

MedAssist Holding LLC

Financial Statements

for the financial year ended March 31, 2016

Independent Auditors' Report

**To the Members of
Firstsource Solutions Limited**

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Medassist Holdings LLC ("the Company"), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

Management's responsibility for the standalone financial statements

These financial statements are prepared to comply with the requirements of Sec 136 of the Companies Act, 2013 and are the responsibility of the management. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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SHELESH SINGHVI & Co.
Chartered Accountants

E-702,Dheeraj Jamuna
Co operative housing Society,
Chincholi Bunder road,
Malad (West), Mumbai.
Tel: 9314667335, 9773756991
Email- sheleshsinghvi@yahoo.co.in

Independent Auditors' Report (Continued)

Auditor's Responsibility (Continued)

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

For **Shelesh Singhvi & Co.**
Chartered Accountants
Firm's Registration No: 014792C



Shelesh Singhvi
Partner
M. No: 079817

Mumbai
12th May 2016

Medassist Holdings LLC.

Balance Sheet

as at 31 March 2016

	Note	Amount In Rupees		Amount in USD	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	3	763,995,449	763,995,449	11,531,137	11,531,137
Reserves and Surplus	4	165,995,385	(5,516,946)	2,505,400	(83,267)
		929,990,834	758,478,503	14,036,537	11,447,870
Non-current liabilities					
Long term Borrowings	5	-	2,156,203	-	32,544
Deferred tax liabilities, net	6	758,108,129	758,108,129	11,442,278	11,442,278
Long term provisions	7	104,571,499	110,672,111	1,578,319	1,670,306
		862,679,628	870,936,443	13,020,597	13,145,218
Current liabilities					
Trade payables	8	104,483,192	109,296,103	1,576,986	1,649,628
Other current liabilities	9	170,402,759	156,466,219	2,571,924	2,361,576
		274,885,951	265,762,322	4,148,910	4,011,204
		2,067,558,413	1,895,177,268	31,206,044	28,604,292
ASSETS					
Non current assets					
Fixed assets					
Tangible assets	10	29,116,210	46,549,934	439,457	702,588
Intangible assets		21,937,231	32,655,896	331,103	492,882
		51,053,441	79,205,830	770,560	1,195,470
Long-term loans and advances	11	6,415,776	7,556,317	96,835	114,049
		6,415,776	7,556,317	96,835	114,049
Current assets					
Trade receivables	12	981,186,588	1,059,314,225	14,809,246	15,988,442
Cash and bank balances	13	17,827,815	39,686,878	269,070	599,002
Short term loans and Advances	14	330,307,545	30,708,597	4,985,398	463,491
Other current assets	15	680,765,248	678,705,421	10,274,926	10,243,838
		2,010,087,196	1,808,415,121	30,338,649	27,294,773
		2,067,558,413	1,895,177,268	31,206,044	28,604,292

Significant accounting policies 2

The accompanying notes from 1 to 28 form an integral part of the financial statement.

As per our report of even date attached

For SHELESH SINGHVI & CO,
Chartered Accountants
Firm's Registration No: 014792C

Shelesh Singhvi
Partner
M No: 079817
Mumbai
Date: 12/5/16

For and on behalf of the Board of Directors

Arjun Mitra Director
Venkat Raman Director

Medassist Holdings LLC.
Statement of profit and loss
for the year ended 31 March 2016

	Notes	Amount in Rupees		Amount in USD	
		For the year ended	For the year ended	For the year ended	For the year ended
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
Income					
Revenue from Operations	16	5,458,309,318	6,149,577,415	82,383,357	92,816,805
Other Income	17	(245,872)	(28,423)	(3,711)	(429)
		5,458,083,446	6,149,548,992	82,379,646	92,816,376
Expenses					
Cost of sales		39,600,680	-	597,701	-
Employee benefits expense	18	3,792,704,732	4,183,639,709	57,244,053	63,144,513
Finance cost	19	300,191,533	468,161,540	4,530,851	7,066,056
Depreciation and amortisation	10	38,577,276	45,854,797	582,255	689,077
Other expenses	20	1,115,476,894	1,156,431,623	16,838,119	17,454,253
		5,286,551,115	5,853,887,669	79,790,979	88,353,899
Profit Before Taxation		171,512,331	295,661,323	2,588,667	4,462,477
Provision for Tax					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
Profit After Taxation		171,512,331	295,661,323	2,588,667	4,462,477
Earnings per share					
Weighted average number of equity shares outstanding during the year		992	992	992	992
- Basic and diluted					
Earning per share					
- Basic and diluted		172,895	298,046	2,610	4,498

Significant accounting policies 2

The accompanying notes from 1 to 28 form an integral part of the financial statement.

As per our report of even date attached

For SHELESH SINGHVI & CO.
Chartered Accountants
Firm's Registration No: 014792C



Shelesh Singhvi
Partner
M No: 079817
Mumbai
Date: 12/5/16

For and on behalf of the Board of Directors



Arjun Mitra
Director



Venkat Raman
Director

Medassat Holdings LLC,
as at 31 March 2016

	Amount in Rupees		Amount in USD	
	31 March 2018	31 March 2015	31 March 2018	31 March 2015
Cash flow from operating activities				
Not profit before tax	171,512,331	295,661,323	2,588,667	4,402,477
Adjustments for				
Depreciation and amortisation	38,877,276	45,854,797	582,255	680,077
Provision for doubtful debts	69,701,916	20,841,868	1,062,028	314,572
Interest costs	300,191,533	488,161,540	4,530,851	7,066,056
Operating cash flow before changes in working capital	579,983,056	830,319,628	8,753,798	12,632,182
Changes in working capital				
Decrease / (Increase) in Debtors	8,425,721	(53,427,634)	127,174	(806,394)
(Increase) / Decrease in Loans and advances and other current assets	(302,074,372)	16,693,544	(4,568,325)	251,859
Increase / (Decrease) in current and other liabilities	3,023,069	(435,405,731)	45,628	(8,671,668)
Net changes in working capital	(291,225,682)	(472,139,821)	(4,395,526)	(7,126,101)
Income taxes paid	-	-	-	-
Net cash generated from operating activities (A)	288,757,474	358,179,807	4,358,272	6,400,081
Cash flow from investing activities				
Capital expenditure	(10,425,004)	(5,690,486)	(157,344)	(85,889)
Net cash used in investing activities (B)	(10,425,004)	(5,690,486)	(157,344)	(85,889)
Cash flow from financing activities				
Interest paid	(300,191,533)	(488,161,540)	(4,530,851)	(7,066,056)
Net cash used in financing activities (C)	(300,191,533)	(488,161,540)	(4,530,851)	(7,066,056)
Net increase in cash and cash equivalents (A+B+C)	(21,859,063)	(115,672,219)	(329,923)	(1,745,864)
Cash and cash equivalents at the beginning of the year*	39,666,878	155,359,097	599,002	2,344,666
Cash and cash equivalents at the end of the year*	17,827,815	39,686,878	269,079	599,002

* Refer schedule 13 for components of cash and cash equivalents.

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:

For SHELESH SINGHVI & CO.
Chartered Accountants

Firm's Registration No: 014792C

Shelesh Singhvi
Partner
IA No: 079817
Mumbai

Date: 12/5/16

For and on behalf of the Board of Directors

Arjun Mitra Venkat Raman

Arjun Mitra
Director

Venkat Raman
Director

MEDASSIST HOLDING LLC

Notes to the financial statements

as at 31 March 2016

1 Background

Medassist Holding Inc. (Medassist), a Kentucky corporation, was formed in April 2003. Medassist alongwith its subsidiaries are a leading provider of revenue cycle management services in healthcare industry. The Company is a wholly owned subsidiary of Firstsource Group USA Inc., which is a wholly owned subsidiary of Firstsource Solutions Limited, India. With effect from 1 April 2010, Firstsource Sherpa Asset LLC – an another subsidiary of Firstsource Group USA Inc., is merged with the Company. Further, the business units viz. legacy Medplans and legacy Sherpa was demerged from the Company and the resultant company Firstsource Transaction Services LLC ('the Company') was incorporated under the laws of the State of Delaware on 26 May 2011. Further with effect from October 1, 2011, Firstsource Financial Services LLC, a subsidiary of Medassist Holdings Inc. was demerged from the company.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of Medassist Holdings Inc. ('the Company') have been prepared under the historical cost convention, on accrual basis of accounting principles generally accepted in India. The Balance Sheet and Statement of profit and loss of the Company has been drawn up in the country of its incorporation (United States of America) in the terms of United States Dollar ('USD'). However, for the purpose of compliance with the requirements of Section 129(3) of the Companies Act,2013 amounts for both years in these financial statements have been translated into Indian rupees at the closing rate on 31 March 2016 which is 1 USD = Rs 66.25 No representation is made that USD amounts have been, could have been or could be converted into Indian rupees at such a rate.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Revenue recognition

Revenue from contact centre and transaction processing services comprises from both time / unit price and fixed fee based service contracts. Revenue from time / unit price based contracts is recognised as services are rendered and is billed in accordance with the contractual terms specified in the customer contracts. Revenue from fixed fee based service contracts is recognised on achievement of performance milestones specified in the customer contracts. Unbilled receivables represent costs incurred and revenues recognised on contracts to be billed in subsequent periods as per the terms of the contract.

Dividend income is recognised when the right to receive dividend is established. Interest income is recognised using the time proportion method, based on the underlying interest rates.

MEDASSIST HOLDING LLC

Notes to the financial statements as at 31 March 2016

2.4 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to acquisition and installation of the fixed assets. Depreciation on fixed assets is provided, using the straight line basis, pro rata to the period of use based on management's best estimate of useful lives of the assets (which are shorter than those prescribed under the Companies Act, 2013) 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
Intangible assets	
Goodwill on acquired assets	5 years or estimated useful life, whichever is shorter
Domain name	3
Software*	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 Companies Act 2013.

Software purchased together with the related hardware is capitalised and depreciated at the rates applicable to related assets. Intangible assets other than above mentioned software are amortised over the best estimate of the useful life from the date the assets are available for use. Further, the useful life is reviewed at the end of each reporting period for any changes in the estimates of useful life and accordingly the asset is amortised over the remaining useful life.

Software product development costs are expensed as incurred during the research phase until technological feasibility is established. Software development costs incurred subsequent to the achievement of technological feasibility are capitalised and amortised over the estimated useful life of the products as determined by the management. This capitalisation is done only if there is an intention and ability to complete the product, the product is likely to generate future economic benefits, adequate resources to complete the product are available and such expenses can be accurately measured. Such software development costs comprise expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to the development of the product.

2.5 Impairment of assets

a) Financial assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. The amount of loss for short-term receivables is measured

MEDASSIST HOLDING LLC

Notes to the financial statements

as at 31 March 2016

as the difference between the assets carrying amount and undiscounted amount of future cash flows. Reduction, if any, is recognized in the statement of profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, the recognized impairment loss is reversed, subject to maximum of initial carrying amount of the short-term receivable.

b) Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that a non financial asset including goodwill may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.6 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is, recognized in the statement of profit and loss. Foreign currency denominated assets and liabilities other than fixed assets at year end are translated at the year end exchange rates and the resulting net gain or loss is recognized in the statement of profit and loss. Non Monetary assets are carried at historical cost.

2.7 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted to the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. The tax liability is computed on a consolidated basis and hence the tax liabilities for the company have been included in the financial statements of the parent company ie. Firstsource Group USA Inc.

2.8 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 the outflow of resources would be required to settle the obligation, the provision is reversed.

MEDASSIST HOLDING LLC

Notes to the financial statements

as at 31 March 2016

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.

2.9 Leases

Operating lease

Lease rentals in respect of assets acquired under operating lease are charged off to the statement of profit and loss account as incurred.

2.10 Employee benefits

Defined contribution plans

The Company have a savings and investment plan under section 401(k) of the Internal revenue Code of the United States of America. This is a Defined contribution plan. Contribution made under the plan are charged to the statement of profit and loss in the period in which that accrue, Other retirement benefits are accrued based on the amounts payable as per local regulations.

Contributions payable to the social security, medicare and other employee related contribution as required under the State of Delaware Law are charged to the statement of profit and loss account.

Compensated absences

Provision for compensated absences cost has been made based on eligible vacation balances at balance sheet date.

Where employees of the Company are entitled to compensated absences, the employees can carry-forward a portion of the unutilized accrued compensated absence and utilise 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 increase this entitlement.

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

2.11 Investments

Investments are classified into non-current investments and current investments. Investments which are intended to be held for one year or more are classified as non-current investments and investments which are intended to be held for less than one year are classified as current investments.

Non-current investments are carried at cost less other than any temporary diminution in value, determined separately for each investment.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

MEDASSIST HOLDING LLC

Notes to the financial statements

as at 31 March 2016

2.12 Foreign Currency translation

The consolidated financial statement are reported in Indian rupees.the translation of the Local currency of each integral foreign operation into Indian rupees is performed in respect of assets and liabilities other than fixed assets, using the exchange rate in effect at the balance sheet date and for revenue and expenses items other than the depreciation costs, using average exchange rate during the Reporting period.

Fixed Assets of integral foreign operations are transaction and depreciation on fixed assets is translated at exchange rates used for translation of the underlying fixed assets.

In respect of Non – Integral subsidiaries/ operations,assets and liabilities including fixed assets are translated at exchange rates prevailing at the date of the balance sheet . The items in the consolidated statement of profit and loss are translated at the average exchange rateduring the period.Goodwill arising on the acquisition of non-integral operation is translated at exchange rates prevailing at the date of the balance sheet. The difference arising out of the translations are transferred to exchange difference on consolidated of Non- integral subsidiaries/ operations under Reserves and surplus.

2.13 Earning per share

The Basis 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 avergsge 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.

MEDASSIST HOLDING LLC.
Notes to the accounts
as at 31 March 2016

	Amount in Rupees		Amount in USD		
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	
3 Share Capital					
992 Voting Common Stock	629	629	10	10	
Net Additional Paid in Capital	629,746,421	629,746,421	9,504,889	9,504,889	
Net Retained Earnings (Prior to Acquisition)	134,248,399	134,248,399	2,026,238	2,026,238	
	763,995,449	763,995,449	11,531,137	11,531,137	
a. Reconciliation of number of common stock outstanding					
	31 March 2016			31 March 2015	
	No. of Common Stock	Amount in Rs	Amount in USD	No. of Common Stock	Amount in USD
At the commencement of the year	992	663	10	992	10
At the end of the year	992	663	10	992	10
b. Details of Common stockholders holding more than 5% common stock in the Company					
	31 March 2016		31 March 2015		
	No. of Common Stock	% of holding	No. of Common Stock	% of holding	
Firstsource Group USA Inc.	992	100	992	100	
c. Rights & Restriction attached to equity shares					
The Company has a single class of common stock. Accordingly, all common stock rank equally with regard to dividends and share in the Company's residual assets. The common stock are entitled to receive dividend as declared from time to time. The voting rights of common stockholders are in proportion to its share in the paid-up common stock capital of the Company. On winding up of the Company, the holders of common stock will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of common stock held.					
	Amount in Rupees		Amount in USD		
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	
4 Reserve and Surplus					
Balance at the beginning of the year	(5,516,946)	(301,178,269)	(83,267)	(4,545,744)	
Add : Surplus for the year	171,512,331	295,661,323	2,588,667	4,462,477	
	165,995,385	(5,516,946)	2,505,400	(83,267)	

MEDASSIST HOLDING INC.
Notes to the accounts
as at 31 March 2016

	Amount in Rupees		Amount in USD	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
5 Loan Term Borrowings				
Secured Loan				
Finance Lease Obligation	-	2,156,203		32,544
(Finance lease obligation carries interest rate in the range of 6% - 12%. This is secured by hypothecation of underlying fixed assets taken on lease)				
	-	2,156,203	-	32,544
6 Deferred Tax Liability/ (Assets), net				
On Carry forward losses	(3,576,644)	(3,576,644)	(53,983)	(53,983)
On Goodwill and other amortisations	169,288,217	169,288,217	2,555,101	2,555,101
Transfer on account of mergers / demergers	592,396,556	592,396,556	8,941,160	8,941,160
	758,108,129	758,108,129	11,442,278	11,442,278
7 Long Term Provisions				
Compensated Absences	104,571,499	110,672,111	1,578,319	1,670,396
	104,571,499	110,672,111	1,578,319	1,670,396
8 Trade payables				
Trade payables for service and goods	104,483,192	109,296,103	1,576,986	1,649,628
	104,483,192	109,296,103	1,576,986	1,649,628
9 Other current liabilities				
Current Maturities of Long Term Borrowings				
Finance Lease Obligations	2,515,549	4,381,178	37,968	66,126
Related Parties				
Payable to group companies, net	-	16,527,840	-	249,458
Others				
Employee related dues	129,744,604	119,199,901	1,958,261	1,799,108
Advance From Customer	11,370,617	-	171,619.00	-
Due to Client (Net)	5,564,181	-	83,981	-
Statutory dues	21,207,808	16,310,921	320,094	246,184
Creditors for Capital Goods	-	46,379	-	700
	170,402,759	156,466,219	2,571,924	2,361,576

MEDASSIST HOLDING LLC.

Notes to the financial statements

as at 31 March 2016

10. Fixed Assets

	Tangible Assets						Intangible assets		Total Assets
	Computers	Service equipments	Office furniture and equipment	Leasehold improvements	Total Tangible Assets	Software	Total Intangible		
Gross Block									
Opening balance	106,250,228	138,542,319	25,721,015	16,798,268	287,311,830	245,911,925	245,911,925	533,223,755	
Additions during the year	936,644	2,249,367	1,209,724	-	4,395,735	6,274,951	6,274,951	10,670,686	
Deletions / transfers during the year	2,095,459	1,629,939	-	-	3,725,398	2,590,486	2,590,486	6,315,884	
As at 31 March 2016	105,091,413	139,161,747	26,930,739	16,798,268	287,982,167	249,596,390	249,596,390	537,578,557	
Accumulated depreciation / amortization									
Opening balance	87,743,087	121,653,389	17,127,978	14,237,442	240,761,896	213,256,029	213,256,029	454,017,925	
Charge for the year	10,643,002	6,617,186	2,751,363	1,572,223	21,583,774	16,993,502	16,993,502	38,577,276	
Deletions / transfers during the year	1,858,519	1,621,194	-	-	3,479,713	2,590,372	2,590,372	6,070,085	
As at 31 March 2016	96,527,570	126,649,381	19,879,341	15,809,665	258,865,957	227,659,159	227,659,159	486,525,116	
Net Block (INR)									
As at 31 March 2015 (INR)	8,563,843	12,512,366	7,051,398	988,603	29,116,210	21,937,231	21,937,231	51,053,441	
As at 31 March 2015 (INR)	18,507,141	16,888,930	8,593,037	2,560,826	46,549,934	32,655,896	32,655,896	79,205,830	
Net Block (USD)									
As at 31 March 2015 (USD)	129,256	188,852	106,428	14,921	439,457	331,103	331,103	770,560	
As at 31 March 2016 (USD)	279,332	254,909	129,696	38,651	702,588	492,882	492,882	1,195,470	

MEDASSIST HOLDING INC.
Notes to the accounts
as at 31 March 2016

	Amount in Rupees		Amount in USD	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
11 Long term loans and advances (Unsecured, considered good)				
Deposits	6,415,776	6,415,803	96,835	96,835
Prepaid expenses	-	1,140,514	-	17,214
	6,415,776	7,556,317	96,835	114,049
12 Trade receivables (Unsecured, considered good)				
Receivables outstanding for a period exceeding six from the date they are due for payment				
- Considered good	-	-	-	-
- Considered doubtful	103,807,804	37,389,419	1,566,792	564,326
Less : Provision for bad and doubtful debts	(103,807,804)	(37,389,419)	(1,566,792)	(564,326)
	-	-	-	-
Other receivables				
- Considered good	981,186,588	1,059,314,225	14,809,246	15,988,442
- Considered doubtful	-	-	-	-
	981,186,588	1,059,314,225	14,809,246	15,988,442
13 Cash and Bank Balances				
Cash and cash equivalents				
Cash in hand	-	-	-	-
Balance with Bank				
in trust accounts, net	-	2,640,527	-	39,854
in current accounts	17,827,815	39,686,878	269,079	599,002
	17,827,815	42,327,405	269,079	638,856
Less: balance held in trust accounts	-	2,640,527	-	39,854
	17,827,815	39,686,878	269,079	599,002
14 Short term loans and advances (Unsecured, considered good)				
Related Parties				
Advance to group Companies (net)	287,903,417	-	4,345,384	-
Others				
Income tax Receivable	10,986,205	11,531,219	165,817	174,043
Prepaid expenses	27,473,895	18,126,242	414,669	273,583
Advance for Expenses	1,229,958	678,849	18,564	10,246
Advance to employees	2,714,070	372,287	40,964	5,619
	330,307,545	30,708,597	4,985,398	463,491
15 Other Current Assets (Unsecured Considered good unless otherwise stated)				
Unbilled receivables	680,765,248	676,064,960	10,274,926	10,203,984
Balance held in trust account	-	2,640,461	-	39,854
	680,765,248	678,705,421	10,274,926	10,243,838

MEDASSIST HOLDING LLC.
Schedules to the financial statements
for the year ended 31 March 2016

	Amount in Rupees		Amount in USD	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
16 Revenue From Operations				
Sale of services	5,458,309,318	6,149,577,415	82,383,357	92,816,805
	5,458,309,318	6,149,577,415	82,383,357	92,816,805
17 Other Income				
Profit / (Loss) on sale / write off of fixed assets, net	(245,872)	(28,423)	(3,711)	(429)
	(245,872)	(28,423)	(3,711)	(429)
18 Employee Benefits expense				
Salaries and wages	3,452,375,456	3,822,935,430	52,107,395	57,700,331
Contribution to Statutory and Other Funds	16,319,667	17,509,209	246,316	264,270
Staff Welfare Expenses	324,009,609	343,195,070	4,890,342	5,179,912
	3,792,704,732	4,183,639,709	57,244,053	63,144,513
19 Finance Cost				
Interest Expense	300,191,533	468,161,540	4,530,851	7,066,056
	300,191,533	468,161,540	4,530,851	7,066,056
20 Other Expenses				
Outsource cost	16,501,470	-	249,060	-
Rent,	136,861,430	147,834,450	2,065,677	2,231,295
Rates & Taxes	6,732,171	11,430,048	101,610	172,516
Bank Fees	4,702,912	8,512,509	70,982	128,481
Insurance	40,466,368	49,407,612	610,767	745,719
Traveling and Conveyance	127,788,139	159,075,340	1,928,732	2,400,956
Legal and Professional Fees	82,072,387	109,419,139	1,238,735	1,651,485
Marketing and Support Services	33,684,373	28,959,199	508,405	437,087
Communication Expenses	180,245,270	221,356,895	2,720,478	3,340,984
Information Services	121,043,181	112,317,530	1,826,929	1,695,231
Connectivity Charges	73,919,643	73,740,755	1,115,684	1,112,984
Common Corporate Expenses	65,025,108	64,387,934	981,437	971,820
Printing and Stationary	19,653,515	21,552,510	296,635	325,294
Books and Periodicals	-	-	-	-
Miscellaneous Expenses	-	240,042	-	3,623
Charitable Contribution	138,870	1,909,602	2,096	28,822
Upkeep and Maintenance	29,339,172	15,966,461	442,822	240,985
Car Hire Charges and Other Hire Charges	33,233,641	14,770,890	501,602	222,940
Computer and software Expenses	44,406,685	46,488,748	670,239	701,664
Bad Debts / Provision for Doubtful Accounts	69,701,916	20,841,968	1,052,025	314,572
Recruitment / Training Expense	20,597,486	38,780,310	310,882	585,319
Electricity, Water and Power Consumption	9,363,157	9,439,681	141,322	142,475
	1,115,476,894	1,156,431,623	16,836,119	17,454,253

MEDASSIST HOLDING LLC.

Notes to the accounts as at 31 March 2016

20. Leases

Operating Lease

The Company has taken office facilities under non cancelable operating leases. The Company intends to renew such lease in the normal course of its business. Rental expenses under non-cancelable operating leases aggregating to Rs. 93,566,284 equivalent to USD 1,412,215 (31 March 2015: Rs.102,015,275 equivalent to USD 1,539,737) have been debited to the profit and loss account.

The future minimum lease payments in respect of non-cancelable operating leases are as follows:

	Amount in Rupees		Amount in USD	
	2016	2015	2016	2015
Amount due within one year from the balance sheet date	7,27,57,415	145,625,641	1,098,142	2,197,957
Amount due in the period between one year and five years	256,979,464	440,796,238	3,878,643	6,653,026
	<u>329,736,879</u>	<u>586,421,879</u>	<u>4,976,785</u>	<u>8,850,983</u>

Rental expenses under cancelable operating leases aggregating to Rs 63,555,320.77 equivalent to USD 9,59,253 (31 March 2015: Rs. 45,819,175.29 equivalent to USD 691,558) have been debited to the profit and loss account.

Finance Lease

The Company has acquired certain Capital assets under finance lease. Future minimum lease payments under finance lease as at 31 March 2016 are as follows :

	Amount in Rupees		Amount in USD	
	2016	2015	2016	2015
Amount due within one year from the balance sheet date	2,515,549	4,381,178	37,968	66,126
Amount due in the period between one year and five years	-	2,156,203	-	32,544
	<u>2,515,549</u>	<u>6,537,381</u>	<u>37,968</u>	<u>98,670</u>

MEDASSIST HOLDING LLC.

Notes to the accounts

as at 31 March 2016

21. Transfer pricing

The Company's management is of the opinion that its international transactions with related parties are at arms length and that the Company is in compliance with the transfer pricing legislation. Accordingly, the company's management believes that the transfer pricing legislation will not have any impact on the financial statements for the year ended 31 March 2016, particularly on the amount of tax expense and that of the provision for taxation.

22. Capital commitments

The Company has capital commitments of Rs 1,781,374 in USD 26,886.64 (31 March 2015: Rs 48,342,761 in USD 729,647) as at the balance sheet date.

23. Supplementary statutory information (accrual basis)

	31 March 2016	31 March 2015
(i). <i>Earnings in foreign exchange</i>		
Income from services	-	-
Other income	-	-
(ii). <i>Expenditure in foreign currency</i>		
Travel and conveyance	-	-
Employee cost	-	-
Postage and stationery	-	-
Other expenses	-	-

24. Segmental Reporting

The company has no separate identifiable segment and in accordance with paragraph 4 of Accounting Standard 17 "Segment Reporting" prescribed in the companies (Accounting Standards) Rules, 2006, issued by the central government, the Company has presented segmental information in the consolidated financial statements (refer note 30 of the consolidated financial statements

MEDASSIST HOLDING LLC.

Notes to the accounts
as at 31 March 2016

25. Related Party Transactions

Details of related parties including summary of transactions entered into during the year ended 31 March 2016 are summarized below:

Holding Company	
Parties with substantial interests	<ul style="list-style-type: none">• Firstsource Group USA Inc.• Firstsource Solutions Limited• Firstsource BPO Ireland Limited• Firstsource Advantage LLC• Firstsource Solution UK Limited• Firstsource Process Management Services Limited (earlier known as Anunta Tech Infrastructure Services)• Firstsource Solutions S.A• Firstsource Dialog Solutions (Private) Ltd.• Firstsource Business Process Services LLC• Firstsource Solutions USA LLC (earlier known as MedAssist LLC)• One Advantage LLC• Firstsource Transaction Services LLC
Directors	<ul style="list-style-type: none">• Arjun Mitra• Venkat Raman

MEDASSIST HOLDING LLC.

**Notes to the accounts
as at 31 March 2016**

26. Contingent liabilities


The Company has no contingent liabilities as at the balance sheet date consolidated financial statements

27 Micro, Small and Medium scale Business entities:

The Company is a foreign company and is not governed by the provisions of Micro, Small and Medium Scale Development Act, 2006 Hence disclosure under the act are not applicable.

28. Previous year's figures have been appropriately regrouped/ reclassified to conform to current year's presentation.

**For SHELESH SINGHVI & CO.
Chartered Accountants
Firm's registration no: 014792C**

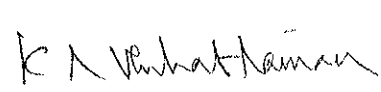

**Shelesh Singhvi
Partner
Membership No: 014792C**

Mumbai

Date: 12/5/16

For and on behalf of the Board of Directors


**Arjun Mitra
Director**


**Venkat Raman
Director**