

SPEN LIQ PRIVATE LIMITED

DIRECTORS' REPORT

Your directors present their Eighteenth Annual Report together with the Audited Accounts for the year ended 31 March, 2014.

Financial Results

| | <i>(Rs.)</i> | |
|---|--------------------|--------------------|
| | 2013-14 | 2012-13 |
| (Loss) / Profit before Taxation | (16,847) | 2,90,01,130 |
| Provision for Income Tax for the Current year | 48,633 | 1,71,00,000 |
| (Loss) / Profit after Tax | 1,19,01,130 | 1,19,01,130 |
| Balance Profit brought forward from previous year | (65,480) | (4,19,595) |
| Balance carried down to Balance Sheet | 1,14,16,055 | 1,14,81,535 |

Holding Company

The Company became a wholly owned subsidiary of CESC Limited ("CESC") with effect from 9 October, 2012, when CESC acquired 100% shares of the Company.

Subsidiaries

The Company is holding 56.86% of the total equity capital of Firstsource Solutions Limited (FSL) comprising of 373976673 shares.

As on 31 March 2014, the Company along with FSL had the following subsidiaries:

1. Firstsource Group USA, Inc.
2. Firstsource BPO Ireland Ltd.
3. Firstsource Solutions UK Ltd.
4. Anunta Tech Infrastructure Services Ltd.
5. Firstsource-Dialog Solutions Pvt. Ltd.
6. MedAssist Holding, Inc.
7. Firstsource Business Process Services, LLC
8. Firstsource Solutions USA, LLC
9. Firstsource Advantage, LLC.
10. Firstsource Transaction Services, LLC
11. Twin Lakes Property LLC (Twinlakes-I)
12. Twin Lakes Property LLC (Twinlakes-II)

FSL is India's fifth largest BPO Company. FSL has a total employee strength of around 31,000 spread across 47 delivery centres in India, US, UK, Ireland, Sri Lanka and Philippines. The Company serves over 100 global clients- including 21 Fortune 500 companies and 9 FTSE 100 companies predominantly in three core industry verticals:

- Healthcare
- Telecom and Media
- Banking, Financial Services and Insurance

A statement pursuant to Sec 212 is annexed and forms a part of this report.

Share Capital

The issued and paid up Share capital of the Company increased from Rs 470,02,80,500/- to Rs 471,02,80,500/- by issue of 10,00,000 new Equity Shares of Rs.10/- each to CESC Limited, its holding company.

Dividend

Your Directors do not recommend any dividend for the year under review, keeping in view the Company's future growth prospect.

Directors

Mr. Subhasis Mitra retires by rotation and, being eligible, offers himself for re-appointment.

Manager

Mr. Manoj Kr. Roy has been re-appointed as Manager of the Company in terms of the provisions of Section 269 of the Companies Act, 1956 (' the Act'), subject to approval of the Shareholders.

Particulars of Employees

The provisions of Section 217(2A) of the Act are not attracted.

Audit Committee

The Audit Committee of the Board of Directors consists of Mr. S. Talukdar Mr. S. Mitra and Mr. H. Toshniwal.

Public Deposits

The Company has neither received nor accepted any deposits within the meaning of Section 58A of the Act and Rules made thereunder.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

During the year under review, the Company has not carried out any manufacturing activity and hence not consumed energy of any significant level. There was not much scope for taking any measures for energy conservation or for making any additional investment for reduction of energy consumption. There was no technology absorption nor any foreign exchange earning or outgo during the year.

Director's Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- i) in the presentation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year 2012-13;
- iii) proper and sufficient care had been taken for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts had been prepared on a going concern basis.

Auditors

Messrs Bose & Chakrabarti, Chartered Accountants, the Auditors of the Company, retire at the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

On behalf of the Board of Directors

Sd/- S.Talukdar
Director

Sd/- H. Toshniwal
Director

Kolkata, 27 May, 2014

Mobile:- 8017028726
9836829601

BOSE & CHAKRABARTI
CHARTERED ACCOUNTANTS
16/C, SACHIN MITRA LANE
KOLKATA- 700 003

Auditors' Report to the Members of SPEN LIQ PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of SPEN LIQ PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) in our opinion, the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and

e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: Kolkata

Date: 27th May, 2014.



For BOSE & CHAKRABARTI
Chartered Accountants

F.R. No. 322138E

D. Majumdar
D. Majumdar

Partner

Membership No. - 13714

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of SPEN LIQ PRIVATE LIMITED. On the accounts of the company for the year ended 31st March, 2014.

1. The company does not have any fixed assets and accordingly clause (i)(a) to (i)(c) of Paragraph 4 of the Companies (Auditors' Report) (Amendment) Order, 2004 is not applicable.
2. The company does not have any inventory and accordingly clause (ii)(a) to (ii)(c) of Paragraph 4 of the Companies (Auditors' Report) (Amendment) Order, 2004 is not applicable.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. The company does not have any inventory, fixed assets and sale of goods and services and accordingly clause (iv) of Paragraph 4 of the Companies (Auditors' Report) (Amendment) Order, 2004 is not applicable.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that section.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax and professional tax as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at 31st March 2014 but has incurred cash losses during the financial year covered by our audit. However the Company has not incurred cash losses in the immediately preceding year
11. According to the records of the Company examined by us and the information and explanations given to us, during the year the Company has not obtained any loan from any financial institution or bank or debenture holders.



12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. The company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year and does not have any debentures outstanding at the year end.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by Company, noticed or reported during the year, nor have been informed of any such case by the Management.

For BOSE & CHAKRABARTI
Chartered Accountants
F.R. No. 322138E

D. Majumdar
D. Majumdar
Partner

Membership No. - 13714

Place: Kolkata

Date: 27th May, 2014.



SPEN LIQ PRIVATE LIMITED

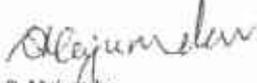
Registered Office: 31, Netaji Subhas Road, Kolkata-700001

Balance Sheet as at 31st March, 2014

| Particulars | Note No. | As at 31st March, 2014 | As at 31st March, 2013 |
|---|----------|------------------------|------------------------|
| | | Rs. | Rs. |
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share Capital | 2.1 | 4,71,02,80,500 | 4,70,02,80,500 |
| Reserves and Surplus | 2.2 | 1,14,16,055 | 1,14,81,535 |
| Share Application Money Pending Allotment | 2.3 | - | 2,02,00,000 |
| Current liabilities | | | |
| Other Current Liabilities | 2.4 | 3,80,154 | 2,64,21,058 |
| Short Term Provisions | 2.5 | 41,336 | 1,19,45,614 |
| TOTAL | | 4,72,21,18,045 | 4,77,03,28,707 |
| II. ASSETS | | | |
| Non-current assets | | | |
| Non-Current investments | 2.6 | 4,71,69,71,150 | 4,71,69,71,150 |
| Current assets | | | |
| Cash and bank balances | 2.7 | 51,46,895 | 5,24,08,899 |
| Other Current Assets | 2.8 | - | 9,48,658 |
| TOTAL | | 4,72,21,18,045 | 4,77,03,28,707 |
| Significant Accounting Policies | 1 | | |
| Notes 1 - 2.16 form an integral part of the Accounts. | | | |

This is the Balance Sheet referred to in our Report of even date.

For Bose & Chakrabarti
Firm Registration Number - 322138E
Chartered Accountants


D. Majumdar
Partner
Membership Number 13714

For and on behalf of the Board of Directors

  
Director Director Manager

Place: Kolkata
Date: 27-05-2014



SPEN LIQ PRIVATE LIMITED

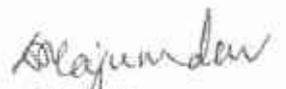
Registered Office: 31, Netaji Subhas Road, Kolkata-700001

Statement of Profit and Loss for the year ended 31st March, 2014

| Particulars | Note No. | 2013-14 Rs. | 2012-13 Rs. |
|---|----------|-----------------|--------------------|
| Other Income | 2.9 | 1,57,389 | 5,15,43,846 |
| Revenue | | <u>1,57,389</u> | <u>5,15,43,846</u> |
| Expenses | | | |
| Other expenses | 2.10 | 55,902 | 2,25,42,716 |
| Employee Benefit Expenses | 2.11 | 1,18,334 | |
| | | <u>1,74,236</u> | <u>2,25,42,716</u> |
| Profit /(Loss) before tax | | <u>(16,847)</u> | <u>2,90,01,130</u> |
| Tax expenses: | | | |
| Current | | 48,633 | 1,71,00,000 |
| Profit / (Loss) for the Year | | <u>(65,480)</u> | <u>1,19,01,130</u> |
| Earnings per equity share (Face value of Rs. 10 per share) | | | |
| Basic | 2.12 | (0.00) | 4.57 |
| Diluted | 2.12 | (0.00) | 3.65 |
| Significant Accounting Policies | 1 | | |
| Notes 1 - 2.16 form an integral part of the Accounts. | | | |

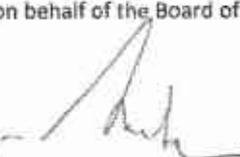
This is the Statement of Profit and Loss referred to in our report of even date.

For Bose & Chakrabarti
Firm Registration Number - 322138E
Chartered Accountants


D. Majumdar
Partner
Membership Number 13714

For and on behalf of the Board of Directors


Director


Director


Manager



Place: Kolkata
Date: 27-05-2014

SPEN LIQ PRIVATE LIMITED

Registered Office: 31, Netaji Subhas Road, Kolkata-700001

1 .Significant Accounting Policies

i) Accounting Convention

The financial statements have been prepared to comply in all material aspects with all the applicable accounting principles in India, including Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 & Companies Act 2013 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

ii) Basis of Accounting

The financial statements have been prepared under the historical cost convention.

iii) Investments

Non-current Investments are stated at cost. Provision is made where there is a decline, other than temporary, in the value of non-current Investments. Current Investments are stated at lower of cost and fair value.

iv) Taxes on Income

Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Deferred Tax is recognized, subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income, which originate in one period and are capable of reversal in one or more subsequent year as per Accounting Standard 22 - " Accounting for Taxes on Income" as per Companies (Accounting Standards) Rules, 2006. Deferred tax assets are not recognised unless there is reasonable certainty and in case of brought forward loss and unabsorbed depreciation there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be set utilised.

v) Revenue Recognition

The Company follows mercantile system of accounting and recognizes revenue as per AS-9 on "Revenue Recognition" issued by The Institute of Chartered Accountants of India.

Other income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, where applicable.



SPEN IQ PRIVATE LIMITED
Registered Office: 31, Netaji Subhas Road, Kolkata-700001

Note - 2.1 : Share Capital

| Particulars | As at | As at |
|---|-------------------------|-------------------------|
| | 31st March, 2014 Rs. | 31st March, 2013 Rs. |
| Authorised Share Capital | | |
| 500,000,000 (31.03.13 : 500,000,000) Equity Shares of Rs 10/- each | 5,00,00,00,000 | 5,00,00,00,000 |
| Issued, Subscribed and Paid up capital | | |
| 471,028,050 (31.03.13 : 470,028,050) Equity Shares of Rs 10/- each, fully paid up | 4,71,02,80,500 | 4,70,02,80,500 |
| | 4,71,02,80,500 | 4,70,02,80,500 |

(a) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity is entitled to one vote per share. The Company has not declared any dividend to its shareholders since inception. In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Details of shareholders holding more than 5 % shares in the Company

| Name of shareholder | As at 31st March, 2014 | | As at 31st March, 2013 | |
|---------------------|------------------------|-----|------------------------|-----|
| | No. of shares | % | No. of shares | % |
| CESC Limited | 47,10,28,050 | 100 | 47,00,28,050 | 100 |
| | 47,10,28,050 | 100 | 47,00,28,050 | 100 |

Equity Share Capital of the Company is held by CESC Limited the Holding Company

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

| Particulars | As at 31st March, 2014 | | As at 31st March, 2013 | |
|--|------------------------|-----------------------|------------------------|-----------------------|
| | No. of shares | Rs. | No. of shares | Rs. |
| Opening balance at the beginning of the year | 47,00,28,050 | 4,70,02,80,500 | 28,050 | 2,80,500 |
| Add: Equity shares Issued during the year | 10,00,000 | 1,00,00,000 | 47,00,00,000 | 4,70,00,00,000 |
| Shares outstanding at the end of the year | 47,10,28,050 | 4,71,02,80,500 | 47,00,28,050 | 4,70,02,80,500 |



SPEN LIQ PRIVATE LIMITED
 Registered Office: 31, Netaji Subhas Road, Kolkata-700001

Note - 2.2 : Reserves and Surplus

| Particulars | As at 31st March, 2014 Rs. | As at 31st March, 2013 Rs. |
|---|----------------------------------|----------------------------------|
| Surplus in the Statement of Profit and Loss | | |
| Debit balance at the beginning of the year | 1,14,81,535 | (4,19,595) |
| Add: Profit / (Loss) for the year | (65,480) | 1,19,01,130 |
| Credit / (Debit) balance at the end of the year | <u>1,14,16,055</u> | <u>1,14,81,535</u> |

Note 2.3 Share Application Money Pending Allotment

| Particulars | As at 31st March, 2014 Rs. | As at 31st March, 2013 Rs. |
|--|----------------------------------|----------------------------------|
| Application money received for allotment of shares | - | 2,02,00,000 |
| | <u>-</u> | <u>2,02,00,000</u> |

During the year 1,000,000 shares of Rs. 10/ each has been allotted and Rs. 10,020,000 has been refunded to CESC Limited

Note - 2.4: Other Current Liabilities

| Particulars | As at 31st March, 2014 Rs. | As at 31st March, 2013 Rs. |
|------------------------|----------------------------------|----------------------------------|
| Statutory dues payable | - | 61,80,497 |
| Other Payables | 3,80,154 | 2,02,40,561 |
| | <u>3,80,154</u> | <u>2,64,21,058</u> |

There is no amount due to Micro and Small Enterprises as referred in the Micro, Small and Medium Enterprise Development Act, 2006 based on the information available with the Company.

Note 2.5 : Short Term Provisions

| Particulars | As at 31st March, 2014 Rs. | As at 31st March, 2013 Rs. |
|---|----------------------------------|----------------------------------|
| Provision for taxation (Net of advance payment of tax of Rs 17,107,297/- (31.03.13: Rs. 53,54,386) | 41,336 | 1,19,45,614 |
| | <u>41,336</u> | <u>1,19,45,614</u> |



SPEN LIQ PRIVATE LIMITED**Registered Office: 31, Netaji Subhas Road, Kolkata-700001****Note 2.6: Non Current Investments**

| Particulars | As at 31st March, 2014 Rs. | As at 31st March, 2013 Rs. |
|--|----------------------------------|----------------------------------|
| Trade Investments - Quoted | | |
| Investments in Equity Instruments of Subsidiary Companies | | |
| 373,976,673(Previous year : 373,976,673) Equity Shares of First Source Limited of Rs 10 each, fully paid up Market Value : Rs 942.42 crore (Previous year: 381.46 crore) | 4,71,69,71,150 | 4,71,69,71,150 |
| | 4,71,69,71,150 | 4,71,69,71,150 |

(a) All non-current investments are long term in nature.

Note 2.7: Cash and Bank Balances

| Particulars | As at 31st March, 2014 Rs. | As at 31st March, 2013 Rs. |
|---|----------------------------------|----------------------------------|
| (a) Cash and Cash equivalents | | |
| Cash in Hand | 3,100 | - |
| Balance with Banks In current accounts | 51,43,795 | 2,24,08,899 |
| (b) Other Bank Balances | | |
| Bank Deposits with original maturity more than 3 months | - | 3,00,00,000 |
| | 51,46,895 | 5,24,08,899 |

Note 2.8: Other Current Assets

| Particulars | As at 31st March, 2014 Rs. | As at 31st March, 2013 Rs. |
|-----------------------------------|----------------------------------|----------------------------------|
| Interest Accrued On Fixed Deposit | - | 9,48,658 |
| | - | 9,48,658 |



SPEN LIQ PRIVATE LIMITED**Registered Office: 31, Netaji Subhas Road, Kolkata-700001****Note 2.9 : Other Income**

| Particulars | 2013-14 Rs. | 2012-13 Rs. |
|-----------------|-----------------|--------------------|
| Interest Income | 1,57,389 | 5,15,43,846 |
| | 1,57,389 | 5,15,43,846 |

Note 2.10 : Other Expenses

| Particulars | 2013-14 Rs. | 2012-13 Rs. |
|----------------------------------|----------------|--------------------|
| Auditors' Remuneration | | |
| Audit Fees | | |
| Audit Fee | 20,000 | 15,000 |
| Tax Audit Fee | 5,000 | 5,000 |
| Other Services | | 3,000 |
| Filing Fees | 7,800 | 1,99,92,895 |
| Donation | - | 25,00,000 |
| Professional Fees | 20,860 | 2,000 |
| Preliminary Expenses Written off | - | 11,315 |
| Miscellaneous Expenses | 2,242 | 13,506 |
| | 55,902 | 2,25,42,716 |

Note 2.11 : Employee Benefit Expenses

| Particulars | 2013-14 Rs. | 2012-13 Rs. |
|-------------------------|-----------------|----------------|
| Salaries, Wages & Bonus | 1,18,334 | - |
| | 1,18,334 | - |



SPEN LIQ PRIVATE LIMITED**Registered Office: 31, Netaji Subhas Road, Kolkata-700001****Note 2.12: Earnings per Share**
Computation of Earnings per Share

| Particulars | 2013-14 Rs. | 2012-13 Rs. |
|--|----------------|----------------|
| (i) Number of Equity Shares at the beginning of the year | 470,028,050 | 28,050 |
| (ii) Number of Equity Shares issued during of the year | 1,000,000 | 470,000,000 |
| (iii) Number of Equity Shares at the end of the year | 471,028,050 | 470,028,050 |
| (iv) Weighted average number of Equity Shares outstanding for the year for Basic EPS (A) | 47,00,30,790 | 2,603,392 |
| (v) Effect of potential Equity Shares on share application money pending allotment | - | 653,042 |
| (vi) Weighted average number of Equity Shares outstanding for the year for Diluted EPS (B) | - | 3,256,434 |
| (vii) Face Value of each Equity Share (in Rs.) | 10 | 10 |
| Profit / (Loss) attributable to Equity Shareholders (C) (in Rs.) | (65,480) | 11,901,130 |
| Profit/ (Loss) Per Share (in Rs.) – Basic (C/A) | (0.00) | 4.57 |
| Profit/ (Loss) Per Share (in Rs.) – Diluted (C/B) | - | 3.65 |

Note 2.13: Related Party disclosures**2.13.1. Related Parties and their Relationship**

| Name of Related Parties | Nature of Relationship |
|--|---|
| CESC Limited | Holding Company |
| Firstsource Solutions Limited | Subsidiary Company |
| Firstsource Group USA, Inc., Firstsource BPO Ireland Ltd., Firstsource Solutions UK Ltd., Anunta Tech Infrastructure Services Ltd., Firstsource-Dialog Solutions Pvt. Ltd., MedAssist Holding, Inc., Firstsource Business Process Services, LLC, Firstsource Solutions USA, LLC, Firstsource Advantage, LLC, Firstsource Transaction Services, LLC, Twin Lakes Property LLC, (Twinlakes-I) [#] , Twin Lakes Property LLC (Twinlakes-II) [#] , Firstsource Solutions SA (Argentina) * | Subsidiaries of Firstsource Solutions Limited |
| Spencer's Retail Limited, CESC Properties Limited, Metromark Green Commodities Private Limited, Music World Retail Limited, Au Bon Pain Café India Limited, Nalanda Power Company Limited, Surya Vidyut Limited, Bantal Singapore Pte Ltd, CESC Projects Limited, Dhariwal Infrastructure Limited, CESC Infrastructure Limited, Haldia Energy Limited, Papu Hydropower Projects Limited, Pachi Hydropower Projects Limited, Ranchi Power Distribution Company Limited | Fellow Subsidiary Companies |



SPEN LIQ PRIVATE LIMITED

Registered Office: 31, Netaji Subhas Road, Kolkata-700001

| | |
|---------------------|--------------------------|
| Mr. Manoj Kumar Roy | Key Management Personnel |
|---------------------|--------------------------|

* w.e.f. 31st December 2013
† Dissolved during the year

2.13.2 Details of transactions between the Company and related parties and status of outstanding balance.

| Type of Transaction | Holding Company | | Fellow Subsidiary Companies | | Key Management Personnel | |
|--|-----------------|---------------|-----------------------------|----------|--------------------------|----------|
| | 31.03.14 | 31.03.13 | 31.03.14 | 31.03.13 | 31.03.14 | 31.03.13 |
| Advance received against equity shares | - | 4,720,200,000 | - | - | - | - |
| Equity Share Capital Issued | 10,000,000 | 4,700,000,000 | - | - | - | - |
| Refund of Share Application money | 10,200,000 | | | | | |
| Outstanding Balance | | | | | | |
| –Debit | - | - | - | - | - | - |
| --Credit | - | 20,200,000 | - | - | - | - |
| Salary Paid – Mr. Manoj Kumar Roy | - | - | - | - | 118,334 | - |

Note 2.14:

The company has a single segment as per Accounting Standard – 17 Issued by the Institute of Chartered Accountants of India.

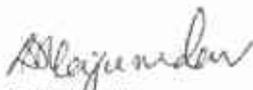
Note 2.15:

The Company is in the process of appointing a Company Secretary.

Note 2.16:

Previous year figures have been re-classified/regrouped wherever necessary.

For Bose & Chakrabarti
Firm Registration Number - 322138E
Chartered Accountants


D. Majumdar
Partner

Membership Number 13714

Place: Kolkata

Date: 27th May, 2014.

For and on behalf of the Board of Directors

  
Director Director Manager



SPEN LIQ PRIVATE LIMITED
Registered Office: 31, Netaji Subhas Road, Kolkata-700001
Cash Flow Statement for the year ended 31st March, 2014

| Particulars | 2013-14 | 2012-13 |
|--|----------------------|-------------------------|
| | (Rs.) | (Rs.) |
| A. Cash Flow from Operating Activities | | |
| (Loss) before taxation for the year/period | (16,847) | 2,90,01,130 |
| Adjustment for : | | |
| Interest Income | (1,57,389) | (5,15,43,846) |
| Operating Loss before Working Capital Changes | (1,74,236) | (2,25,42,716) |
| Adjustment for: | | |
| Receivables | 15,738 | 11,315 |
| Payables | (2,60,56,642) | 2,10,29,852 |
| Cash Generated from Operations | (2,62,15,140) | (15,01,549) |
| Income Tax Paid | 1,19,37,173 | |
| Net Cash Flow from/used In Operating Activities | (3,81,52,313) | (15,01,549) |
| B. Cash Flow from Investing Activities | | |
| Investments in Subsidiary | | (4,71,69,71,150) |
| Interest Income | 10,90,309 | 5,05,95,188 |
| Net Cash used In Investing Activities | 10,90,309 | (4,66,63,75,962) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from Issue of Share Capital | | 4,70,00,00,000 |
| Advance against Equity Shares received/(refunded) | (1,02,00,000) | 2,02,00,000 |
| Net Cash Flow from Financing Activities | (1,02,00,000) | 4,72,02,00,000 |
| Net Increase of Cash and Cash Equivalents | (4,72,62,005) | 5,23,22,489 |
| Cash and Cash Equivalents - Opening Balance | 5,24,08,899 | 86,410 |
| Cash and Cash Equivalents - Closing Balance | 51,46,895 | 5,24,08,899 |

Notes:

1 The Cash Flow Statement has been prepared under the indirect method as given in the Accounting Standard on Cash Flow Statement (AS-3) as per Companies Accounting Standard Rules, 2006.

2 Previous year figures have been regrouped/rearranged wherever necessary

This is the Cash Flow Statement referred to in our Report of even date.

For Bose & Chakrabarti
 Firm Registration Number - 322138E
 Chartered Accountants

D. Majumdar
 D. Majumdar
 Partner
 Membership Number 13714

Place: Kolkata
 Date: 27th May, 2014.



For and on behalf of the Board of Directors

[Signature] *[Signature]* *[Signature]*
 Director Director Manager