEO

Mumbai
Date: April 28, 2025

For Firstsource Solutions Limited

Dinesh Jain
President & CFO

Report On Corporate Governance

Declaration by the Managing Director & CEO on ‘Code of Conduct’

I hereby confirm that:

The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with the Code of Conduct as applicable to them.

Mumbai
April 28, 2025

Ritesh Idnani

MD & CEO

Certificate of Non-Disqualification of Directors:

(Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

Firstsource Solutions Limited
5th Floor, Paradigm ‘B’ wing, Mindspace, Link Road,
Malad (West), Mumbai-400064, Maharashtra, India.

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to Firstsource Solutions Limited having CIN L64202MH2001PLC134147 and having registered office at 5th Floor, Paradigm ‘B’ wing, Mindspace, Link Road, Malad (West), Mumbai-400064, Maharashtra, India (hereinafter referred to as ‘the Company’) for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other statutory authority as on 31st March 2025.

Table A

Sr. No.	Name of the Directors	DIN	Date of appointment in Company
1	Dr Sanjiv Goenka	00074796	03/12/2012
2	Mr Ritesh Idnani	06403188	01/09/2023
3	Mr Shashwat Goenka	03486121	05/12/2012
4	Mr Pradip Kumar Khaitan	00004821	14/11/2014
5	Mr Subrata Talukdar	01794978	05/12/2012
6	Mr Sunil Mitra	00113473	01/04/2019
7	Dr Rajiv Kumar	02385076	03/05/2024
8	Ms Vanita Uppal	07286115	05/05/2022
9	Mr Utsav Parekh	00027642	02/11/2022
10	Ms Rekha Sethi	06809515	01/09/2023
11	Mr T C Suseel Kumar	06453310	01/09/2023

General Disclaimer: Our Analysis for this certificate does not cover the verification of criteria pertaining to appointment as independent director under Section 149 and criteria pertaining to appointment as Managing Director under Section 196 and Schedule V of the Companies Act, 2013.

For **MMJB & Associates LLP**
Practicing Company Secretaries

Saurabh Agarwal
Designated Partner
Membership No: F9290
C.P. No.: 20907
UDIN: F009290F000305894

Date: April 28, 2025
Place: Mumbai

Business Responsibility & Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L64202MH2001PLC134147
2	Name of the Listed Entity	Firstsource Solutions Limited
3	Year of incorporation	December 6, 2001
4	Registered office address	5 th Floor, Paradigm ‘B’ Wing, Mindspace, Link Road, Malad - West, Mumbai - 400 064, India
5	Corporate address	5 th Floor, Paradigm ‘B’ Wing, Mindspace, Link Road, Malad - West, Mumbai - 400 064, India
6	E-mail	investor.relations@firstsource.com
7	Telephone	+ 91 22 6666 0888
8	Website	https://www.firstsource.com/
9	Financial year for which reporting is being done	April 1, 2024 – March 31, 2025
10	Name of the Stock Exchange(s) where shares are listed	<div><div>• BSE Limited</div><div>• National Stock Exchange of India Limited (NSE)</div></div>
11	Paid-up Capital	₹ 6,969.91 million
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ms Shamita Mukherjee Designation: Chief Human Resource Officer E-mail id: investor.relations@firstsource.com Contact: + 91 22 6666 0888
13	Reporting boundary	The disclosures under this report are made on a standalone basis and pertain specifically to Firstsource Solutions Limited operations in India and the Philippines. Other international subsidiaries and affiliates are not covered within the scope of this reporting period.
14	Name of assessment or assurance provider	NA
15	Type of assessment of assurance obtained	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	BPS services (NIC Code: 63999)	To provide IT enabled BPS services to Banking and Financial services, Healthcare, Communication Media and Technology and Other Diverse Industries.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity’s Turnover):

Sr. No	Product/Service	NIC Code	% of total Turnover contributed
1	Banking, Financial Services	63999	35.3%
2	Healthcare	63999	17.0%
3	Communication Media & technology	63999	46.9%
4	Other Diverse Industries	63999	0.8%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	16	16
International	-	35	35

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	6
International (No. of Countries)	8

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of the total turnover of Firstsource is 99.81% (standalone).

c. A brief on types of customers

Firstsource assists customers in reimagining business processes and enhancing efficiency through digital interventions and solutions in the banking and financial services, healthcare, communications, media & technology, and other diverse industries. Firstsource's customers represent a wide range of industry sectors across the world. Firstsource serves more than 150 clients, including Fortune 500 and FTSE 100 companies across diversified sectors.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	%(C/A)
EMPLOYEES						
1	Permanent (D)	6,136	4,009	65.3%	2,124	34.6%
2	Other than Permanent (E)	12	11	91.7%	1	8.3%
3	Total employees (D + E)	6,148	4,020	65.4%	2,125	34.6%
WORKERS						
1	Permanent (F)	14,570	8,821	60.5%	5,725	39.3%
2	Other than Permanent (G)	4,033	2,173	53.9%	1,860	46.1%
3	Total workers (F + G)	18,603	10,994	59.1%	7,585	40.8%

Note: 24 Employees have not disclosed gender (Employees – 3, Workers – 21)

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	%(C/A)
DIFFERENTLY EMPLOYEE ABLED						
1	Permanent (D)	24	16	66.7%	8	33.3%
2	Other than Permanent (E)	0	0	-	0	-
3	Total employees (D + E)	24	16	66.7%	8	33.3%
DIFFERENTLY WORKERS ABLED						
1	Permanent (F)	32	23	71.9%	9	28.1%
2	Other than Permanent (G)	7	3	42.9%	4	57.1%
3	Total workers (F + G)	39	26	66.7%	13	33.3%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18.18
Key Management Personnel	3	1	33.33

Note: Key Management Personnel (KMP) includes Chief Executive Officer and Managing Director (CEO & MD), Chief Financial Officer (CFO) and Company Secretary (CS).

Business Responsibility & Sustainability Report

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	16.68%	18.98%	17.46%	15.71%	20.16%	17.00%	26.1%	28.1%	26.6%
Permanent workers	33.30%	31.17%	32.49%	36.50%	39.12%	37.51%	41.4%	47.2%	43.5%

Note - The attrition % mentioned above are for employees with Tenure >180days

Note- Firstsource continued its efforts on wellness, skill up-gradation, Diversity, Equity & Inclusion (DE&I). Key initiatives include expanding Employee Resource Group (ERGs) like WiN, Source of Pride, Culture Collective, and Diverse Abilities Alliance launching a DE&I Learning Campaign, and hosting the first DE&I Week. The DE&I Commitment Pledge was introduced to foster inclusivity, alongside celebrations of key inclusion days like Pride Month, International Day of Persons with Disabilities, Black History Month and International Women's Day to support a more inclusive culture.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	RPSG Ventures Limited	Holding	53.66%	No, Firstsource is reporting on Business Responsibility And Sustainability Reporting on Standalone basis
2	Firstsource Process Management Services Limited [Wholly Owned Subsidiary ("WOS") of the Company]	Subsidiary	100%	
3	Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited) [WOS of the Company]	Subsidiary	100%	
4	Accunai India Services Private Limited (WOS of the Company)	Subsidiary	100%	
5	Firstsource Solutions UK Limited, UK (WOS of the Company)	Subsidiary	100%	
6	Firstsource Solutions S.A., Argentina (Subsidiary of Firstsource Solutions UK Limited)	Subsidiary	100%	
7	Firstsource BPO Ireland Limited (WOS of Firstsource Solutions UK Limited)	Subsidiary	100%	
8	Firstsource Group USA, Inc., USA (Subsidiary of the Company)	Subsidiary	100%	
9	Firstsource Business Process Services, LLC, USA (WOS of Firstsource Group USA, Inc)	Subsidiary	100%	
10	Firstsource Advantage, LLC, USA (WOS of Firstsource Business Process Services, LLC)	Subsidiary	100%	
11	One Advantage, LLC, USA (WOS of Firstsource Business Process Services, LLC)	Subsidiary	100%	
12	MedAssist Holding, LLC, USA (WOS of Firstsource Group USA, Inc)	Subsidiary	100%	
13	Firstsource Solutions USA, LLC, USA (WOS of MedAssist Holding, LLC)	Subsidiary	100%	
14	Firstsource Health Plans and Healthcare Services, LLC, USA (WOS of Firstsource Solutions USA, LLC)	Subsidiary	100%	
15	Sourcepoint, Inc. (WOS of Firstsource Group USA, Inc.)	Subsidiary	100%	
16	Sourcepoint Fulfillment Services, Inc. (WOS of Sourcepoint, Inc.)	Subsidiary	100%	
17	Firstsource Dialog Solutions (Private) Limited (Subsidiary of the Company)	Subsidiary	74%	
18	PatientMatters LLC (WOS of Firstsource Solutions USA, LLC)	Subsidiary	100%	

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
19	Kramer Technologies, LLC (WOS of PatientMatters LLC)	Subsidiary	100%	
20	Medical Advocacy Services for Healthcare, Inc. (WOS of PatientMatters LLC)	Subsidiary	100%	
21	The StoneHill Group, Inc (WOS of Sourcepoint, Inc.)	Subsidiary	100%	
22	American Recovery Services, Inc. (WOS of Firstsource Business Process Services, LLC, USA)	Subsidiary	100%	
23	Firstsource Solutions Mexico, S. de R.L. de C.V (Subsidiary Company of Firstsource Group USA, Inc.)	Subsidiary	100%	
24	Firstsource Solutions Jamaica Limited (WOS of Firstsource Group USA, Inc.)	Subsidiary	100%	
25	Firstsource BPO South Africa (Pty) Ltd (WOS of Firstsource Solutions UK Limited)	Subsidiary	100%	
26	Firstsource Solutions Australia Pty Limited (WOS of the Company)	Subsidiary	100%	
27	Quintessence Health LLC (WOS of Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited))	Subsidiary	100%	
28	Ascensos Limited, UK (WOS of Firstsource Solutions UK Limited)	Subsidiary	100%	
29	Ascensos Trinidad Limited (WOS of Ascensos Limited)	Subsidiary	100%	
30	Ascensos South Africa (RF) (PTY) Ltd (WOS of Ascensos Limited)	Subsidiary	100%	
31	Ascensos Contact Centres Romania SRL (WOS of Ascensos Limited)	Subsidiary	100%	
32	Firstsource Solutions Limited Colombia S.A.S. (WOS of Firstsource Group USA Inc)	Subsidiary	100%	
33	Nanobi Data and Analytics Private Limited	Associate Company	22.93%	

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (in ₹): 23,121.29 million
- (iii) Net worth (in ₹): 25,758.45 million

Business Responsibility & Sustainability Report

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	52	0	NA	76	0	NA
Employees and workers	Yes	241	8	Investigation process is underway for open cases	208	0	NA
Customers	Yes	0	0	NA	0	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	Yes	NA	NA	NA	NA	NA	NA

26. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Cyber security/ Data Privacy	Risk & Opportunity	Risk: <ul style="list-style-type: none">Cyber attacks pose a major threat to data safety and privacy protection.Firstsource may suffer due to cyber-attacks/data breach incidents which can harm Firstsource's reputational image. Opportunity: <ul style="list-style-type: none">By adopting leading information security practices and aligning with global information security standards, we have the opportunity to enhance client trust, gain a competitive edge, and secure long-term business growth.	Certifications and Compliance: <ul style="list-style-type: none">Operation centers are ISO 27001 certified, with processes certified under HIPAA, HITRUST, and SOC2. Regular audits ensure adherence, with a zero-tolerance policy for non-compliance. Technical Controls and User Security: <ul style="list-style-type: none">Deployment of controls at network perimeters, servers, data centers, and end-user computing. End users access systems via a High Secure VPN with Two-Factor Authentication and are protected by EDR, DLP, Encryption, DNS Layer Security, and a Secure Mail Gateway.	Negative Costs of Implementation: <ul style="list-style-type: none">The financial outlay for maintaining certifications, conducting regular audits, and deploying advanced security technologies can be significant. Potential Fines: <ul style="list-style-type: none">Non-compliance with security standards can result in substantial fines and penalties. Positive Risk Mitigation: <ul style="list-style-type: none">Effective security measures reduce the risk of costly data breaches, ransomware attacks, and related financial losses. Reputation and Trust: <ul style="list-style-type: none">Robust security enhances the Company's reputation, leading to increased customer trust and potentially higher revenue.

Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				Threat and Vulnerability Management: <ul style="list-style-type: none">Proactive detection and mitigation of infrastructure vulnerabilities, complemented by third-party assessments, including vulnerability and penetration tests, web application security assessments, PCI DSS compliance scans, source code reviews, and cloud infrastructure reviews. Continuous Monitoring: <ul style="list-style-type: none">A Security Operations Center provides 24/7 monitoring to enhance security posture and respond to incidents in real-time. Digital footprint monitoring through Security Scorecard ensures comprehensive cybersecurity analysis.	Operational Efficiency: <ul style="list-style-type: none">Proactive threat management and continuous monitoring can prevent disruptions, ensuring stable business operations and avoiding revenue loss.
2.	Technology Risks (leveraging AI & emerging tech)	Risk	In the rapidly evolving business landscape, emerging disruptive technologies are reshaping the dynamics between clients and suppliers. Clients, facing persistent budget constraints, are increasingly inclined to reduce back-office costs, while suppliers are innovating to offer additional services and generate supplementary revenues. Technologies like Cloud Computing, Artificial Intelligence, Data Analytics software, Social Media platforms, and Process Automation software are revolutionizing the Business Process Services (BPS) industry, empowering businesses to enhance efficiency and lower operational costs. BPS companies are swiftly adapting, leveraging these technologies to provide value-added services through strategic technology enablement, partnerships, and alliances.	Digital Solutions Development: <ul style="list-style-type: none">Recognizing the importance of digital transformation, the Company has invested in the development of a wide suite of Digital Solutions. These solutions encompass Robotics Process Automation, Digital, and Analytics, aligning with the industry's shift towards automation and data-driven decision-making.As part of its productization strategy, the Company has integrated domain expertise with cutting edge technology to create innovative offerings.By combining industry knowledge with best-in-class digital tools, it aims to deliver high-value solutions that address the evolving needs of clients and capitalize on emerging market opportunities.	Digital Solutions Development: <p>Positive Investing in digital solutions enhances competitiveness and revenue potential. Automation efficiencies lead to long-term cost savings and profitability.</p> <p>Negative Initial investment costs may arise but are offset by potential revenue streams and efficiency gains.</p> <p>Productization Initiatives: Positive Leveraging expertise for specialized offerings boosts customer satisfaction and revenue. Scalable streams lead to improved financial performance.</p> <p>Negative Upfront investment in development and marketing is required but yields long-term growth and market positioning benefits.</p>

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Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Human Resource Risk	Risk and Opportunity	<p>Risk:</p> <ul style="list-style-type: none">Attrition threatens operational disruption, increased costs, and performance inconsistency. Difficulty in recruiting and retaining skilled talent may exacerbate wage inflation, impacting profitability and competitiveness. Inadequate succession planning and leadership changes can disrupt business continuity, impede strategic execution, and affect employee morale. Ethical lapses and misconduct pose reputational damage, legal liabilities, and trust erosion among stakeholders. <p>Opportunity:</p> <ul style="list-style-type: none">Effectively managing attrition fosters talent retention, stability, and a conducive environment for growth and innovation. Overcoming recruitment challenges and managing wage inflation enhances workforce stability, supports expansion, and bolsters market position. Strong succession planning ensures organizational resilience, sustains client relationships, and fosters employee commitment, driving long-term success. Upholding ethical standards enhances brand reputation, builds trust, and differentiates the Company as an ethical and responsible business entity in the market.	<ul style="list-style-type: none">Strengthening talent retention through upskilling and career development initiatives.Implementing effective Reward & Recognition programs to enhance employee engagement and morale.Innovating recruitment practices, including strong employee referral programs and campus hiring strategies.Establishing a robust Code of Conduct and whistleblowing mechanism to address unethical behavior.Ensuring competitive compensation and succession planning aligned with career aspirations.	<p>Positive:</p> <ul style="list-style-type: none">Effective retention strategies can reduce turnover costs and improve productivity, potentially enhancing financial performance.Successful recruitment practices and wage management can lead to workforce stability and operational efficiency, possibly improving financial outcomes.Strong succession planning ensures leadership continuity, mitigating risks and maintaining stability, potentially supporting long-term financial growth.Upholding ethical standards and fostering a culture of integrity can enhance brand reputation, build trust, and attract investors, potentially resulting in long-term financial gains. <p>Negative:</p> <ul style="list-style-type: none">Attrition-related costs, such as recruitment and training expenses, may negatively impact profitability.Difficulty in recruiting skilled talent and wage inflation can increase personnel expenses, potentially reducing profit margins.Inadequate succession planning may result in leadership gaps and disruptions, negatively affecting business continuity and performance.Ethical breaches and misconduct may lead to legal liabilities, reputational damage, and loss of business opportunities, impacting financial results.

Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Empowering Workplace	Risk & Opportunity	<p>Risk</p> <ul style="list-style-type: none">Health and safety of employees is a critical aspect for ensuring employee welfare and overall productivity. <p>Opportunity</p> <ul style="list-style-type: none">Participation of employees from diverse backgrounds creates an inclusive business ecosystem, which is conducive to talent retention.	<ul style="list-style-type: none">Firstsource has implemented a comprehensive and robust Occupational Health & Safety Policy and effective mechanisms to protect employees from workplace hazards and injuries.Recurrent training programs are conducted for all relevant stakeholders to mitigate health and safety risks arising from Firstsource's business operations.	<p>Positive</p> <ul style="list-style-type: none">Workforce diversity fosters creativity, improves performance, and enables a healthy organizational culture by bringing fresh perspectives, experiences, and ideas. <p>Negative</p> <ul style="list-style-type: none">Any health and safety incident has the potential to result in the loss of productive work time, delay in business response, and ultimately lead to monetary loss, thereby impacting profitability.
5.	Environment and Climate Action	Risk & Opportunity	<p>Risk</p> <ul style="list-style-type: none">Economic disruptions due to climate-related transition risks (such as new regulations and policies) can impact Firstsource's growth and profitability.Extreme weather events resulting from climate change (e.g., water scarcity or heavy rainfall) pose physical risks to Firstsource's business operations and the safety and wellbeing of its employees. <p>Opportunity</p> <ul style="list-style-type: none">Enhanced brand image and reputation as an environmentally responsible business.Monetary savings through the use of low-emission and renewable energy sources, operating from energy-efficient green buildings, and using low-carbon transportation.	<ul style="list-style-type: none">Establishing climate change action plans as an integral part of the overall business strategy.Implementing carbon emission reduction targets and a decarbonization roadmap.Developing business continuity and crisis management plans.	<p>Positive</p> <ul style="list-style-type: none">Adopting climate change mitigation as a core business strategy enables proactive preparation for future changes in national and international climate-related regulations.Strengthened reputation with customers and shareholders for demonstrating resilience to climate change-related business disruptions. <p>Negative</p> <ul style="list-style-type: none">Investments required to assess climate change impacts and develop strategic mitigation plans may lead to significant costs.
6.	Customer Centricity	Opportunity	<p>Opportunity</p> <ul style="list-style-type: none">This presents an opportunity to lead the segment by becoming the preferred choice for customers across various business domains.Achieving customer delight and satisfaction offers a strong avenue for business leadership and growth.	Not a risk	<p>Positive</p> <ul style="list-style-type: none">A positive brand image and high customer satisfaction rate contribute to becoming the platform of choice, resulting in increased business and profitability.

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Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Community Impact	Opportunity	Opportunity: Firstsource consistently works to foster social development, firmly believing it to be an essential element of its long-term success.	Not a risk	Positive <ul style="list-style-type: none">Through its values and principles, Firstsource has created a positive impact in communities by advancing education, skill development, women empowerment, healthcare, and livelihood opportunities for the underprivileged, while contributing to the achievement of the UN Sustainable Development Goals (SDGs).

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Disclosures											
1.	a)	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b)	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c)	Web Link of the Policies, if available	All policies can be viewed under 'Corporate Governance' at- Corporate Governance Firstsource								
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.		Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>P1 – Employees are guided to conduct business legally and ethically through Firstsource's publicly available Business Conduct and Global Ethics Policy. To manage associated risks and uphold stakeholder value, all employees are trained in ethics and integrity</p> <p>P2 – Firstsource has incorporated ISO 9001:2008 into its Quality Management System. Firstsource follow Kaizen, Lean, and Six Sigma methodologies for continuous process improvement. The Sustainable Supply Chain Policy is also publicly accessible on our website.</p> <p>P3 – Firstsource adheres to the principles of the International Labour Organization (ILO) Conventions. Our policies comprehensively address global inclusion and diversity, human rights, equal opportunity, and business conduct. Several of our centers are certified with ISO 45001:2018 and ISO 14001:2015, and we maintain these standards even in non-certified centers.</p> <p>P4 – The Policy on Materiality provides structured guidance on stakeholder engagement and responsiveness.</p> <p>P5 – Human rights violations are strictly prohibited under our publicly available Human Rights and Equal Opportunity Policy. We also follow the principles outlined in the ILO Conventions.</p> <p>P6 – Several centers are certified under ISO 45001:2018 (Occupational Health and Safety) and ISO 14001:2015 (Environmental Management). These standards are upheld across all operations, including non-certified locations. Firstsource's Global Quality, Health, Safety, Environment & Energy Management Policy and ESG Policy are publicly accessible on our website.</p> <p>P7 – Our Code of Conduct includes provisions for ethical conduct on public platforms and responsible advocacy.</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	<p>P8 – The CSR Policy complies with the requirements of the Companies Act, 2013, ensuring accountability in community investment initiatives.</p> <p>P9 – Firstsource is certified in globally recognized standards such as Payment Card Industry Data Security Standard (PCI DSS), ISO 27001:2013, and HITRUST. We also adhere to applicable legal and regulatory compliance frameworks to ensure data privacy, integrity, and availability for all client engagements.</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Firstsource is in the process of reviewing and establishing its sustainability goals and targets, along with defined timelines and an implementation strategy. The company is committed to aligning its business practices with sustainable development principles to address global challenges effectively. By setting ambitious yet achievable goals, Firstsource aims to make measurable progress toward a more sustainable future. The organization remains dedicated to transparency and accountability, contributing to a more resilient and equitable world.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Firstsource's sustainability targets and goals are currently being established. Details of the company's governance, social, and environmental performance are provided in "Section C" of this report.								
Governance Leadership and Oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The change is centered on sustainability to significantly improve the lives of Firstsource's community, shareholders, staff, and clients. Firstsource is currently updating and setting interim and long-term targets on a variety of environmental criteria as part of its target oriented ESG strategy. <p>Firstsource is dedicated to sustainable growth, which entails improving its digital goods, empowering people, and broadening Firstsource's portfolio. Firstsource has established an impact sourcing program with the goal of hiring people from a variety of backgrounds to reduce socioeconomic gaps and offer opportunities for high-potential talent.</p> <p>Firstsource wants to keep analyzing the effects of its operations along the value chain and enhancing its ESG reporting as Firstsource proceed. Firstsource's frameworks and initiatives are in line with the United Nations Sustainable Development Goals (UN SDGs) and the Global Reporting Initiative (GRI) standards.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr Dinesh Jain, President & CFO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Risk Management Committee actively evaluates ESG-related risks and monitors the performance of associated strategies.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	As part of its ESG oversight, the Risk Management Committee regularly reviews the Company's Business Responsibility and Sustainability policies in alignment with all nine NGRBC principles or as needed. The effectiveness of these policies is assessed, and necessary changes are recommended to ensure continued relevance, compliance, and alignment with responsible business practices.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Firstsource diligently adheres to all applicable statutory requirements, ensuring full compliance with no reported instances of non-compliance.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1		P2		P3		P4		P5		P6		P7		P8		P9	
	N		N		N		N		N		N		N		N			

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12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

This question is not applicable

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:
Ethics and integrity are fundamental pillars for establishing a sustainable business and achieving consistent operational excellence. Firstsource promotes a robust corporate governance structure that upholds values of responsibility, transparency, and honesty.

As a responsible business entity, Firstsource is dedicated to fostering effective governance practices while cultivating a culture that actively manages risks and upholds the highest standards of business conduct throughout the organization.

Firstsource's Business Conduct and Ethics Policy, as well as its Global Ethics Policy, are publicly available resources designed to guide its employees in conducting business with legality and integrity. Additionally, Firstsource has conducted ethics and integrity training for all employees to equip them with the necessary tools to manage risks effectively and uphold the interests of all stakeholders.

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	Pursuant to Regulation 25 of the Listing Regulations, the Company has instituted a structured familiarisation programme for its Independent Directors. This programme is designed to acquaint them with the Company's operations, business model, industry landscape, and their roles, rights, and responsibilities. Newly appointed Independent Directors are briefed on their governance responsibilities. To uphold high standards of business conduct, the following codes are shared at the time of appointment or re-appointment: <ul style="list-style-type: none">Code for Independent DirectorsCode of Conduct for Non-Executive DirectorsCode of Conduct for Prevention of Insider Trading In addition, quarterly presentations are made to the Board and its Committees, covering: <ul style="list-style-type: none">Developments in the domestic and global industry landscapeSustainability initiativesThe business and financial performance of company and its subsidiaries, including financial results, budgets, and internal audit finding Details of the familiarisation programme are available on the Company's website: https://www.firstsource.com/sites/default/files/2025-03/Policy-on-familiarisation-of-Independent-Directors-19th-March.pdf		100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Key managerial personnel	11	<ul style="list-style-type: none">Anti-BriberyHuman Right/Human Resource Training ProgramsHealth and Safety ProgramsCyber Security and IT Training Programs	36%
Employees other than BoD and KMPs	55	<ul style="list-style-type: none">Communication Training GroupEthics and Compliance ProgramsHuman Right/Human Resource Training ProgramsCyber Security and IT Training ProgramsHealth and Safety ProgramsEthics and Compliance Programs (Client specific training)Client specific trainingAnti-BriberyConsumer related training programs	85%
Workers	49	<ul style="list-style-type: none">Communication Training GroupEthics and Compliance ProgramsHuman Right/Human Resource Training ProgramsCyber Security and IT Training ProgramsHealth and Safety ProgramsEthics and Compliance Programs (Client specific training)Client specific trainingConsumer related training programs	87%

2. Details of fines /penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been Preferred? (Yes/No)
Penalty/ Fine	There have been no instances of fines, penalties, punishment, awards, compounding fees, or settlement amounts paid in proceedings with regulators, law enforcement agencies, or judicial institutions during FY 2024–25. This disclosure is made based on materiality as specified under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.				
Settlement					
Compounding fee					
Non- Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Firstsource has a zero-tolerance approach toward bribery and corruption. The Anti-Bribery and Gifts & Entertainment Policy outlines the Company's prohibition of any conduct that may be perceived as bribery and includes broader anti-corruption provisions. The policy provides guidance to all individuals acting on behalf of the Company-including employees, agents, representatives, vendors, business partners, and others-ensuring adherence to applicable anti-bribery laws, rules, and regulations.

The policy is publicly accessible at: https://www.firstsource.com/sites/default/files/2025-04/Anti-Bribery-and-Gifts-and-Entertainment-Policy-%28V12.1%29_CY2025.pdf

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To reinforce ethical business practices, Firstsource's executive directors and senior management are governed by a Code of Conduct that includes anti-bribery guidelines and aims to prevent misconduct. This code is available at: <https://www.firstsource.com/sites/default/files/2025-03/Code-of-conduct-for-Executive-Directors-and-Senior-management-19th-March.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	No complaints against Firstsource's Directors, KMPs, Employees or Workers for whom disciplinary action was taken by any law enforcement agency for charges of bribery or corruption.	No complaints against Firstsource's Directors, KMPs, Employees or Workers for whom disciplinary action was taken by any law enforcement agency for charges of bribery or corruption.
KMPs		
Employees		
Workers		

6. Details of complaints regarding conflict of interest

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format (BRSR Core):

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	43	41

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format (BRSR Core):

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	-	-
	b. Number of dealers/distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	89.7%	88.5%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties/ Total Investments made)	97.5%	97.4%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same

Yes. Firstsource has adopted a Code of Conduct for the Board of Directors, which outlines clear guidelines for identifying, avoiding, and disclosing actual or potential conflicts of interest with the Company. The Code is communicated to all directors and senior management members, who are required to provide individual declarations of benefits and interests.

The Code is publicly available and can be accessed here: <https://www.firstsource.com/sites/default/files/2025-03/Code-of-conduct-for-Executive-Directors-and-Senior-management-19th-March.pdf>

PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe

Firstsource supports the ethical and sustainable procurement of goods and services. The Company has implemented a Sustainable Supply Chain Policy that encourages moral and responsible behavior across the value chain. Through this approach, Firstsource seeks to reduce negative environmental impacts and contribute to a better society, while simultaneously generating overall value for its stakeholders.

As part of its Quality Management System, Firstsource has adopted ISO 9001:2008 in select centers. The Company also adheres to process improvement methodologies such as Six Sigma, Lean, and Kaizen.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

At present, Firstsource does not systematically track the percentage of R&D and capital expenditure (CAPEX) investments allocated specifically to technologies aimed at improving the environmental and social impacts of its products and processes.

However, the Company remains committed to enhancing operational efficiency and customer experience through sustainable digital transformation. Initiatives undertaken include efforts to reduce energy consumption, improve resource efficiency, and promote digitalization across service delivery processes.

Going forward, Firstsource intends to establish mechanisms to track and report R&D and CAPEX investments that contribute to environmental and social outcomes, in alignment with its broader ESG strategy.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Firstsource maintains robust procedures for sustainable sourcing. Firstsource has implemented a comprehensive Sustainable Supply Chain Policy outlining clear expectations regarding ethical, social, and environmental responsibilities of our suppliers. This policy mandates compliance with ESG (Environmental, Social, Governance) guidelines, human rights standards, anti-corruption measures, and environmental stewardship, as explicitly detailed in our [Sustainable Supply Chain Policy](#) and [Supplier Code of Conduct](#).

These policies require adherence to local and international laws, promotion of diversity, minimization of environmental impacts, and the assurance of safe and humane working conditions. Suppliers are required to complete a comprehensive ESG screening questionnaire to ensure compliance with our defined sustainability thresholds. Additionally, a supplier awareness program is being implemented through self-paced learning modules shared with vendors to reinforce understanding and alignment with our sustainability expectations.

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- b. If yes, what percentage of inputs were sourced sustainably?

85% of our total procurement spend is directed towards critical and new suppliers evaluated against defined sustainability criteria. As part of our onboarding process our new suppliers and top critical vendors undergo rigorous background verification and annual ESG compliance assessments conducted by an independent third-party auditor. These assessments cover ethical business conduct, human rights, occupational health and safety, environmental performance, and the prevention of child labor, forced labor, and harassment. Suppliers are required to meet defined threshold scores, and corrective actions are undertaken for any identified gaps, thereby ensuring responsible and sustained sourcing in alignment with our sustainability objectives.
3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

As a Business Process Services (BPS) company, Firstsource focuses on delivering service-based solutions rather than manufacturing physical products. Therefore, discussions around product health and safety or end-of-life reclamation of manufactured goods are not directly applicable to our operations.

Firstsource has implemented comprehensive processes to manage materials used across operations in an environmentally responsible manner. This includes the reclamation, reuse, recycling, and safe disposal of materials at the end of their life cycle.

Key initiatives include:

 - Adoption of waste segregation techniques, where materials are classified into recyclable, reusable, and non-reusable categories to ensure responsible disposal through authorized channels.
 - Management of e-waste in compliance with regulatory guidelines by partnering with certified recyclers who dismantle and process components safely.
 - Implementation of the 5R framework-Refuse, Reduce, Reuse, Repurpose, and Recycle-to minimize waste generation and enhance circularity in internal operations.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Firstsource is a Business Process Services (BPS) Company and does not manufacture any products. Accordingly, Extended Producer Responsibility (EPR) regulations related to waste collection and product lifecycle management do not apply to its operations.
- Leadership Indicators
1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not applicable. Firstsource is a provider of Business Process Services (BPS) and do not manufacture any products.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable	Not Applicable	Not Applicable
3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).
- | Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|---|
| | FY 2024-25
(Current Financial Year) | FY 2023-24
(Previous Financial Year) |
| Not Applicable | Not Applicable | Not Applicable |
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:
- | | FY 2024-25 (Current Financial Year) | | | FY 2023-24 (Previous Financial Year) | | |
|--------------------------------|-------------------------------------|----------|-----------------|--------------------------------------|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | | | | | | |
| E-waste | | | | | | |
| Hazardous waste | | | | | | |
| Other waste | | | | | | |
| | | | | | | |
5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.
- | Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
| Not Applicable | Not Applicable |
- PRINCIPLE 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains
- Firstsource prioritizes creating a safe, inclusive, and supportive work environment where all individuals-regardless of role or location-are treated with dignity and respect. This commitment extends beyond our direct employees to include those in our supply chain and partner organizations. Firstsource actively works to ensure fair labor practices, equitable opportunities for career development, and a healthy work-life balance. Additionally, Firstsource strives to uphold ethical standards that safeguard the rights and welfare of our employees at every level of our operations.

By promoting the well-being of our entire workforce, Firstsource not only contributes to their individual growth but also foster a culture of responsibility and sustainability throughout our business ecosystem. Firstsource adheres to relevant guidelines and have implemented several policies, such as our *Business Conduct and Ethics Policy*, *Human Rights and Equal Opportunity Policy*, and *Global Inclusion and Diversity Policy*. While some of our centers have achieved ISO certification, Firstsource ensures that ISO standards are upheld across all non-certified locations as well.

Firstsource remains dedicated to consistently adding value to our stakeholders by prioritizing their best interests and fostering the prosperity of everyone involved.
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Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	4,009	4,009	100%	4,009	100%	NA	NA	4,009	100%	NA	NA
Female	2,124	2,124	100%	2,124	100%	2,124	100%	NA	NA	NA	NA
Undisclosed	3	3	100%	3	100%	3	100%	3	100%	NA	NA
Other than Permanent employees											
Male	11	11	100%	11	100%	NA	NA	11	100%	NA	NA
Female	1	1	100%	1	100%	1	100%	NA	NA	NA	NA
Undisclosed	-	-	-	-	-	-	-	-	-	NA	NA

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	8,821	8,821	100%	8,821	100%	NA	NA	8,821	100%	NA	NA
Female	5,725	5,725	100%	5,725	100%	5,725	100%	NA	NA	NA	NA
Not Disclosed	24	24	100%	24	100%	24	100%	24	100%	NA	NA
Total	14,570	14,570	100%	14,570	100%	5,749	100%	14,570	100%	NA	NA
Other than Permanent workers											
Male	2,173	2,173	100%	2,173	100%	NA	NA	2,173	100%	NA	NA
Female	1,860	1,860	100%	1,860	100%	1,860	100%	NA	NA	NA	NA
Not Disclosed	-	-	-	-	-	-	-	-	-	NA	NA
Total	4,033	4,033	100%	4,033	100%	1,860	100%	4,033	100%	NA	NA

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format (BRSR Core) –

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.21%	0.22%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year

Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	1%	29%	Yes	1%	42%	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At Firstsource we are committed to ensuring that our premises and offices are accessible to all employees, including those with disabilities, in line with the requirements of the Rights of Persons with Disabilities Act, 2016.

We have implemented several inclusive infrastructure measures such as accessible entryways, ramps, and designated areas for differently abled employees. Our facilities are equipped with accommodations including accessible restrooms and ergonomic workstations.

While we continue to progress toward full accessibility, we are regularly assessing and upgrading our infrastructure to meet diverse employee needs. As of the reporting period, 59.42% of Firstsource's offices are accessible to differently abled employees and workers. We remain dedicated to creating a supportive, inclusive environment and are undertaking ongoing efforts to enhance accessibility further.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Firstsource has adopted a [Human Rights and Equal Opportunity Policy](#) aligned with the Rights of Persons with Disabilities Act, 2016. The policy affirms our commitment to providing a workplace free from discrimination and to promoting equal opportunities across the organization.

Firstsource values diversity, promotes fairness and justice, and ensures equal access for all individuals to employment, learning, and growth opportunities. The policy is applicable to all employees, including those with disabilities, and is communicated organization-wide.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	84%	100%	71%
Female	66%	76%	67%	55%
Total	84%	79%	82%	60%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent workers	Yes, Firstsource has a Global Grievance Policy applicable to all employees (including permanent and non-permanent workers), value chain partners, clients, vendors, investors, shareholders, and communities associated with Firstsource Solutions Limited and its subsidiaries. Mechanism for Grievance Redressal: <ul style="list-style-type: none">• Employees and workers can raise grievances through the internal Grievance Resolution System application (FirstConnect) available on the Firstsource intranet: https://firstconnect.firstsource.com/firstconnect/GRSLogin.aspx• Other stakeholders, including current and former employees, can submit grievances via:<ul style="list-style-type: none">– Email: grs@firstsource.com– Online form: https://www.firstsource.com/contact/ Upon receipt, the grievance is routed by the convener to the appropriate point of contact based on the nature of the complaint. If the aggrieved person is not satisfied with the resolution, they may escalate the matter to: whistle.blowing@firstsource.com
Other than permanent workers	
Permanent employees	
Other than permanent employees	

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7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees/ workers in the respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B/A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D/C)
Total permanent employees	6,133	Nil	NA	4,171	Nil	NA
Male	4,009	Nil	NA	2,887	Nil	NA
Female	2,124	Nil	NA	1,284	Nil	NA
Total permanent workers	14,546	Nil	NA	12,762	Nil	NA
Male	8,821	Nil	NA	8,075	Nil	NA
Female	5,725	Nil	NA	4,676	Nil	NA
Other	-	-	-	11	Nil	NA

8. Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	4,020	2,887	72%	2,897	72.06%	2,891	1,676	57.97%	1,400	48.43%
Female	2,125	1,323	62%	1,372	64.56%	1,284	740	57.63%	570	44.39%
Undisclosed	3	2	67%	1	33.33%	-	-	-	-	-
Total	6,148	4,212	69%	4,270	69.45%	4,175	2,416	57.87%	1,970	47.19%
Workers										
Male	10,994	9,088	83%	4,935	44.89%	9,392	7,694	81.92%	2,092	22.27%
Female	7,585	6,253	82%	3,467	45.71%	5,624	4,544	80.80%	3,557	63.25%
Undisclosed	24	19	79%	13	54.17%	11	9	81.82%	-	-
Total	18,603	15,360	83%	8,415	45.23%	15,027	12,247	81.50%	5,649	37.59%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	3,857	3,857	100%	2,887	2,887	100%
Female	2,032	2,032	100%	1,284	1,284	100%
Undisclosed	3	3	100%	-	-	-
Total	5,892	5,892	100%	4,171	4,171	100%
Workers						
Male	9,249	9,249	100%	8,075	8,075	100%
Female	6,269	6,269	100%	4,676	4,676	100%
Undisclosed	17	17	100%	11	11	100%
Total	15,535	15,535	100%	12,762	12,762	100%

Column A represents employees eligible for annual performance review and excludes employees who are not eligible.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, Firstsource, has implemented a comprehensive Quality, Occupational Health and Safety, Environment, and Energy (QOHSEE) Management System across its operations. This integrated system is designed to safeguard the health, safety, and well-being of employees and workers by systematically identifying, assessing, and mitigating workplace risks.

The QOHSEE system covers:

- Risk assessments
- Safety protocols
- Emergency preparedness
- Employee training on safe work practices
- Regular safety audits and compliance inspections aligned with local regulations and international standards

In addition to physical safety, the system incorporates mental health and wellness initiatives, aimed at fostering a safe, inclusive, and balanced work environment.

As of the reporting period, two of Firstsource's centers are certified under ISO 45001:2018, demonstrating adherence to global occupational health and safety standards.

Furthermore, Firstsource has adopted a Global QOHSEE Policy to drive consistency and continuous improvement in environmental, health, and safety performance.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

At Firstsource, hazard identification and risk assessment are integral to the organization's occupational health and safety management system. These processes are conducted on both routine and non-routine bases and include the following key activities:

- Workplace Inspections: Regular inspections and audits are conducted to identify potential hazards in day-to-day operations.
- Incident Review: Historical data on incidents and near-misses is analyzed to detect recurring risks and inform preventive strategies.
- Risk Rating: Hazards are assessed based on their severity and likelihood, and appropriate control measures—such as use of PPE—are implemented accordingly.
- Safety Audits: Scheduled audits are carried out to evaluate the effectiveness of risk control measures and overall safety performance.
- Employee Feedback: Continuous feedback is encouraged from employees to help refine safety protocols and address site-specific risks.
- Internal Audit Monitoring: A dedicated internal audit team monitors compliance with identified risk controls during internal reviews and external certifications, using documented observations to enhance the safety framework.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. Firstsource, promotes a safe and risk-free workplace through regular safety training programs that help employees and workers identify workplace hazards and apply appropriate mitigation measures. These trainings support the implementation of a robust health and safety management system and include:

- Fire safety training
- Emergency response and mock drills

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- Electrical safety training
 - Chemical handling safety
 - Cleanliness and hygiene protocols
 - Security policy awareness
 - Cross-functional safety modules

Training is also extended to on-site supplier personnel such as housekeeping, facilities, and security staff to ensure consistent safety awareness among all workforce categories.

Additionally, Firstsource has implemented a platform called FirstRequest, which includes a Facilities Ticketing System. This platform enables employees, workers, and third-party vendors to report work-related hazards in real-time. The system ensures that all personnel are empowered to raise safety concerns and take proactive steps to protect themselves from unsafe conditions.

- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. Firstsource recognizes that the physical and mental wellness of its employees is integral to long-term organizational success. The company adopts a people-first approach by offering counselling and awareness sessions focused on physical, mental, and emotional well-being.

In addition, Firstsource provides full-time employees with access to non-occupational healthcare services, including:

 - Life insurance
 - Mediclaime (health insurance)
 - Personal accident cover benefits

11. Details of safety related incidents, in the following format (BRSR Core):

Safety incident/number	Category*	FY 2024-25	FY 2023-24
		(Current Financial Year)	(Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.01	0.05
	Workers	0.31	0.19
Total recordable work-related injuries	Employees	1	2
	Workers	17	7
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

At Firstsource, we recognize that our ability to achieve operational efficiency and sustained growth is intrinsically linked to the physical and mental well-being, health, and safety of our employees. We are committed to minimizing workplace illnesses and injuries while fostering a safe, inclusive, and supportive work environment across all our operations.

In alignment with the principles of ISO 45001:2018 on occupational health and safety, we proactively identify and assess workplace risks and hazards and implement preventive measures to mitigate them.

To reinforce our safety culture, we conduct regular training programs for all employees, which cover:

- Electrical safety
- Emergency preparedness

- Chemical safety
- Security protocols
- Hygiene practices
- Routine fire safety drills

These training initiatives are also extended to on-site vendor personnel, including housekeeping, security, and facilities staff.

Additionally, we organize wellness workshops that address physical, mental, emotional, and financial well-being. These are led by domain experts and guest speakers and cover a range of topics such as:

- High-intensity interval training (HIIT)
- Mental health awareness and burnout prevention
- Stress management and self-care
- Nutrition and overall well-being

Through these efforts, we aim to foster a culture of health, safety, and resilience that supports our employees and strengthens our long-term organizational sustainability.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	74	0	NA	82	3	NA
Health & safety	29	0	NA	45	2	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the offices were assessed internally on health and safety practices and working conditions.
Working conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Firstsource has established a robust safety management system to ensure the ongoing safety and well-being of its workforce. A structured daily reporting mechanism is in place, wherein a designated safety officer at each site documents health and safety incidents. These reports are reviewed by senior management during weekly governance meetings to identify trends and address recurring issues.

In cases of repeated incidents or identified safety risks, concerns are escalated through a formal grievance management system accessible to all employees. These entries are further evaluated by top management, and corrective actions are assigned to the relevant teams for timely resolution and closure.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. Firstsource provides a compensatory package to both employees and workers in the unfortunate event of death, reinforcing its commitment to employee welfare and financial security for their dependents.

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2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Firstsource’s statutory responsibilities cover compliance with applicable labor laws, including Provident Fund (PF), Employees’ State Insurance (ESI), and minimum wage regulations. All third-party payments are monitored for compliance, and value chain partners are required to furnish statutory compliance certificates.

To strengthen accountability, Firstsource engages a third-party agency to conduct monthly evaluations of payment records and compliance status. Any deviation from prescribed norms is promptly identified and addressed, ensuring rigorous enforcement of statutory obligations across its supply chain

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	NA	NA. There have been no instances of high consequence work-related injury/ill-health/fatalities in the mentioned period.	NA	NA. There have been no instances of high consequence work-related injury/ill-health/fatalities in the mentioned period.
Workers	NA	NA	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, Firstsource offers a structured transition assistance program aimed at supporting continued employability and facilitating career transition in the event of retirement or termination. In India, severance pay in cases of redundancy aligns with the employee's notice period entitlement. The standard retirement age is 60 years; however, under exceptional circumstances, management may allow early retirement without forfeiting benefits or may extend employment tenure based on mutual agreement.

In the Philippines, as per the Retirement Pay Law (RA 7641), all employees are entitled to retirement pay equivalent to 22.5 days of salary per year of service, regardless of designation. These measures ensure a humane and compliant approach to managing career endings while preserving financial and social security for affected employees.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	85% of our total procurement spend is linked to our vendors and newly onboarded suppliers, who are subject to annual assessments conducted by independent third-party agencies. These evaluations cover both health and safety practices and overall working conditions. While our value chain partners operate as independent entities, their performance and compliance standards directly affect Firstsource's operational integrity and reputation.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The latest assessment identified no significant concerns regarding health, safety, or working conditions. If any concerns arise, corrective actions proportional to the issue's severity will be implemented, including potential blacklisting from Firstsource's vendor database.

PRINCIPLE 4 - Businesses should respect the interests of and be responsive to all its stakeholders

We recognize that our operations have wide-ranging impacts not only on shareholders but also on employees, clients, suppliers, communities, and the environment. We are committed to engaging with stakeholders in a transparent and meaningful manner. This involves actively listening to feedback, addressing concerns, and integrating stakeholder perspectives into our decision-making processes.

By fostering open dialogue and collaboration, we endeavor to build trust and strengthen relationships with our diverse stakeholder groups.

We demonstrate our dedication to operating as a responsible corporate citizen by prioritizing the long-term interests of all stakeholders over short-term gains.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Firstsource, recognizes that building strong and trusting relationships with stakeholders is critical to long-term success and business resilience. The Company actively cultivates collaborative engagement with both internal and external stakeholders and acknowledges the importance of maintaining transparent, two-way communication channels to facilitate feedback, idea sharing, and co-creation.

To systematize this engagement, Firstsource has implemented a structured stakeholder identification and assessment process. This involves:

- An internal team responsible for evaluating the business impact and influence of various stakeholder groups.
- A stakeholder mapping and segmentation exercise, conducted through a structured engagement framework.
- Prioritization of stakeholders based on their level of responsibility, influence, and dependence on Firstsource's business, and vice versa.

Through this process, key stakeholder groups are identified from a larger pool by analyzing their relevance and ability to impact the Company's strategy and value creation. This includes both direct and indirect stakeholders.

Firstsource has identified the following key stakeholder groups:

- **Internal:** Employees
- **External:** Customers, Shareholders/Investors, Suppliers/Vendors, and Community/NGOs

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none">• Employee satisfaction surveys• Face-to-face meetings• Engagement sessions• HR sessions• Rewards and recognition• Team building workshops• Employee newsletters	On a regular basis	<ul style="list-style-type: none">• Employees growth and benefits• Compensation structure• Career growth opportunities• Professional development• Continuing education• Skill development
Customers	No	<ul style="list-style-type: none">• Customer engagement surveys• Quality Business Review	On a regular basis	<ul style="list-style-type: none">• Customer requirements• Customer satisfaction and feedback• Project delivery• Timeline• Challenges

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Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers and Vendors	Yes (Partially)- Only some of the Admin suppliers	<ul style="list-style-type: none">Channel partner meetingsOne-to-one meetingsRegular operational reviews	On a regular basis	<ul style="list-style-type: none">Regulatory compliance requirementsSupply scheduleSustainability performanceVendor needs and expectationsNeed for sustainability awareness and trainings
Shareholders / Investors	No	<ul style="list-style-type: none">Annual general shareholders meetingFinancial information releaseMedia releaseInvestor calls and meetings	On a regular basis	<ul style="list-style-type: none">Financial performanceUnderstanding their needs/ expectations which is material to FirstsourceESG Performance
Community/ NGO	Yes	<ul style="list-style-type: none">Project meetingsCommunity interactions with NGOsGrievance mechanisms	On a regular basis	<ul style="list-style-type: none">Community expectations and feedback on impact/success of CSR projectEngagement scope for CSR projects

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Firstsource adopts a structured four-step stakeholder engagement methodology to consult on key economic, environmental, and social (EES) topics. This process includes:

1. Material issue identification
2. Stakeholder surveys and consultations
3. Scoring, ranking, and prioritisation of issues
4. Mapping of concerns against business impact

These consultations involve both internal and external stakeholders and are conducted periodically through digital platforms, direct interviews, focus group discussions, and surveys.

Insights gathered through this engagement process are reviewed by the ESG and senior leadership teams and summarised for presentation to the Board of Directors. Feedback loops ensure that stakeholder concerns are systematically integrated into corporate strategy and disclosures.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Firstsource actively engages stakeholders to identify and manage material environmental and social topics through a structured materiality assessment process.

In FY 2021-22, Firstsource conducted its first comprehensive materiality assessment involving key stakeholder groups including employees, customers, shareholders/investors, suppliers/vendors, and community/NGOs. Stakeholders were engaged through a Materiality Survey, guided by global standards such as the GRI, SASB, MSCI and asked to rate over 40 sustainability issues on a scale of perceived importance. The responses were analyzed, weighted by stakeholder group relevance, and consolidated into **eight core strategic themes**:

- Ethical Governance
- Empowering Workplace

- Customer Centricity
- Economic Performance
- Environment and Climate Action
- Sustainable Economic Growth
- Community Impact
- Responsible Supply Chain

These themes guided the development of Firstsource's ESG strategy, and the leadership was actively involved in the prioritization and decision-making process.

In FY 2022-23, Firstsource reviewed the material topics in light of business stability and confirmed that no revisions were required. However, the Company initiated a shift toward aligning its approach with the double materiality principle.

In FY 2023-24, the Company formally integrated this principle into its Enterprise Risk Management (ERM) framework. This alignment supports compliance with emerging regulations and enables structured impact assessments of Firstsource's environmental and social footprint.

The updated assessment rationalized the previously identified 24 topics to 10 high-priority material topics. Topics such as business ethics, ESG governance, and human rights were excluded from the prioritization list as they are considered foundational or already well-integrated. Similarly, waste and water management were deprioritized due to limited operational impact, though they continue to be monitored and disclosed.

New focus areas, such as Decarbonization and Energy Management, were introduced to reflect the Company's evolving environmental commitments and operational realities.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Firstsource prioritizes the inclusion of vulnerable and marginalized stakeholder groups in its community engagement and CSR initiatives. These groups include rural women, students from economically disadvantaged backgrounds, unemployed youth, patients from underrepresented communities, individuals with disabilities, and children with special needs.

When selecting beneficiaries for CSR projects, Firstsource's CSR team and employee volunteers actively engage with community members to understand their specific challenges. They co-create solutions with the communities to address identified social issues in a sustainable and context-sensitive manner.

Firstsource also maintains regular interactions with these communities through its on-ground volunteers, who gather feedback and flag grievances. This feedback loop enables timely and relevant response to community needs.

Furthermore, Firstsource provides formal grievance redressal channels accessible to all stakeholders, including marginalized communities:

- Email: grs@firstsource.com
- Firstsource's website link: <https://www.firstsource.com/>

These platforms allow stakeholders to raise concerns, which are then routed to the appropriate teams for resolution, ensuring inclusive and equitable grievance handling.

PRINCIPLE 5 - Businesses should respect and promote human rights

We are unwavering in our commitment to upholding the human rights of all individuals, ensuring that no violations occur within our business operations. Our publicly available **Human Rights** and **Equal Opportunity Policy** explicitly prohibits any infringement of human rights. Embracing human diversity, we foster an environment of fairness, justice, and equal opportunities for all, cultivating a workplace where individuals can work, learn, and thrive without facing discrimination or victimization.

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Aligned with the principles outlined in **International Labour Organization (ILO)** conventions, we ensure that the guidelines set forth in these policies are effectively communicated to all stakeholders involved in daily operations. Additionally, we conduct stringent supplier assessments to identify and eliminate potential human rights violations within our supply chain.

Furthermore, all employees and workers undergo comprehensive training on the **Code of Conduct, Human Rights and Equal Opportunity Policy**, and the **Prevention of Sexual Harassment (POSH)** Policy, promoting responsible behavior and reinforcing our commitment to upholding internationally recognized human rights standards.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	3,711	3,186	86%	4,171	3,741	90%
Other than permanent	5	5	100%	4	4	100%
Total employees	3,716	3,191	86%	4,175	3,745	90%
Workers						
Permanent	12,895	11,570	90%	12,762	11,920	93%
Other than permanent	3,463	3,292	95%	2,265	1,941	86%
Total workers	16,358	14,862	91%	15,027	13,861	92%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No.(B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	6,136	NA	NA	6,136	100%	4,171	NA	NA	4,171	100%
Male	4,009	NA	NA	4,009	100%	2,887	NA	NA	2,887	100%
Female	2,124	NA	NA	2,124	100%	1,284	NA	NA	1,284	100%
Undisclosed	3	-	-	3	100%	-	-	-	-	-
Other than permanent	NA	-	NA	NA	NA	4	-	NA	4	100%
Male	11	-	NA	11	100%	4	-	NA	4	100%
Female	1	-	NA	1	100%	0	-	NA	0	100%
Total employees	6,148	-	NA	6,148	100%	4,175	-	NA	4,175	100%
Workers										
Permanent	14,570	NA	NA	14,570	100%	12,762	1,055	8.3%	11,707	92%
Male	8,821	NA	NA	8,821	100%	8,075	673	8.3%	7,402	92%
Female	5,825	NA	NA	5,825	100%	4,676	382	8.2%	4,294	92%
Undisclosed	24	NA	NA	24	100%	11	NA	NA	11	100%
Other than permanent	4,033	NA	NA	4,033	100%	2,265	-	NA	2,265	100%
Male	2,173	-	NA	2,173	100%	1,317	-	NA	1,317	100%
Female	1,860	-	NA	1,860	100%	948	-	NA	948	100%
Total workers	18,603	-	NA	18,603	100%	15,027	-	NA	13,972	93%

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	9	550,000	2	400,000
Key managerial personnel	2	55,474,872	1	5,579,489
Employees other than BoD and KMP	3,488	701,220	1,598	691,051
Workers	10,116	287,400	6,522	281,676

Note: 1. Board of Directors (Male) includes Mr. Anjani K. Agrawal, whose term as an Independent Director of the Company came to an end on May 10, 2024 (EOD) by efflux of time.
2. The median remuneration for the Board of Directors includes the remuneration of Mr. Anjani K. Agrawal, whose term as an Independent Director of the Company came to an end on May 10, 2024 (EOD) by efflux of time.

b) Gross wages paid to females as % of total wages paid by the entity, in the following format (BRSR Core):

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	33.6%	31.9%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Firstsource has established dedicated mechanisms to address human rights-related grievances. These include the Whistle-blower Committee, the Grievance Redressal Committee, and the Prevention of Sexual Harassment (POSH) Committee. Each of these bodies is responsible for investigating and addressing concerns related to ethical conduct, workplace safety, dignity, and respect for human rights across the organization.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Firstsource is committed to upholding international human rights standards, as reflected in the values expressed in the United Nations Global Compact (UNGC) and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

The Company has robust policies and mechanisms in place covering human rights, equal opportunity, diversity and inclusion, Prevention of Sexual Harassment (POSH), anti-slavery, and whistle-blower protection.

Grievance redressal mechanisms include:

- A dedicated grievance portal accessible at <https://www.firstsource.com/contact/> for all stakeholders to raise concerns related to human rights.
- Clearly defined grievance procedures in the Human Rights and Equal Opportunity Policy.
- Dedicated channels for reporting workplace sexual harassment through both local and central POSH committees.

All reported complaints are thoroughly investigated, and appropriate corrective actions are taken based on the severity of the issue. Serious violations may result in disciplinary action, including termination of employment.

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6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	24	5	Open cases are under investigation	24	8	The open cases are under investigation and within the prescribed turnaround time
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child labour	Nil	Nil	NA	Nil	Nil	NA
Forced labour/Involuntary labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	3	Nil	NA
Other human rights-related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format (BRSR Core):

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	24	24
Complaints on POSH as a % of female employees / workers	0.24	0.35
Complaints on POSH upheld	14	21

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Firstsource is committed to fostering a workplace culture free from discrimination, harassment, and retaliation. To ensure that complainants feel safe and supported, the company has implemented robust mechanisms through its Whistle-blower Policy and Prevention of Sexual Harassment (POSH) Policy. These frameworks guarantee that any employee can report instances of discrimination or harassment without fear of reprisal.

Every complaint is treated with the highest level of confidentiality, and appropriate safeguards are in place to protect the identity and interests of the complainant throughout the resolution process.

In compliance with Chapter IV, Section 19 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, Firstsource also provides mandatory awareness and sensitization training on POSH, whistle-blowing, and the company's Employee Code of Conduct.

The company's grievance redressal policies are accessible via the following links:

Human Rights & Equal Opportunity Policy:
<https://www.firstsource.com/sites/default/files/2025-02/Human-Rights-and-Equal-Opportunities-Policy-4.0.pdf>.

Prevention of Sexual Harassment:
<https://www.firstsource.com/sites/default/files/2025-02/POSH-6.0.pdf>.

Whistle-blower Policy:
<https://www.firstsource.com/sites/default/files/2025-02/Global-Whistleblowing-Policy-8.0.pdf>.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Firstsource integrates human rights requirements into its business agreements and actively shares its Human Rights Policy with all business partners. Key human rights expectations are also embedded within the Company's Sustainable Supply Chain Policy and Supplier Code of Conduct.

All business partners are contractually obligated to adhere to these policies, which outline expectations related to ethical labor practices, non-discrimination, workplace safety, and prohibition of forced or child labor.

10. Assessments for the year:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	100%
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not applicable, as Firstsource has not identified any significant risks or concerns from the occupational health and safety assessments conducted across its offices.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Firstsource ensures that policies related to human rights, Prevention of Sexual Harassment (POSH), and grievance redressal are applied consistently across all offices. To facilitate transparent grievance handling, Firstsource has implemented an online portal through which all stakeholders-including employees and vendors-can submit complaints. Each grievance is reviewed and resolved in a timely and confidential manner.

Every employee is mandated to participate in POSH and grievance redressal awareness programmes. In locations where a rise in harassment-related complaints is observed, targeted sensitization sessions are conducted. Additionally, vendors are required to adopt a human rights policy aligned with the POSH Act and contractual obligations as part of the onboarding process.

In response to recurring issues and the need for improved grievance handling, Firstsource has implemented a Global Grievance Redressal Policy. This policy outlines a structured escalation matrix that allows employees to:

- Raise concerns with their immediate supervisor or the designated point of contact,
- Submit complaints through the Grievance Redressal System (FirstConnect): <https://firstconnect.firstsource.com/firstConnect/GRSLogin.aspx>
- Or email their concerns to: grs@firstsource.com

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Firstsource did not undertake any formal human rights due diligence during FY 2024–25. However, the company remains committed to upholding human rights principles through its existing policies, grievance redressal mechanisms, and stakeholder engagement practices

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3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

As required under the Rights of Persons with Disabilities Act, 2016, approximately 59.42% of Firstsource's office premises are currently accessible to individuals with disabilities, including employees and visitors.

The company is committed to progressively enhancing accessibility across all locations. Firstsource has set an intent to make 100% of its operational sites fully compliant in the future, ensuring inclusive infrastructure and barrier-free access.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	85% of our total procurement spend is directed towards vendors and new suppliers who are assessed annually. While our value chain partners are independent entities, their practices directly reflect on our business. Therefore, we engage an independent third-party agency to evaluate these partners on key parameters including health and safety, working conditions, environmental performance, human rights, sexual harassment, child labour, and forced or involuntary labour
Discrimination at workplace	
Child labour	
Forced Labor/Involuntary Labor	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable, as Firstsource has not identified any significant risks or concerns from the assessments conducted on its value chain partners during the reporting period. All assessed partners were found to be in alignment with the Company's human rights, labor, and ethical standards.

PRINCIPLE 6 - Businesses should respect and make efforts to protect and restore the environment

We consistently strive to conduct business in a manner that creates a positive impact on both the environment and society. Our ESG policy serves as a guiding framework for our commitment to operating sustainably while minimizing negative environmental impacts.

Our approach emphasizes responsible resource management and focuses on key areas such as water stewardship, energy efficiency, responsible waste management, and emission reduction strategies. Our Global Quality Health, Safety, Environment & Energy Management Policy and ESG Policy are publicly available on our website to promote transparency and accountability.

Additionally, while some of our centers have received ISO 14001:2015 certification, we ensure that the standards of this certification are upheld across all non-certified centers as well.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format (BRSR Core)

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From renewable sources (in GJ)		
Total electricity consumption (A)	28,846 GJ	8,585 GJ
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	28,846 GJ (32% of total energy consumed)	8,585 GJ
From non-renewable sources		
Total electricity consumption (D)	56, 957 GJ	55,063 GJ
Total fuel consumption (E)	Nil	403 GJ
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	56,957 GJ	55,466 GJ
Total energy consumed. (A+B+C+D+E+F)	85,803 GJ	64,051 GJ

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total percentage from renewable	33.6%	13%
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	0.0000037109	0.00000040
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000766691	0.19085
Energy intensity in terms of physical output (in terms of total workforce)	3.46664	3.333
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*GJ – Giga Joules

Note: Firstsource has closed two of its centers which had a higher mix of renewable energy. However, Firstsource has converted entire Mumbai buildings to 100% RE last year and Bangalore centre is converted to RE since Feb 2025.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained on non-financial indicators in FY 2024-25.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable. No sites or facilities under Firstsource have been designated as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format (BRSR Core):

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third-party water	178,673	168,724.2
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	178,673	168,724.2
Total volume of water consumption (in kilolitres)	15,987	168,724.2
Water intensity per rupee of Turnover (Total water consumption/Revenue from operations)	0.00000069144	0.63
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	0.000014285	0.0276
Water intensity in terms of physical output (in terms of total workforce)	0.64591	0.527
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: In the absence of landlord-provided water data, Firstsource proactively conducted a third-party water audit across its 10 sites in India.

The audit revealed an average water withdrawal of 21.97 litres and discharge of 19.77 litres per employee per day.

The net water consumption is approximately 2.2 litres per employee per day, reflecting efficient water use in office-based operations.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained on non-financial indicators in FY 2024-25.

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5. Provide the following details related to water discharged (BRSR Core):

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	162,686	157,257
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	162,686	5,335.111

Note: All waste water is discharged via Landlords infrastructure and Landlords are responsible for onward delivery or treatment.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained on non-financial indicators in FY 2024-25.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Firstsource has not implemented a formal **Zero Liquid Discharge (ZLD)** system, as its operations are primarily office-based and do not involve industrial processes that generate high volumes of liquid effluents.

However, the company actively promotes responsible water management practices. Select facilities are equipped with **Sewage Treatment Plants (STPs)**, where treated wastewater is **recycled and reused** for non-potable applications such as gardening. This contributes to minimizing freshwater withdrawal and reducing wastewater discharge.

While a full ZLD system is not applicable to the nature of Firstsource's operations, the company remains committed to water conservation and continues to explore opportunities to enhance water reuse and efficiency across its facilities.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	Tons	100.46	74.51
Sox	Tons	152.78	113.32
Particulate matter (PM)	Tons	20.51	15.21
Persistent organic pollutants (POP)	-		-
Volatile organic compounds (VOC)	-		-
Hazardous air pollutants (HAP)	-		-
Others – please Specify	-		-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained on non-financial indicators in FY 2024-25.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format (BRSR Core):

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO ₂ e	Total 0.0 tCO ₂ e Absolute (GHG wise) CO ₂ : 0.00 tCO ₂ e CH ₄ : 0.00 tCO ₂ e N ₂ O: 0.00 tCO ₂ e	Total 109.91 tCO ₂ e Absolute (GHG wise) CO ₂ : 108.61 tCO ₂ e CH ₄ : 0.12 tCO ₂ e N ₂ O: 1.18 tCO ₂ e
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	Total 16,867.06 tCO ₂ e Absolute (GHG wise) CO ₂ 16,675.39 tCO ₂ e CH4: 70.37 tCO ₂ e N2O: 120.61 tCO ₂ e	Total 12,642.8 tCO ₂ e Absolute (GHG wise) CO ₂ 12,499.55 tCO ₂ e CH4: 52.81 tCO ₂ e N2O: 90.43 tCO ₂ e
Total Scope 1 and Scope 2 emission intensity rupee of turnover per (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	(tCO ₂ e/INR)	0.00000045621	0.79
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	(tCO ₂ e/INR)	0.000009425	0.0348
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(tCO ₂ e / employee)	0.42618	0.664
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: In FY 2024–25, Firstsource reported zero Scope 1 emissions, reflecting its non-industrial, office-based nature.

Scope 2 emissions amounted to 16,867 tCO₂e, from the consumption of grid electricity across its facilities.

The company is exploring opportunities to transition toward renewable energy sources and enhance energy efficiency to reduce its Scope 2 footprint over time.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained on non-financial indicators in FY 2024-25

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

Yes. Firstsource is committed to reducing its environmental impact by implementing multiple initiatives aimed at lowering Greenhouse Gas (GHG) emissions. Key projects include:

a. Green Energy Conversion of Key Facilities:

Firstsource has transitioned several of its major office buildings to renewable energy sources. This includes:

- Four facilities in Mumbai & Bangalore

These sites now operate primarily on solar and wind energy, significantly reducing reliance on fossil fuels and contributing to a substantial reduction in GHG emissions. This initiative supports both energy efficiency and environmental responsibility, aligning with Firstsource's broader sustainability goals.

b. Transition to CFC-Free Refrigerants:

Firstsource has replaced all air-conditioning units with CFC-free R134A and R407 refrigerants, ensuring safer and more sustainable cooling systems. This change contributes to:

- Reduced environmental harm
- Improved employee health and safety
- Enhanced energy efficiency

This transition marks a key milestone in Firstsource's environmental stewardship and climate action agenda.

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- c.

Sustainable Business Collateral – Seed-Based Visiting Cards:

In partnership with SootheEarth, an eco-friendly paper products company, Firstsource has introduced tree-free, chemical-free, and biodegradable seed-based visiting cards. These cards contain marigold or tomato seeds and can be planted after use, promoting biodiversity and reducing paper waste.

9. Provide details related to waste management by the entity, in the following format (BRSR Core):

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	Nil	0.31
E-waste (B)	Nil	22.96
Bio-medical waste (C)	Nil	0.01503
Construction and demolition waste (D)	Nil	956.006
Battery waste (E)	Nil	0
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Nil	Nil
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	379.34	148.369
Total (A+B + C + D + E + F + G + H)	379.34	1,127.66003
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations (INR))	0.000000016406	0.07042
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP) (Total Revenue waste from generated / operations adjusted for PPP)	0.00000033895	0.003077
Waste intensity in terms of physical output (in terms of total workforce)	0.015326	0.05873
Waste intensity (optional) – the relevant metric may be selected by the entity		-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	235.36	22.96
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	235.36	22.96
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	12.48	Nil
(iii) Other disposal operations	Nil	Nil
Total	12.48	Nil

Note: In FY 2024–25, Firstsource generated a total of 247.84 metric tonnes of waste, of which 235.36 tonnes (94.97%) was recycled, and 12.48 tonnes (5.03%) was landfilled. The company continues to focus on enhancing waste segregation and recovery to minimize environmental impact.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No assurance obtained on non-financial indicators in FY 2024-25

10.

Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Firstsource is committed to responsible waste management with a strong focus on reducing its environmental footprint through strategies centered on **reduce, reuse, and recycle** principles. The company’s approach encompasses:

1.

Zero-Waste-to-Landfill Commitment:

Firstsource has adopted a **zero-waste-to-landfill policy**, ensuring meticulous segregation of waste at source. In **FY 2024–25, 100% of waste** was handled responsibly through certified waste disposal partners, reinforcing compliance with both **local regulations** and **global environmental standards**.
2.

E-Waste Management and Circular Economy:

Instead of discarding outdated or unused electronics, Firstsource channels its e-waste through responsible partners for reuse and resale, extending the lifecycle of electronic devices. This initiative reduces e-waste sent to landfills and simultaneously decreases the demand for new raw materials-supporting a circular economy and lowering the environmental impact of manufacturing.
3.

Elimination of Hazardous Substances:

The company actively works to **minimize the use of hazardous and toxic chemicals** by partnering with certified vendors and maintaining operational standards in line with global environmental management expectations.
4.

ISO 14001:2015 Certification:

While two of Firstsource's centers are ISO 14001:2015 certified, the company ensures consistent implementation of **Environmental Management System (EMS)** procedures across all locations, certified or not. These procedures guide safe disposal practices and reinforce company-wide environmental responsibility.
5.

5R Waste Strategy:

As a responsible enterprise, Firstsource has embedded the **5R framework—Refuse, Reduce, Reuse, Repurpose, and Recycle**—into its waste strategy. This approach enables the company to:
 - Optimize resource utilization
 - Minimize waste generation
 - Maximize the value extracted from each material used

11.

If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	Not applicable. Firstsource is a technology-driven services company and does not have any operations or offices located in or around ecologically sensitive areas.		

12.

Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of Project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
Not applicable. No projects requiring environmental impact assessments (EIA) under applicable laws were undertaken by Firstsource during the current financial year.					

13.

Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective actiontaken, if any
Yes. Firstsource is fully compliant with all applicable Indian environmental laws/regulations/guidelines. During the reporting period, there were no instances of non-compliance, no fines or penalties, and no corrective actions were required from any regulatory authority.				

Business Responsibility & Sustainability Report

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: Mumbai, Hyderabad and Manila
- (ii) Nature of operations: BPS (Business Process Services)
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	54,398	91,420.65
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	50,434	91,420.65
Total volume of water consumption (in kilolitres)	5,440	5,485.239
Water intensity per rupee of turnover (Water consumed/turnover(INR))	0.0000002181	0.342
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) Into Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) Into Seawa	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	48,958	1,871.73
- With treatment – please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	45,391	1,871.73

Note: In FY 2024–25, Firstsource withdrew 50,434 kilolitres of water, entirely sourced from third-party suppliers. Only 5,440 KL (10%) was consumed, while 45,391 KL (90%) was discharged—primarily to third-party municipal systems without on-site treatment. The organization does not extract groundwater or use surface water, reflecting its low-impact, office-based operational footprint.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained on non-financial indicators in FY 2024-25.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	Total 26,655 tCO ₂ e Absolute (GHG wise) CO ₂ : 7,285 tCO ₂ e CH ₄ : 49.20 tCO ₂ e N ₂ O: 125.31 tCO ₂ e	Total 19,933 tCO ₂ e Absolute (GHG wise) CO ₂ : 4,456 tCO ₂ e CH ₄ : 1.90 tCO ₂ e N ₂ O: 28.96 tCO ₂ e
Total Scope 3 emissions per rupee of turnover	tCO ₂ e/INR	0.00000115283	1.24
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assurance obtained on non-financial indicators in FY 2024-25

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities

Not applicable. Firstsource does not operate in or around environmentally sensitive or ecologically critical areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy Efficiency Measures and Renewable Energy Adoption	<ul style="list-style-type: none">Upgraded to LED lighting across all office locations.Optimized HVAC systems to reduce energy consumption while maintaining employee comfort.Transitioned facilities in Mumbai, Bangalore to renewable energy sources (primarily solar and wind).	Reduced energy consumption and electricity costs, along with a smaller carbon footprint.
2.	Adoption of CFC-Free Refrigerants	<ul style="list-style-type: none">Replaced all air conditioning systems with CFC-free refrigerants (R134A and R407).Eliminated the use of R-22, aligning with best practices for ozone protection and climate responsibility.	Lowered ozone-depleting emissions, improved HVAC efficiency, and reduced operational costs.
3.	Zero Waste to Landfill Policy	<ul style="list-style-type: none">Adopted a zero-waste-to-landfill policy by implementing meticulous in-house waste segregation.Recyclable materials are reused or sent to certified recycling partners.	In FY 2023–24, 100% of Firstsource's waste was responsibly managed, contributing to landfill reduction and circularity.
4.	E-Waste Recycling and Resale	<ul style="list-style-type: none">Resells outdated electronic equipment rather than discarding it.Extends the lifecycle of electronic devices and reduces the demand for raw materials.	Reduces electronic waste, supports a circular economy, and decreases environmental impact.
5.	Green Building Certifications	<ul style="list-style-type: none">Earned LEED and IGBC certifications for select office spaces.Ensures environmentally responsible design and operations.	Improved energy and water use efficiency, air quality, and created a healthier workplace environment.
6.	Sustainable Procurement Practices	<ul style="list-style-type: none">Procures eco-friendly office products, including recycled paper, energy-efficient equipment, and chemical-free supplies.	Reduced environmental impact of the supply chain, promoted sustainable sourcing, and minimized resource waste.

Business Responsibility & Sustainability Report

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.

Yes. Firstsource has established a robust Business Continuity Management (BCM) system that ensures service continuity in the event of any disruption. The BCM framework follows the PDCA (Plan-Do-Check-Act) methodology and is aligned with the ISO 22301:2019 standard.

Internal and external audits are conducted regularly to identify risks and implement mitigation measures. Each data center has a designated Crisis Management Steering Committee to serve as the first point of response during disruptions.

Further, in FY 2022–23, Firstsource undertook a climate risk assessment to evaluate physical and transitional climate vulnerabilities, including flooding, cyclones, and commuting hazards. Based on the findings, targeted Business Continuity Plans (BCPs) have been put in place to strengthen operational resilience, protect infrastructure, and ensure employee safety while maintaining uninterrupted service delivery.

Link to the Business Continuity Management Policy: [\[https://www.firstsource.com/sites/default/files/2025-03/BCMS-Policy-Ver1.3.pdf\]](https://www.firstsource.com/sites/default/files/2025-03/BCMS-Policy-Ver1.3.pdf)

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse environmental impact has been reported from our value chain partners. As part of our commitment to responsible sourcing, we extend our Code of Conduct to all partners, mandating compliance with environmental regulations and sustainable practices. Adherence to this code is a mandatory requirement during the onboarding of all new suppliers. Additionally, we have instituted a third-party assessment process to evaluate the environmental performance of both critical partners and new suppliers.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

85% of our value chain partners, by total procurement spend, were assessed for environmental impacts. This included over 150 suppliers, evaluated through an independent third-party assessment. The evaluation focused on key parameters such as environmental performance and working conditions, ensuring alignment with Firstsource’s sustainability standards. These efforts reflect our commitment to responsible sourcing and continuous improvement across the supply chain.

8. How many Green Credits have been generated or procured by the listed entity:

As of FY 2024–25, Firstsource has not yet generated or procured any Green Credits under the Green Credit Programme. However, the company is actively evaluating a range of ongoing sustainability initiatives that may qualify for Green Credits in the future. These initiatives include e-mobility adoption, energy efficiency enhancements, water resource assessments, and tree plantation drives.

We are currently exploring potential alignment with value-chain partners for future participation, with a focus on afforestation and sustainable agriculture activities. While these initiatives are not yet formally verified for Green Credit eligibility, we are committed to establishing the necessary verification mechanisms as the regulatory landscape evolves.

Firstsource will continue to track developments in the Green Credit framework and aims to integrate the generation and procurement of Green Credits into our future sustainability goals. Our intention is to formalize these processes once the appropriate verification and regulatory structures are in place, ensuring that our sustainability efforts contribute to measurable environmental impact.

PRINCIPLE 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

We actively participate in forums to voice concerns, share efforts, and promote policies and programs that aim to protect the interests of all stakeholders and communities. We are members of multiple trade and industry associations, and we collaborate with numerous other comparable platforms.

Through these associations, we demonstrate comprehensive support for ethical corporate practices, sustainability, social stability, and respect for human rights. Our Code of Conduct includes specific provisions that guide ethical behavior on public platforms, ensuring that our advocacy efforts remain responsible, transparent, and aligned with our values.

Essential Indicators

1. a) Number of affiliations with trade and industry chambers/associations.

Firstsource is affiliated with 11 trade and industry chambers/associations, enabling active participation in industry dialogues, policy advocacy, and collaborative growth initiatives.

b) List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

Sr. No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Credit Services Association (CSA)	UK
2	National Association of Software and Service Companies (NASSCOM)	National
3	Hyderabad Software Enterprises National Association (HYSEA)	National
4	ACA – American Collectors Association	International
5	Mortgage Banking Associations (MBA)	National (USA)
6	Structured Finance Association	National (Canada)
7	American Land Title Association	National (USA)
8	California Mortgage Bankers Association	State
9	Florida Land Title Association	State
10	Florida Mortgage Bankers Association	State
11	UNGC	International

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
			Nil		

PRINCIPLE 8 - Businesses should promote inclusive growth and equitable development

We are dedicated to fulfilling our civic and social responsibilities by actively engaging in socio-economic initiatives that benefit underprivileged communities. We aim to responsibly leverage our position and resources to raise the standard of living for marginalized groups and societal segments. Our Corporate Social Responsibility (CSR) Policy is aligned with the provisions of the Companies Act, 2013.

CSR lies at the core of everything we do. We are committed to advancing our CSR objectives guided by our overarching vision:

" Create a nurturing and an empowering environment to deepen our societal engagement with a goal of improving lives and livelihood of communities on a sustainable basis".

Business Responsibility & Sustainability Report

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	SIA Notification No	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results Communicated in public domain (Yes/No)	Relevant Web-link
A third-party social impact assessment was conducted, covering key CSR projects implemented during financial year 2023-24 across thematic areas of Environment, healthcare, empowerment and gender equality. Projects across geographical locations were evaluated on key parameters of efficiency, effectiveness and stakeholder participation.	NA	March 12, 2025	Yes	Yes	Social Impact Assessment Report: Social Return on Investment Report:

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable. Firstsource has not undertaken any projects that involve rehabilitation and resettlement activities during the reporting period.							

3. Describe the mechanisms to receive and redress grievances of the community.

Firstsource has established a robust grievance redressal mechanism that enables communities and other stakeholders to raise concerns through multiple channels. Stakeholders can lodge grievances by emailing grs@firstsource.com or by visiting the grievance submission portal available on the Company's website at <https://www.firstsource.com/contact/>.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers (BRSR Core):

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	52%	61%
Directly from within India	85%	97%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost (BRSR Core).

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	-	-
Semi-urban	-	1.80%
Urban	1.02%	0.60%
Metropolitan	98.98%	97.6%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
No negative social impact was identified	

2 Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In ₹)
	Assam	Darrang and Udalguri	2,600,763

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Yes, Firstsource has a preferential procurement policy embedded within our [Sustainable Supply Chain Policy](#). Our vision is to institutionalize supplier diversity across procurement activities, actively promoting participation from minority-owned, woman-owned, disadvantaged-owned, LGBTQIA+ owned, veteran-owned, HUB Zone, and small businesses.

(b) From which marginalized /vulnerable groups do you procure?

We procure from diverse supplier groups including minority-owned, woman-owned, disadvantaged-owned, LGBTQIA+ owned, veteran-owned, HUB Zone, and small business enterprises, emphasizing local economic growth in India.

(c) What percentage of total procurement (by value) does it constitute?

Procurement from marginalized and vulnerable groups constitutes approximately 57% of our total procurement spend.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Projects	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Women Artisans program to empower rural women in Darrang district, Assam	100	100%
2	Digital Classroom Support for students from Govt. schools, Maharashtra	85	100%
3	FSP (Firstsource Scholarship Program) to support scholars across pan India 2021-2022 Batch 12		100%
4	FSP (Firstsource Scholarship Program) to support scholars across pan India 2024-2025 Batch 14		100%
5	Employment Van to empower underprivileged youth of Telangana	2,000	100%
6	Medical Camps to support rural Communities of Telangana & Andhra Pradesh	2,505	100%
7	Cataract Surgery to support underprivileged community in Maharashtra	100	100%
8	Cataract Surgery to support underprivileged community in Tamil Nadu	100	100%
9	STEM lab set up in 4 Govt. Schools in four major cities in India	1,600	100%
10	Women empowerment and skill development project in Nagpur	50	100%
11	ICU ward medical equipment to support rural hospital of Andhra Pradesh	1,000	100%
12	Nurturing of trees which we planted as part of the green cover project last year	5,000 Trees	NA
13	Urban Forest creation to improve green cover in Telangana	1,000 Trees	NA
14	Creating Eco Park in Avadi, Tamil Nadu	1,200 Trees	NA
15	Supporting Animal care project in Chennai – FPS (Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited)- CSR Project)	1,290 Animals	NA
16	Study centre support for underprivileged students in Chennai FPS (Firstsource Provider Services Private Limited (formerly known as Quintessence Business Solutions & Services Private Limited)- CSR Project)	101	100%

Business Responsibility & Sustainability Report

PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner

We are committed to continuous innovation and improving the user experience, with client and customer input being especially important to us. We prioritize client feedback and incorporate it seamlessly into our ongoing efforts to enhance our service offerings, strengthen our market position, and increase customer satisfaction.

We are certified in compliance with leading international standards, including PCI DSS, ISO 27001:2013, and HITRUST. We also adhere to several legislative and regulatory compliance standards to ensure the confidentiality, integrity, and availability of data entrusted to us by our clients.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Firstsource has established structured mechanisms to address client complaints and feedback in a timely and effective manner. Grievances can be submitted via email to grs@firstsource.com, where they are handled in accordance with internal protocols and applicable regulations. The designated grievance redressal team monitors, tracks, and reports all cases until closure.

Complaints are generally resolved within a turnaround time (TAT) of 15 working days from the date of receipt. If the complexity of the issue requires more time, an extension of up to 15 additional working days may be granted. This process ensures transparency, accountability, and continuous improvement in client servicing.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	Not applicable. Firstsource is a Business Process Services (BPS) company and do not manufacture any products
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Receive during the year	Pending resolution at end of year		Receive during the year	Pending resolution at end of year	
Data privacy	-	-	NA	0	0	NA
Advertising	-	-	NA	Not applicable		NA
Cyber-security	1	0	NA	0	0	NA
Delivery of essential services	-	-	NA	0	0	NA
Restrictive trade practices	-	-	NA	0	0	NA
Unfair trade practices	-	-	NA	0	0	NA
Other	-	-	NA	0	0	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not applicable	Firstsource is a Business Process Services (BPS) company and do not manufacture any products
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Firstsource has implemented a comprehensive framework for cybersecurity and data privacy. The organization is committed to protecting the personal data of customers, employees, vendors, and other stakeholders. A dedicated policy governs the collection, processing, and protection of personal data in compliance with applicable laws and internal standards. This framework applies to all employees of Firstsource, its subsidiaries, joint ventures (where it holds a controlling interest), and business partners handling personal data on its behalf.

Firstsource ensures that personal data is collected lawfully, processed transparently, and with prior consent. Non-compliance with the policy is treated with utmost seriousness and may result in disciplinary action. Additionally, individuals have the option to withdraw consent by writing to: dataprivacy@firstsource.com.

Policy links:

- [Global Cyber Security Policy](#)
- [Global Corporate Privacy Policy](#)
- [Global Website Privacy Policy](#)
- [Data Privacy Policy](#)

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Nil

7. Provide the following information relating to data breaches: a. Number of instances of data breaches b. Percentage of data breaches involving personally identifiable information of customers c. Impact, if any, of the data breaches (BRSR Core)

- a) Number of instances of data breaches: Nil
- b) Percentage of data breaches involving personally identifiable information of customers: Nil
- c) Impact, if any, of the data breaches: Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

All information about Firstsource's services is available on the Company's website. <https://www.firstsource.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable because Firstsource does not provide products or services that are intended for safe and responsible use.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Firstsource recognizes the criticality of ensuring uninterrupted service delivery to its clients and customers. To mitigate risks of disruption or discontinuation, Firstsource has established robust Business Continuity Planning (BCP) and Disaster Recovery (DR) protocols. These measures are aligned with international standards, including ISO 27001 and ISO 22301, under the broader Business Continuity Management System (BCMS).

The Company conducts regular audits, both internal and external, to assess potential disruptions. Crisis Management Steering Committees are in place at each data center to act as the first point of contact and response during adverse events. Timely communication protocols are established to inform clients of potential disruptions and the remedial actions being undertaken.

Link to BCMS policy: <https://www.firstsource.com/sites/default/files/2024-11/Global-BCMS-Manual.pdf>

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not applicable, as Firstsource is a Business Process Management (BPM) company and does not manufacture physical products. Consequently, product labelling requirements do not apply.

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.	<p>Revenue recognition and measurement in respect of un-invoiced amounts</p> <p>(Refer Note 9 of the Consolidated Financial Statements)</p> <p>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</p>	<p>Principal audit procedures performed included the following:</p> <p>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.</p> <p>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.</p> <p>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</p>

Sr. No.	Key Audit Matter	Auditor’s Response
	<p>acknowledged by customers as of the reporting date involves a fair amount of judgment.</p> <p>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.</p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
2.	<p>Impairment of the carrying value of goodwill on consolidation</p> <p>(Refer Note 5 of the Consolidated Financial Statements)</p> <p>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.</p>	<p>Principal audit procedures performed</p> <p>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:</p> <p>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.</p> <p>b) We evaluated management’s ability to reasonably forecast future revenues and operating margins by comparing actual results to management’s historical forecasts.</p> <p>c) We evaluated the reasonableness of management’s revenue and operating margin forecasts by comparing the forecasts to historical revenues and operating margins.</p> <p>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</p>

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 ("CARO"/ "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: 25108262BMNTFV3067)

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)	2,762.90	1,641.02
Capital work-in-progress	3(ii)	491.41	170.91
Right-of-use assets	4	9,125.76	6,355.29
Goodwill on consolidation	5(i)	36,799.24	29,884.90
Other intangible assets	5(ii)	1,247.60	648.98
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)	1,026.46	777.01
Deferred tax assets	18	2,734.63	2,920.61
Income tax assets (net)	18	713.93	808.79
Others non-current assets	8(i)	1,964.65	2,086.10
Total non-current assets		56,981.86	45,408.73
Current assets			
Financial assets			
Investments	6(ii)	615.63	300.27
Trade receivables	9		
– Billed		11,677.13	8,606.78
– Unbilled		5,183.18	3,001.40
Cash and cash equivalents	10	1,542.12	1,747.74
Other balances with banks	11	127.81	136.86
Other financial assets	7(ii)	206.32	68.10
Other current assets	8(ii)	2,888.28	1,486.16
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	6,969.91	6,969.91
Other equity	12A	34,006.39	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	5,713.63
Other financial liabilities	15(i)	580.48	-
Provisions	16(i)	240.82	187.79
Deferred tax liabilities	18	1,645.11	1,470.38
Total non-current liabilities		13,955.22	7,371.80
Current liabilities			
Financial liabilities			
Short-term and other borrowings	13(ii)	11,907.95	8,048.76
Trade payables	14	3,976.20	3,055.81
Lease liabilities		2,295.86	1,495.56
Other financial liabilities	15(ii)	4,208.59	2,047.30
Other current liabilities	17	1,105.52	1,056.96
Provisions	16(ii)	643.34	466.89
Provision for tax (net)	18	149.39	205.09
Total current liabilities		24,286.85	16,376.37
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

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)

Shashwat Goenka
Vice-Chairman
(DIN 03486121)

Sunil Mitra
Director
(DIN 00113473)

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 02385076)

Dinesh Jain
President and CFO

Gurugram
April 28, 2025

Mumbai
April 28, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in million)			
	Note	Year ended March 31, 2025	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(ii)	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		637.02	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	684,300,932
– 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

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)

Shashwat Goenka
Vice-Chairman
(DIN 03486121)

Sunil Mitra
Director
(DIN 00113473)

Pradip Kumar Khaitan
Director
(DIN 00004821)

Utsav Parekh
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T C Suseel Kumar
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(DIN 06453310)

Rekha Sethi
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Pooja Nambiar
Company Secretary

Ritesh Mohan Idnani
Managing Director and CEO
(DIN 06403188)

Subrata Talukdar
Director
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Vanita Uppal
Director
(DIN 07286115)

Dr. Rajiv Kumar
Director
(DIN 02385076)

Dinesh Jain
President and CFO

Gurugram
April 28, 2025

Mumbai
April 28, 2025

Consolidated statement of changes in equity

as at and for the year ended March 31, 2025

	Attributable to owners of the Company										(₹ in million)	
	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	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)	-	-	(362.00)	-	(362.00)
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

	Attributable to owners of the Company										Total equity	
	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	Attributable to Non-controlling interest		
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	33,668.45	3.50	33,671.95
Other comprehensive income for the year (Net of tax)	-	-	-	-	-	6.46	-	186.07	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.: 117366WW-100018

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Partner
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Director
(DIN 02385076)
Dinesh Jain
President and CFO

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

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	(5,098.96)	-
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)	58.85
Purchase of non controlling interest in subsidiary	(224.82)	(583.32)
Payment of lease liabilities	(1,636.38)	(1,410.14)
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**
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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

Notes to the consolidated financial statements

as at and for the year ended March 31, 2025

Sr. No.	Subsidiaries/Entities	Country of incorporation and other particulars	Percentage of holding by voting rights	Year of consolidation
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 Data 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 charges 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

Notes to the consolidated financial statements

as at and for the year ended March 31, 2025

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 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 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 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 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.

2.10Exceptional 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.

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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 initial 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.

2.12Employee 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

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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

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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 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 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.

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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.

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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.

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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

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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	646.27	1,333.94	355.05	-	7,295.98
Additions / adjustments during the year	843.61	804.46	164.77	263.75	45.49	-	2,122.08
Assets acquired on acquisition	43.45	58.62	-	26.31	18.31	6.03	152.72
Deletions during the year	(299.26)	(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	298.14	-	5,654.96
Charge for the year	399.37	340.44	37.25	142.63	25.84	3.01	948.54
On deletions / adjustments during the year	(194.62)	(313.89)	(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	2,333.69	410.43	1,053.64	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)							
(ii)	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	32.64	30.90	1.73	16.23	5.09	-	86.59
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	1,451.68	2,056.34	476.51	1,010.08	307.94	-	5,302.55
Charge for the year	325.53	251.91	31.74	112.76	24.54	-	746.48
On deletions / adjustments during the year	(247.95)	(65.86)	(12.70)	(89.50)	(38.80)	-	(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	819.17	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.

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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	2,659.52	-	-	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).

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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)	-	506.77	506.77
Total	20.13	506.77	526.90
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	1,948.50	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	-	(393.49)	-	-	(393.49)
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	-	687.55	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	96.89
	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	776.46
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	54,282,581	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 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	9,376,900	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.

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	96.99	(89.08)
Add : 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 / 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	6.46
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			
		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	-	-	-
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
	3,153.58	822.62	-	-	-

As at March 31, 2024

	(₹ in million)				
	Not due	Outstanding for following periods from due date of payment			
		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	-	-	-
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
	2,485.51	570.30	-	-	-

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	158.02
Employee benefits payable	2,671.88	1,416.56
Creditors for capital goods	36.48	74.74
Unclaimed dividends	38.62	39.66
Contigent considerations	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	376.34
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	1,056.96

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	65.61	13.31	22.03	-	-	100.95
Lease liabilities	103.55	-	44.14	-	(5.41)	142.28
Unused tax losses	6.85	-	-	-	-	6.85
Minimum alternate tax credit carried forward	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	258.48	-	128.92	-	(1.36)	386.04
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)
	2,948.06	-	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)	-	226.77	-	(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)	-	(9.61)	-	(4.16)	(197.31)
Provision for onerous contracts	(76.75)	-	77.34	-	(0.59)	-
	1,195.98	-	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	March 31, 2024
Profit before income taxes	7,406.51	6,296.75
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	63.44
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	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	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 in excess of invoicing are classified as contract assets (which is referred to 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	March 31, 2024
Profit on sale / redemption of current investments, net	68.45	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	(49.98)	(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	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
	49,957.80	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	526.90	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	325.13	288.72
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
	17,769.14	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).

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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.

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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

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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 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	7,616.08	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

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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

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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.

Description	Year ended	
	March 31, 2025	March 31, 2024
Short-term employee benefits	272.03	275.14
Share based payments	176.41	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.

Business segment	Year ended	
	March 31, 2025	March 31, 2024
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

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	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	659.38
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:

Geographical information	Year ended	
	March 31, 2025	March 31, 2024
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

Geographical information	Year ended	
	March 31, 2025	March 31, 2024
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).

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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 31 March 2024, the trust holds 7,732,074 (March 31, 2024: 9,376,900) number of equity shares .

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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		5,874,182	
	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.

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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	(34.36)	(25.51)
Obligations at the end of the year	296.78	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	46.77	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	296.78	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

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	(₹ 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	Firsrtsource 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	-17.08%	(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%	7,839.59	-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	AccunAI 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%	5,944.51	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, 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)

	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

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 07286115)
		Rekha Sethi Director (DIN 06809515)	Dr. Rajiv Kumar Director (DIN 02385076)
Gurugram April 28, 2025	Mumbai April 28, 2025	Pooja Nambiar Company Secretary	Dinesh Jain 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

Sr. No.	Particulars	Firstsource Process Management Services Limited	Firstsource Group USA, Inc.	Firstsource Business Process Services, LLC	Firstsource Advantage LLC	One Advantage LLC	Firstsource Solutions UK Limited	Firstsource USA LLC	MedAssist Holding, LLC	Firstsource Health Plans and Healthcare Services, LLC	Firstsource BPO Ireland Ltd	Firstsource Dialog Solutions (Private) Limited	Sourcepoint, Inc.	Sourcepoint Fulfillment Services, Inc	Patient Matters, LLC	Medical Advocacy Services 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	-	313.81	-	985.62	-	-	1.33	6.27	34.26	-	-
5	Reserves & Surplus	29.00	31,248.19	7,927.88	1,684.89	207.48	4,795.84	-	1,519.22	2,663.12	11.73	13.91	7,833.32	256.71	(4,180.04)	2,746.02
6	Total Assets	39.62	44,718.36	7,928.31	2,714.75	290.75	17,624.86	-	4,676.39	6,520.90	13.37	15.24	9,276.18	377.80	625.12	2,759.76
7	Total Liabilities (excluding Capital and Reserves)	0.12	13,448.20	0.43	1,029.01	83.27	12,515.21	-	2,171.55	3,857.78	1.64	-	1,436.59	86.83	4,805.16	13.74
8	Investments (excluding Investments in Subsidiaries and Associates)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Total Income*	2.53	8,158.00	854.81	7,204.95	1,048.49	21,456.11	-	8,805.74	16,290.22	-	0.37	5,365.25	235.79	151.47	219.49
10	Profit / (Loss) Before Tax*	2.41	738.47	854.81	340.97	375.73	(78.87)	-	1,280.59	1,684.38	(1.82)	(0.13)	(103.20)	(43.89)	13.17	104.68
11	Provision for Tax	0.52	291.72	-	-	-	19.12	-	-	-	-	-	-	-	-	-
12	Profit / (Loss) After Tax*	1.89	446.75	854.81	340.97	375.73	(97.99)	-	1,280.59	1,684.38	(1.82)	(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 “A”: Subsidiaries

															(₹ in million)	
Sr. No.	Particulars	Firstsource Provider Services Private Limited w.e.f. October 10, 2024 (Formerly known as Quintessence Business Solutions & Services Private Limited)														
		Kramer Technologies LLC	The StoneHill Group,Inc.	American Recovery Service Incorporated	Firstsource Solutions Mexico, S de R.L. de C.V.	Firstsource Solutions Jamaica Limited	Firstsource BPO South Africa (Pty) Limited	Firstsource Solutions Australia Pty Limited	Firstsource October 10, 2024 (Formerly known as Quintessence Business Solutions & Services Private Limited)	Quintessence Health LLC	Ascensos Limited	Ascensos South Africa (RF)(PTY) Ltd.	Ascensos Trinidad Limited	Ascensos Contact Centres Romania SRL	AccunAI India Services Private Limited	Firstsource Solutions Colombia S.A.S
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	03-05-2024 to 31-03-2025	03-05-2024 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	07-02-2025 to 31-03-2025	07-03-2025 to 31-03-2025	
2	Reporting currency	Dollar	Dollar	Dollar	MXN	JMD	ZAR	AUD	INR	Dollar	Pound	ZAR	Dollar	RON	INR	COP
3	Exchange rate	85.48	85.48	85.48	4.18	0.54	4.71	53.81	1	85.48	110.70	4.71	85.48	18.58	1	-
4	Paid-up Share Capital	-	0.04	102.30	0.42	-	0.05	2.69	5.00	154.71	357.14	-	-	0.04	0.10	-
5	Reserves & Surplus	1,428.92	63.78	844.10	(228.18)	-	(2.28)	(124.46)	773.30	(289.35)	(185.49)	318.63	(65.23)	412.23	(2.82)	-
6	Total Assets	1,436.81	145.81	1,668.49	665.22	-	0.71	309.09	1102.97	85.73	2,177.58	1,404.08	(23.15)	613.44	7.72	-
7	Total Liabilities (excluding Capital and Reserves)	7.89	81.99	722.09	892.98	-	2.94	430.86	324.67	220.37	2,005.93	1,085.45	42.08	201.17	10.44	-
8	Investments (excluding Investments in Subsidiaries and Associates)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Total Income*	-	903.60	5,422.33	948.53	-	-	157.15	1609.56	116.82	4,065.00	1,092.11	185.92	943.25	15.50	-
10	Profit / (Loss) Before Tax*	(0.36)	116.56	259.53	(112.67)	-	(1.84)	(124.67)	436.12	(28.21)	114.36	179.80	(11.44)	107.84	(2.66)	-
11	Provision for Tax	-	-	-	(6.10)	-	-	(0.22)	77.55	-	27.89	19.95	0.35	17.29	-	-
12	Profit / (Loss) After Tax*	(0.36)	116.56	259.53	(106.57)	-	(1.84)	(124.46)	358.57	(28.21)	86.47	159.85	(11.79)	90.55	(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 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	36.63
5	Reserves & Surplus	(46.62)
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 **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 07286115)

Rekha Sethi
Director
(DIN 06809515)

Dr. Rajiv Kumar
Director
(DIN 02385076)

Pooja Nambiar
Company Secretary

Dinesh Jain
President and CFO

Gurugram
April 28, 2025

Mumbai
April 28, 2025

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.

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 that 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’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.

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
		e) We 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

- As required by Section 143(3) of the Act, based on our audit we report that:
 - 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.
 - 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.
 - 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.
 - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - 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.
 - 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.
 - 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.
 - 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:
 - 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;

- 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;
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 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;
 - 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
 - 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.
- With respect of dividend declared and paid:
 - 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.
 - The Company has not proposed final dividend for the year.
 - 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.
- 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: 25108262BMNTFW3415)

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)
(UDIN: 25108262BMNTFW3415)

Gurugram, 28 April 2025

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

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.

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.

(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.

(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	460.74
	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 willful 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.

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.

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)	1,435.96	868.49
Capital work-in-progress	3(ii)	418.25	136.30
Right-of-use assets	4	5,097.08	3,097.92
Goodwill		40.14	40.14
Other intangible assets	5	57.63	49.48
Financial assets			
Investments	6(i)	15,951.24	12,350.66
Other financial assets	7(i)	763.05	604.87
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	746.34
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		8,677.06	7,155.75
- Unbilled		268.62	137.48
Cash and cash equivalents	10	193.59	414.14
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	617.91
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	6,969.91	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)	205.81	187.79
Total non-current liabilities		4,959.87	3,023.61
Current liabilities			
Financial liabilities			
Short-term borrowings	15(i)	2,458.35	-
Trade payables	16	1,133.78	898.09
Lease liabilities		1,149.47	644.78
Other financial liabilities	17(ii)	2,075.70	608.57
Provisions for employee benefits	18(ii)	176.33	126.56
Other current liabilities	19	213.15	152.87
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

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)

Shashwat Goenka
Vice-Chairman
(DIN 03486121)

Sunil Mitra
Director
(DIN 00113473)

Pradip Kumar Khaitan
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Utsav Parekh
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Vanita Uppal
Director
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Dr. Rajiv Kumar
Director
(DIN 02385076)

Dinesh Jain
President and CFO

Gurugram
April 28, 2025

Mumbai
April 28, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in million)			
	Note	Year ended March 31, 2025	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		(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		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.: 117366W/W-100018

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

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Dr. Rajiv Kumar
Director
(DIN 02385076)

Dinesh Jain
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

	Attributable to owners of the Company											(₹ in million)
	Equity share capital	Share application money pending allotment	Reserve and surplus						Items of other comprehensive income			
			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	
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 forfeited	-	-	-	-	-	-	-	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

Attributable to owners of the Company												(₹ in million)
Reserve and surplus												
Equity share capital	Share application money pending allotment	Reserve and surplus							Items of other comprehensive income			
		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 comprehensive income for the year (Net of tax)	-	-	-	-	-	-	-	6.46	-	186.07	(10.02)	182.51
Profit for the year	-	-	-	-	-	-	-	3,196.99	-	-	-	3,196.99
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 reporting of even date attached.

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

Mukesh Jain
Partner
Membership No.: 108262

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Pooja Nambiar
Company Secretary

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

Ritesh Mohan Idnani
Managing Director and CEO
(DIN 06403188)
Subrata Talukdar
Director
(DIN 01794978)
Vanita Uppal
Director
(DIN 07286115)
Dr. Rajiv Kumar
Director
(DIN 02385076)
Dinesh Jain
President and CFO

Gurugram
April 28, 2025

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	456.65
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	25,364.46	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	0.61
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)	58.85
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)	(2,964.61)
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

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Membership No.: 108262

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(DIN 07286115)

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Director
(DIN 02385076)

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 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

Notes to the standalone financial statements

as at and for the year ended March 31, 2025

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%	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 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.

Notes to the standalone financial statements

as at and for the year ended March 31, 2025

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

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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

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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

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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 presentation 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

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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

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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.

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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	629.81	211.40	3,654.93
Additions / adjustments during the year	473.33	441.08	131.97	101.88	33.22	1,181.48
Deletions during the year	(179.42)	(376.23)	(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	188.59	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	285.99	24.07	72.04	16.99	666.14
Deletions during the year	(18.76)	(238.45)	(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	(14.86)	(52.87)	(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	52.92	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.

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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 maintenance 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

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(₹ 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 #	162.99	112.97
1,050,000 (March 31, 2024: 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	668.30	507.98
Foreign currency forward contracts (net)	94.75	96.89
	763.05	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	29.76
Prepaid expenses	36.94	2.69
Deferred contract cost	5.11	17.32
	47.74	49.77

Notes to the standalone financial statements

as at March 31, 2025

	(₹ 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	8,677.06	7,155.75
	8,677.06	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)					
	Outstanding for following periods from due date of payment					
	Not due	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	-	-
Undisputed Trade receivable – considered doubtful	-	-	-	-	5.51	-
Total	4,232.95	4,443.93	0.16	0.02	5.51	-

As on March 31, 2024

	(₹ in million)					
	Outstanding for following periods from due date of payment					
	Not due	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	-	-	-
Undisputed Trade receivable – considered doubtful	-	-	-	5.53	-	-
Total	2,851.46	4,237.96	66.33	5.53	-	-

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	3,799.00
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)	(699.95)
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	(1,136.72)	(1,136.72)
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	-	-

Notes to the standalone 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	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	(99.64)	(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 creditors 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 enterprises	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	126.56
	176.33	126.56

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	13,556.12	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	6,137.18
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	March 31, 2024
Profit on sale / redemption of current investments, net	45.47	61.35
Interest 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	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	128.36
Employee stock compensation expense	206.91	21.65
Directors' sitting fees	5.70	6.75
	12,455.98	8,211.46

23 Finance costs

(₹ in million)

	Year ended	
	March 31, 2025	March 31, 2024
Interest expense		
- on borrowings	125.71	-
- on leased liabilities	303.45	173.35
	429.16	173.35

Notes to the standalone financial statements

as at and for the year ended March 31, 2025

24 Other expenses

(₹ in million)

	Year ended	
	March 31, 2025	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	300.66
Recruitment and training expenses	196.31	212.77
Communication expenses	28.05	62.13
Travel and conveyance	214.95	200.66
Contribution to Corporate 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	731.94	731.94
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	296.90	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 currencies	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.

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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	-	898.09	-
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

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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

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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.

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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. 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

Notes to the standalone financial statements

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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	4,943.02	3,168.10	3,100.74
	Reimbursement of expenses to FSL UK	6.46	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	72.92	26.38	18.94
	Reimbursement of expenses to FHPHS	5.76	7.36	-	-
	Brand Equity	62.20	42.14	16.60	11.91
OAL	Income from services	7.85	7.47	2.21	1.88
	Recovery of expense from OAL	4.64	5.67	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	12.28	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

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(₹ 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	-	(35.86)
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 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 are at a level such that no plan deficits (based on valuation performed) will arise.

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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%

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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	3,196.99
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	-
Guarantees 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 India, Customs and Central Excise department towards future duty obligations.

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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.

Notes to the standalone financial statements

as at and for the year ended March 31, 2025

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	16.8%	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		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 07286115)
		Rekha Sethi Director (DIN 06809515)	Dr. Rajiv Kumar Director (DIN 02385076)
Gurugram April 28, 2025	Mumbai April 28, 2025	Pooja Nambiar Company Secretary	Dinesh Jain President and CFO



REGISTERED OFFICE

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