One Advantage LLC

Financial statements
together with the Independent Auditors' Report
for the year ended 31 March 2017

One Advantage LLC

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for the year ended 31 March 2017

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Balance sheet
as at 31 March 2017

	Note	Amount in USD 31 March 2017	31 March 2016	1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	*4*	**137,278**	117,969	-
Capital work-in-progress		-	1,953	-
Total non-current assets		**137,278**	119,922	-
Current assets				
Financial assets				
Trade receivables	*7*	**1,377,194**	1,072,931	-
Cash and cash equivalents	*8*	**394,453**	649,165	25,798
Other financial assets	*5*	**27,678**	36,976	-
Other assets	*6*	**3,872,231**	1,065,871	582,816
Total current assets		**5,671,556**	2,824,943	608,614
Total assets		**5,808,834**	2,944,865	608,614
EQUITY AND LIABILITIES				
Equity				
Equity share capital	*9*	-	-	-
Other equity	*B*	**4,960,376**	1,999,193	25,000
Total equity		**4,960,376**	**1,999,193**	**25,000**
LIABILITIES				
Current liabilities				
Financial liabilities				
Trade and other payables	*10*	**360,069**	527,762	-
Other liabilities	*11*	**31,518**	-	-
Provisions for employee benefits	*12*	**142,045**	138,419	142,881
Other liabilities	*13*	**314,826**	279,491	440,733
Total current liabilities		**848,458**	945,672	583,614
Total equity and liabilities		**5,808,834**	2,944,865	608,614

Significant accounting policies *2*

The accompanying notes from 1 to 22 are an integral part of these financial statements.

As per our report of even date attached.

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

Shelesh Singhvi
Partner
Membership No: 079817
May 5, 2017
Mumbai

Shelesh Singhvi & Co. Chartered Accountants Mumbai

For and on behalf of the Board of Directors

Arjun Mitra
Director

Thomas Estopare
Director

One Advantage LLC
Statement of profit and loss
for the year ended 31 March 2017

		Amount in USD	
		Year ended	
	Note	**31 March 2017**	31 March 2016
INCOME			
Revenue from operations	*14*	**13,531,455**	12,559,064
Total income		**13,531,455**	12,559,064
EXPENSES			
Cost Of Sales		**10,288**	8,043
Employee benefits expense	*15*	**6,317,861**	6,768,185
Depreciation and amortization	*4(i),(ii)*	**54,894**	40,754
Other expenses	*16*	**4,187,229**	3,767,889
Total expenses		**10,570,272**	10,584,871
Profit before taxation		**2,961,183**	1,974,193
Tax expense			
Profit for the year		**2,961,183**	1,974,193
Other comprehensive income		-	-
Total other comprehensive income for the year		**2,961,183**	1,974,193

Significant accounting policies *2*

The accompanying notes from 1 to 22 are an integral part of these financial statements.

As per our report of even date attached.

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

Shelesh Singhvi & Co. Chartered Accountants Mumbai

Shelesh Singhvi
Partner
Membership No: 079817
May 5, 2017
Mumbai

For and on behalf of the Board of Directors

Arjun Mitra
Director

Thomas Estopare
Director

One Advantage LLC
Statement of changes in equity
for the year ended 31 March 2017

B. Equity share capital and other equity

Particulars	Attributable to owners of the Company		Total
	Equity share capital	Reserve and surplus	
		Retained earnings	
Balance as at 1 April 2016	-	1,999,193	1,999,193
Profit for the period	-	2,961,183	2,961,183
Balance at the end of the 31 March 2017	**-**	**4,960,376**	**4,960,376**

Particulars	Attributable to owners of the Company		Total
	Equity share capital	Reserve and surplus	
		Retained earnings	
Balance as at 1 April 2015	-	25,000	25,000
Profit for the year	-	1,974,193	1,974,193
Balance at the end of the 31 March 2016	**-**	**1,999,193**	**1,999,193**

As per our report of even date attached.

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

Shelesh Singhvi
Partner
Membership No: 079817
May 5, 2017
Mumbai

Shelesh Singhvi & Co. Chartered Accountants Mumbai

For and on behalf of the Board of Directors

Arjun Mitra
Director

Thomas Estopare
Director

One Advantage LLC

Statement of cash flows

for the year ended 31 March 2017

	Amount in USD	
	31 March 2017	31 March 2016
Cash flow from operating activities		
Profit before tax	**2,961,183**	1,974,193
Adjustments for		
Depreciation and amortisation	**54,894**	40,754
Provision for doubtful debts written off / (written back)	**32**	(1,182)
Operating cash flow before changes in working capital	**3,016,109**	2,013,765
Changes in working capital		
Decrease / (increase) in trade receivables	**(304,295)**	(1,071,749)
Decrease / (increase) in loans and advances and other assets	**(2,797,062)**	(520,031)
(Decrease) / Increase in liabilities and provisions	**(97,214)**	362,058
Net changes in working capital	**(3,198,571)**	(1,229,722)
Income taxes paid	**-**	-
Net cash used in operating activities (A)	**(182,462)**	784,043
Cash flow from investing activities		
Purchase of property plant and equipment and capital advances given	**(72,250)**	(160,676)
Net cash (used in) / generated from investing activities (B)	**(72,250)**	(160,676)
Cash flow from financing activities	**-**	-
Net cash generated from financing activities (C)	**-**	-
Net decrease in cash and cash equivalents at the end of the year (A+B+C)	**(254,712)**	623,367
Cash and cash equivalents at the beginning of the year	**649,165**	25,798
Cash and cash equivalents at the end of the year	**394,453**	649,165

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:

	31 March 2017	**31 March 2016**
Cash on hand	**-**	-
Balances with banks	**394,453**	649,165
Cash and cash equivalents	**394,453**	649,165

As per our report of even date attached.

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

Shelesh Singhvi
Partner
Membership No: 079817
May 5, 2017
Mumbai

Shelesh Singhvi & Co.
Chartered Accountants
Mumbai

For and on behalf of the Board of Directors

Arjun Mitra
Director

Thomas Estopare
Director

1 Company overview

One Advantage LLC was incorporated under the laws of the State of Delware on 6th August'2014 for the purpose of providing debt collection services mainly of healthcare business throughout the United States. Credit is granted to primarily all of its customers.

The Company is a wholly owned subsidiary of Firstsource Business Process Services LLC ('the Company') was incorporated under the laws of the State of Delaware on November 25, 2009. Which is a wholly owned subsidiary of Firstsource Group USA, Inc, incorporated in the state of Delaware, USA (who have the voting rights in the Company), which is a wholly owned subsidiary of Firstsource Solutions Ltd, a company incorporate in India.

2 Significant accounting policies

2.1 Basis of Preparation and Statement of compliance with IND AS

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and description of the effects of the transition have been summarized in Note 3.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Ultimate Holding Company has adopted Indian Accounting Standards(IND AS) notified under Sec 133 read with Rule 4A of the Company (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013 (Collectively, IND AS), with effect from April 1, 2016 and is required to prepare its financial statements in accordance with Ind AS for the year ended March 31, 2017. Accordingly as per the requirements of Section 129(3) of the Act, these financial statements of the Company has been prepared in the same form and manner as that of its Ultimate Holding Company.

The financial statements 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').

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 recognised 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 Use of estimates

2.2.1 Critical accounting estimates

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 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.

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2 Significant accounting policies *(continued)*

2.3 Revenue recognition

Revenue from operations comprises debt collection services to major credit card issuers and banks and is billed in accordance with the contractual terms specified in the respective.

Customer contracts. Revenue from fixed fee based service contracts is recognized on achievement of performance milestones specified in the customer contracts.

Unbilled receivables represent costs incurred and revenues recognized on contracts to be billed in subsequent periods as per the terms of the contract.

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

Interest income is recognized using the time proportion method, based on the underlying interest rates.

2.4 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
Intangible assets	
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 Companies Act, 2013.

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

The Company has elected to apply fair value method on transition for Leasehold improvements as permitted under Ind AS 16 - Property, plant and equipments.

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2 Significant accounting policies *(continued)*

2.5 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 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.

2.6 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 by 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 Income tax and deferred 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.

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Mumbai

2 Significant accounting policies *(continued)*

2.8 *Employee benefits*

Defined contribution plans

The Companies having 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 accure. 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 contributions as required under the State of New york are charged to the statement of profit and loss.

Other long-term employee benefits

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.

2.9 *Leases*

Finance lease

Assets acquired on finance leases, including assets acquired under sale and lease back transactions, have been recognised as an asset and a liability at the inception of the lease and have been recorded at an amount equal to the lower of the fair value of the leased asset or the present value of the future minimum lease payments. Such leased assets are depreciated over the lease term or its estimated useful life, whichever is shorter. Further, the instalments of minimum lease payments have been apportioned between finance charge / expense and principal repayment. Assets given on finance lease are shown as amounts recoverable from the lessee. The rentals received on such leases are apportioned between the finance income and principal amount using the implicit rate of return.

The finance charge / (income) is recognised as income, and principal received is reduced from the amount receivable. All initial direct costs incurred are included in the cost of the asset.

Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term, unless the increase is on account of inflation, in the statement of profit and loss.

2.10 *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.

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2 Significant accounting policies *(continued)*

2.11 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.

Contingent assets are not recognised 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 recognised in the period in which the change occurs.

2.12 Financial instruments

2.12.1 Initial recognition

Financial assets and liabilities are recognised 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.

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.

2.12.2 Classification and subsequent measurement

i) 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.

ii) 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.

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Chartered Accountants
Mumbai

2 Significant accounting policies *(continued)*

2.12 Financial instruments (continued)

2.12.2 Classification and subsequent measurement (continued)

iii) 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 recognised in statement of profit and loss.

iv) 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

v) 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 recognised by the Company at the proceeds received net of direct issue cost.

2.12.3 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.

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-recognised from the Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

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 realized. For all other financial instruments, the carrying amounts approximate the fair value due to short maturity of those instruments.

2.13 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 item 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.

2.14 Onerous contracts

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company 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.

Shelesh Singhvi & Co.
Chartered Accountants
Mumbai

One Advantage LLC

Notes to the financial statements *(continued)*

as at 31 March 2017

3) First-time adoption of Ind AS

These financial statements of One Advantage LLC for the year ended 31 March 2017 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with 1 April 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2017 and the comparative information. An explanation of how the transition from IGAAP to Ind AS has affected the Company's balance sheet and statement of profit and loss is set out in Notes 3.1 and 3.2.

3.1) Reconciliation of equity as previously reported under IGAAP to Ind AS

		Opening balance sheet as at 1 April 2015			Balance sheet as at 31 March 2016		
	Note	IGAAP	Effect of transition to Ind AS	IND AS	IGAAP	Effect of transition to Ind AS	IND AS
ASSETS							
Non-current assets							
Property, plant and equipment		-		-	117,969		117,969
Capital work-in-progress		-		-	1,953		1,953
Total non-current assets		-	-	-	119,922	-	**119,922**
Current assets							
Financial assets							
Trade receivables		-		-	1,072,931		1,072,931
Cash and cash equivalents		25,798		25,798	649,165		649,165
Other financial assets		-		-	36,976		36,976
Other current assets	*a*	582,816	-	582,816	1,536,630	470,759	1,065,871
Total current assets		608,614	-	608,614	3,295,702	**470,759**	**2,824,943**
Total assets		608,614	-	608,614	3,415,624	**470,759**	**2,944,865**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		-		-	-		-
Other equity	*a*	25,000	-	25,000	2,469,952	470,759	1,999,193
Total equity attributable to equity share holders of the company		25,000	-	25,000	2,469,952	470,759	1,999,193
LIABILITIES							
Current liabilities							
Financial liabilities							
Trade and other payables		-	-	-	527,762	-	527,762
Provision for employee benefits		142,881		142,881	138,419		138,419
Other liabilities		440,733		440,733	279,491		279,491
Total current liabilities		583,614	-	583,614	945,672	-	**945,672**
Total equity and liabilities		608,614	-	608,614	3,415,624		**2,944,865**

a. On application of Ind AS 18, the Company aligned its revenue recognition relating to collections business.

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Chartered Accountants
Mumbai

3.2) Reconciliation of statement of profit and loss as previously reported under IGAAP to Ind AS

		Year ended 31 March 2016		
	Note	**IGAAP**	**Effect of transition to Ind AS**	**Ind AS**
Income				
Revenue from operations	a	13,029,823	470,759	12,559,064
Other income		-	-	-
Total income		**13,029,823**	**470,759**	**12,559,064**
Expenses				
Cost Of Sales		8,043	-	8,043
Employee benefits expense		6,768,185	-	6,768,185
Depreciation and amortisation		40,754	-	40,754
Other expenses		3,767,889	-	3,767,889
Total expenses		**10,584,871**	-	**10,584,871**
Profit before taxation		**2,444,952**	**470,759**	**1,974,193**
Tax expenses				
- Current tax		-	-	-
- Deferred tax		-	-	-
Profit for the period		**2,444,952**	**470,759**	**1,974,193**
Other comprehensive income				
Items that will not be subsequently classified to profit or loss				
Remeasurement of the net defined benefit liability/asset		-	-	-
Items that will be subsequently classified to profit or loss		-	-	-
Net changes in fair value of cash flow hedges		-	-	-
Exchange difference on translation of foreign operations		-	-	-
Total comprehensive income for the period		**2,444,952**	**470,759**	**1,974,193**

Explanations for reconciliation of balance sheet and statement of profit and loss as previously reported under IGAAP to IND AS

a. On application of Ind AS 18, the Company aligned its revenue recognition relating to collections business.

Shelesh Singhvi & Co.
Chartered Accountants
Mumbai

One Advantage LLC

Notes to the financial statements *(continued)*

as at 31 March 2017

4) Property, plant and equipment

(Amount in USD)

Particulars	Tangible Asset						Intangible Asset	Grand Total
	Computers	Network	Office Equipment	Furniture & Fixture	Leasehold	Total	Software	
Gross block (at deemed cost)								
As at 1 April 2016	595,531	527,474	199,205	336,112	154,316	1,812,638	-	**1,812,638**
Additions / adjustments during the year	2,707	23,147	24,544	23,804		74,202		**74,202**
Deletions during the year						-		-
As at 31 March 2017	**598,238**	**550,621**	**223,749**	**359,916**	**154,316**	**1,886,840**	-	1,886,840
Accumulated depreciation / amortization								
As at 1 April 2016	586,566	503,008	169,146	334,723	101,225	1,694,668	-	**1,694,668**
Charge for the year	5,099	12,592	12,424	3,661	21,118	54,894	-	**54,894**
On deletions / adjustments during the year						-		-
As at 31 March 2017	**591,665**	**515,600**	**181,570**	**338,384**	**122,343**	**1,749,562**	-	**1,749,562**
Net block								
As at 31 March 2017	**6,573**	**35,021**	**42,179**	**21,532**	**31,973**	**137,278**	-	**137,278**
As at 31 March 2016	8,965	24,466	30,059	1,389	53,091	117,969	-	117,969

(Amount in USD)

Particulars	Tangible Asset						Intangible Asset	Grand Total
	Computers	Network	Office Equipment	Furniture & Fixture	Leasehold	Total	Software	
Gross block (at deemed cost)								
As at 1 April 2015						-		-
Transfer from FAL	595,531	527,474	188,860	334,782	154,316	1,800,963	341,381	**2,142,344**
Addition during the year			10,345	1,330		11,675		**11,675**
Deletions during the year						-		-
As at 31 March 2016	**595,531**	**527,474**	**199,205**	**336,112**	**154,316**	**1,812,638**	**341,381**	2,154,019
Accumulated depreciation / amortization								
As at 1 April 2015						-		-
Transfer from FAL	579,559	495,005	161,325	334,625	83,627	1,654,141	341,154	**1,995,295**
Charge for the year	7,007	8,003	7,821	98	17,598	40,527	227	**40,754**
On deletions / adjustments during the year						-		-
						-		
As at 31 March 2016	**586,566**	**503,008**	**169,146**	**334,723**	**101,225**	**1,694,668**	**341,381**	**2,036,049**
Net block								
As at 31 March 2016	**8,965**	**24,466**	**30,059**	**1,389**	**53,091**	**117,969**	-	**117,969**
As at 31 March 2015	-	-	-	-	-	-	-	-

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	Amount in USD		
	31 March 2017	31 March 2016	1 April 2015
5) Other financial assets			
Other current financial assets			
Receivable held in Trust	**27,678**	36,976	-
Unbilled receivables	-	-	-
	27,678	36,976	-
Financial assets carried at amortised cost	**27,678**	36,976	-
6) Other assets			
Other current assets			
Advances to Group Companies (Net)	**3,821,685**	1,031,266	580,254
Prepaid expenses	**50,546**	34,605	2,562
	3,872,231	1,065,871	582,816
7) Trade receivables			
(Unsecured)			
Considered doubtful	**32**	1,182	-
	32	1,182	-
Less: Impairment allowance	**32**	1,182	-
	-	-	-
Considered good	**1,377,194**	1,072,931	-
	1,377,194	1,072,931	-
8) Cash and cash equivalents			
Cash on hand			
Balances with banks			
in Trust accounts	**27,679**	36,976	-
in current accounts	**394,453**	649,165	25,798
	422,132	686,141	25,798
Less: Current account balance held in trust for customers	**(27,679)**	(36,976)	-
	394,453	649,165	25,798

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One Advantage LLC

Notes to the financial statements *(continued)*

as at 31 March 2017

	Amount in USD		
	31 March 2017	31 March 2016	1 April 2015
9) Share capital			
a) Issued, subscribed and paid-up	-	-	-
	-	-	-

b) Particulars of voting rights holding more than 5%

	31 March 2017 % of Holding	31 March 2016 % of Holding	1 April 2015 % of Holding
Firstsource Business Process Services LLC	**100**	100	100

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One Advantage LLC
Notes to the financial statements *(continued)*
as at 31 March 2017

		Amount in USD		
		31 March 2017	31 March 2016	1 April 2015
10)	**Trade Payables**			
	Trade Payables	**360,069**	527,762	-
		360,069	527,762	-
11)	**Other Financial Liabilities**			
	Book Credit in Bank	**31,518**	-	-
		31,518	-	-
12)	**Provision for employee benefits**			
	Current			
	Compensated absences	**142,045**	138,419	142,881
		142,045	138,419	142,881
13)	**Other liabilities**			
	Other current liabilities			
	Amount payable to subsidiary		-	35,000
	Statutory Dues	**19,839**	30,588	23,096
	Employee benefits payable	**270,308**	214,927	382,637
	Payable to Client	**24,679**	33,976	-
		314,826	279,491	440,733

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		Amount in USD Year ended 31 March 2017	31 March 2016
14)	**Revenue from operations**		
	Sale of services	**13,531,455**	12,549,028
	Miscellaneous income	-	10,036
		13,531,455	12,559,064
15)	**Employee benefits expense**		
	Salaries and wages	**5,647,070**	6,253,074
	Contribution to statutory and other funds	**37,538**	35,819
	Staff welfare expenses	**633,253**	479,292
		6,317,861	6,768,185
16)	**Other expenses**		
	Rent	**391,702**	351,273
	Repairs, maintenance and upkeep	**46,626**	38,085
	Insurance	**3,198**	100
	Rates and taxes	**13,611**	4,028
	Legal and professional fees	**1,300,719**	1,149,558
	Car and other hire charges	**39,126**	23,171
	Information and communication expenses	**1,460,846**	1,427,371
	Meeting and seminar expenses	**25,019**	5,456
	Travel and conveyance	**44,220**	52,793
	Computer expenses	**391,055**	288,271
	Printing and stationery	**28,991**	23,704
	Registration and Membership fees	**28,568**	24,818
	Provision for doubtful debts/ written off/ (written back), net	**32**	(1,182)
	Bank administration charges	**411,226**	374,609
	Charitable Contribution	**1,438**	5,179
	Miscellaneous expenses	**852**	655
		4,187,229	3,767,889

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One Advantage LLC
Notes to the financial statements (continued)
for the year ended 31 March 2017

17) Financial instruments

I. Financial instruments by category:

The carrying value and fair value of financial instruments by categories as of 31 March 2017 were as follows:

(Amount in USD)

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Trade receivables	**1,377,194**	-	-	**1,377,194**	**1,377,194**
Cash and cash equivalents	**394,453**	-	-	**394,453**	**394,453**
Other financial assets	**27,678**	-	-	**27,678**	**27,678**
Total	**1,799,325**	-	-	**1,799,325**	**1,799,325**
Financial liabilities					
Trade and other payables	**360,069**	-	-	**360,069**	**360,069**
Book Credit in Bank	**31,518**	-	-	**31,518**	**31,518**
Total	**391,587**	-	-	**391,587**	**391,587**

The carrying value and fair value of financial instruments by categories as of 31 March 2016 were as follows:

(Amount in USD)

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Trade receivables	1,072,931		-	1,072,931	1,072,931
Cash and cash equivalents	649,165		-	649,165	649,165
Other financial assets	36,976		-	36,976	36,976
Total	1,759,072	-	-	1,759,072	1,759,072
Financial liabilities					
Trade and other payables	527,762		-	527,762	527,762
Total	527,762	-	-	527,762	527,762

The carrying value and fair value of financial instruments by categories as of 1 April 2015 were as follows:

(Amount in USD)

	Amortized cost	FVTPL	FVOCI	Total carrying amount	Total fair value
Financial assets					
Cash and cash equivalents	25,798		-	25,798	25,798
Total	25,798	-	-	25,798	25,798

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17) Financial instruments *(continued)*

II 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 in the US and there is no major transactions outside the US, so there is no major market risk for the Company.

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 USD 1,377,194, USD 1,072,931 and Nil as of 31 March 2017, 31 March 2016 and 1 April 2015 respectively and unbilled revenue Nil. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in the United States, United Kingdom 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.

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 table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2017, 31 March 2016 and 1 April 2015:

(Amount in USD)

	31 March 2017		31 March 2016		01 April 2015	
	Less than 1 Year	**More than 1 year**	Less than 1 Year	More than 1 year	Less than 1 Year	More than 1 year
Trade payables	**360,069**	-	527,762	-	-	-
Book credit in bank account	**31,518**	-	-	-	-	-

18) Leases

Operating lease

The Company is obligated under non-cancellable operating leases for office space and office equipment which are renewable on a periodic basis at the option of both the lessor and lessee. Expenses under non-cancellable operating leases for the year ended 31 March 2017 aggregated to USD 391,702 (31 March 2016: USD 351,273) have been debited to the profit and loss account.

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

(Amount in USD)

	As at 31 March 2017	As at 31 March 2016
Amount due within one year from the	**388,176**	463,849
Amount due in the period between one year	**233,435**	1,926,014
Amount due in the period beyond five years		1,080,672
	621,611	3,470,535

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One Advantage LLC

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

20) Segment reporting

As per Ind AS 108 - Operating Segment, 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 - Operating Segment has been given in the consolidated financial statements of the Ultimate Holding Company.

21) Capital and other commitments and contingent liabilities

The Company has capital commitments of USD 1,183 (31 March 2016: USD 52,542) as at the balance sheet date.Their are no contingent liabilities as at the balance sheet date.

22) Subsequent events

The Company evaluated subsequent events from the balance sheet date through 5 May 2017 and determined there are no material items to report.

As per our report of even date attached.

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

Shelesh Singhvi
Partner
Membership No: 079817
May 5, 2017
Mumbai

Shelesh Singhvi & Co.
Chartered Accountants
Mumbai

For and on behalf of the Board of Directors

Arjun Mitra
Director

Thomas Estopare
Director