

MEDASSIST HOLDING LLC

Financial statements
as at and for the year ended
31 March 2015

Medassist Holdings LLC.**Balance Sheet**

as at 31 March 2015

	Note	Amount in Rupees	Amount in Rupees	Amount in USD	Amount in USD
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
<u>EQUITY AND LIABILITIES</u>					
Shareholders' Funds					
Share Capital	3	720,696,040	720,696,040	11,531,137	11,531,137
Reserves and Surplus	4	(5,204,095)	(284,109,078)	(83,268)	(4,545,744)
		715,491,945	436,586,962	11,447,869	6,985,393
Non-current liabilities					
Long term Borrowings	5	2,033,979	5,722,819	32,544	91,565
Deferred tax liabilities, net	6	715,142,375	715,142,375	11,442,278	11,442,278
Long term provisions	7	104,399,836	131,352,641	1,670,397	2,101,642
		821,576,190	852,217,835	13,145,219	13,635,485
Current liabilities					
Trade payables	8	103,101,564	145,281,142	1,649,628	2,324,498
Other current liabilities	9	147,598,518	485,506,671	2,361,576	7,768,106
		250,700,082	630,787,813	4,011,204	10,092,604
		1,787,768,217	1,919,592,610	28,604,292	30,713,482
<u>ASSETS</u>					
Non current assets					
Fixed assets					
Tangible assets	10	43,911,750	112,416,037	702,588	1,798,657
Intangible assets		30,805,125	-	492,882	-
		74,716,875	112,416,037	1,195,470	1,798,657
Long-term loans and advances	11	7,128,036	7,500,837	114,049	120,014
		7,128,036	7,500,837	114,049	120,014
Current assets					
Trade receivables	12	999,277,616	968,538,674	15,988,442	15,496,620
Cash and bank balances	13	37,437,652	146,554,154	599,002	2,344,866
Other current assets	14	669,208,038	684,582,908	10,707,329	10,953,325
		1,705,923,306	1,799,675,736	27,294,773	28,794,811
		1,787,768,217	1,919,592,610	28,604,292	30,713,482

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

For and on behalf of the Board of Directors

Praveena Jain
Partner
Membership No: 402256
Mumbai
Date: 5 May 2015

Arjun Mitra
Director

Venkat Raman
Director

Medassist Holdings LLC.
Statement of profit and loss
for the year ended 31 March 2015

	Notes	Amount in Rupees	Amount in Rupees	Amount in USD	Amount in USD
		For the year ended	For the year ended	For the year ended	For the year ended
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
Income					
Revenue from Operations	15	5,801,050,321	6,066,329,685	92,816,805	97,061,275
Other Income	16	(26,813)	(103,508)	(429)	(1,656)
		5,801,023,508	6,066,226,177	92,816,376	97,059,619
Expenses					
Employee benefits expense	17	3,946,532,020	4,429,115,132	63,144,513	70,865,842
Finance cost	18	441,628,507	520,063,120	7,066,056	8,321,010
Depreciation and amortisation	10	43,067,293	46,180,958	689,077	738,895
Other expenses	19	1,090,890,706	1,110,782,948	17,454,253	17,772,528
		5,522,118,526	6,106,142,158	88,353,899	97,698,275
Profit Before Taxation		278,904,982	(39,915,981)	4,462,477	(638,654)
Provision for Tax					
Current tax		-	743,375	-	11,894
Deferred tax		-	-	-	-
Profit After Taxation		278,904,982	(40,659,356)	4,462,477	(650,548)
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		281,154	(40,987)	4,498	(656)

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

For and on behalf of the Board of Directors

Praveena Jain
Partner
Membership No: 402256
Mumbai
Date: 5 May 2015

Arjun Mitra
Director

Venkat Raman
Director

Medassist Holdings LLC.
CASH FLOW STATEMENT
for the year ended 31 March 2015

	Amount in Rupees		Amount in USD	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Cash flow from operating activities				
Net profit before tax	278,904,982	(39,915,981)	4,462,477	(638,654)
Adjustments for				
Depreciation and amortisation	43,067,293	46,180,958	689,077	738,895
Provision for doubtful debts	19,660,743	(22,815,425)	314,572	(365,047)
(Profit) / loss on sale of fixed assets	0	103,508	0	1,656
Interest costs	441,628,507	520,063,120	7,066,056	8,321,010
Operating cash flow before changes in working capital	783,261,525	503,616,180	12,532,182	8,057,861
Changes in working capital				
Decrease / (Increase) in Debtors	(50,399,634)	132,278,413	(806,394)	2,116,455
(Increase) / Decrease in Loans and advances and other current assets	15,747,421	(118,433,333)	251,959	(1,894,933)
Increase / (Decrease) in current and other liabilities	(410,729,264)	35,062,621	(6,571,666)	561,000
Net changes in working capital	(445,381,477)	48,907,701	(7,126,101)	782,521
Income taxes paid	0	0	0	-
Net cash generated from operating activities (A)	337,880,048	552,523,881	5,406,081	8,840,382
Cash flow from investing activities				
Capital expenditure	(5,368,043)	(70,797,455)	(85,889)	(1,132,759)
Net cash used in investing activities (B)	(5,368,043)	(70,797,455)	(85,889)	(1,132,759)
Cash flow from financing activities				
Interest paid	(441,628,507)	(520,063,120)	(7,066,056)	(8,321,010)
Net cash used in financing activities (C)	(441,628,507)	(520,063,120)	(7,066,056)	(8,321,010)
Net increase in cash and cash equivalents (A+B+C)	(109,116,502)	(38,336,694)	(1,745,864)	(613,387)
Cash and cash equivalents at the beginning of the year*	146,554,154	184,890,848	2,344,866	2,958,254
Cash and cash equivalents at the end of the year*	37,437,652	146,554,154	599,002	2,344,866

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

For SHELESH SINGHVI & CO.
Chartered Accountants

For and on behalf of the Board of Directors

Firm's Registration No: 014792C

Arjun Mitra
Director

Venkat Raman
Director

Praveena Jain
Partner
Membership No: 402256
Mumbai
Date: 5 May 2015

MEDASSIST HOLDING LLC

Notes to the financial statements

for the year ended at 31 March 2015

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 2015 which is 1 USD = Rs 62.50. 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 for the year ended at 31 March 2015

2 Significant accounting policies (*Continued*)

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*	3 – 4
Service equipment*	3 – 5
Furniture and fixtures*	3 – 5
Office equipment*	3 – 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.

Individual assets costing upto Rupees five thousand are depreciated in full in the period of purchase.

2.5 Impairment of assets

a) Financial assets

The Group 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 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.

MEDASSIST HOLDING LLC

Notes to the financial statements for the year ended at 31 March 2015

2 Significant accounting policies (*Continued*)

b) Non-financial assets

The Group 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

2.5 Impairment of assets (*Continued*)

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 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 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.

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.

MEDASSIST HOLDING LLC

Notes to the financial statements *for the year ended at 31 March 2015*

2 Significant accounting policies (Continued)

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 Retirement benefits

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

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 accounts

as at 31 March 2015

	Amount in Rupees		Amount in USD			
	31 March 2015	31 March 2014	31 March 2015	31 March 2014		
3 Share Capital						
992 Voting Common Stock	594	594	10	10		
Non-Voting Common Stock	-	-	-	-		
Net Additional Paid in Capital	594,055,576	594,055,576	9,504,889	9,504,889		
Net Retained Earnings (Prior to Acquisition)	126,639,870	126,639,870	2,026,238	2,026,238		
	720,696,040	720,696,040	11,531,137	11,531,137		
a. Reconciliation of number of common stock outstanding	31 March 2015		31 March 2014			
	No. of Common Stock	Amount in Rs	Amount in USD	No. of Common Stock	Amount in Rs	Amount in USD
At the commencement of the year	992	625	10	992	625	10
At the end of the year	992	625	10	992	625	10
b. Details of Common stockholders holding more than 5% common stock in the Company	31 March 2015		31 March 2014			
	No. of Common Stock	% of holding	Common Stock	% of holding		
Firstsource Group USA Inc.	992	100	992	100		
c. Rights & Restriction attached to equity shares	<p>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.</p>					
	Amount in Rupees		Amount in USD			
	31 March 2015	31 March 2014	31 March 2015	31 March 2014		
4 Reserve and Surplus						
Reserves and Surplus						
Balance at the beginning of the year	(284,109,078)	(243,449,722)	(4,545,744)	(3,895,196)		
Add : Surplus for the year	278,904,982	(40,659,356)	4,462,477	(650,548)		
	(5,204,095)	(284,109,078)	(83,268)	(4,545,744)		
5 Loan Term Borrowings						
Secured Loan						
Finance Lease Obligations (Finance lease obligation carries interest rate in the range of 6% - 12%. This is secured by hypothecation of underlying fixed assets taken on	2,033,979	5,722,819	32,544	91,565		
	2,033,979	5,722,819	32,544	91,565		

MEDASSIST HOLDING LLC.
Notes to the accounts
as at 31 March 2015

	Amount in Rupees		Amount in USD	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
6 Deferred Tax Liability, net				
On Carry forward losses	(3,373,938)	(3,373,938)	(53,983)	(53,983)
On Goodwill and other amortisations	159,693,813	159,693,813	2,555,101	2,555,101
Transfer on account of mergers / demergers	558,822,500	558,822,500	8,941,160	8,941,160
	718,516,313	718,516,313	11,496,261	11,496,261
	715,142,375	715,142,375	11,442,278	11,442,278
7 Long Term Provisions				
Compensated Absenses	104,399,836	131,352,641	1,670,397	2,101,642
	104,399,836	131,352,641	1,670,397	2,101,642
8 Trade payables				
Trade payables for service and goods	103,101,564	145,281,142	1,649,628	2,324,498
	103,101,564	145,281,142	1,649,628	2,324,498
9 Other current liabilities				
Current Maturities of Long Term Borrowings				
Finance Lease Obligations	4,132,875	4,463,625	66,126	71,418
Others				
Payable to group companies, net	15,591,143	329,258,466	249,458	5,268,135
Employee related dues	112,444,269	136,687,741	1,799,108	2,187,004
Statutory dues	15,386,481	15,096,839	246,184	241,549
Creditors for Capital Goods	43,750	-	700	-
	147,598,518	485,506,671	2,361,576	7,768,106

MEDASSIST HOLDING LLC.
Notes to the financial
statements

as at 31 March 2015

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	101,756,359	135,268,003	23,396,180	15,846,226	276,266,768	230,251,157	279,106,943	555,373,710
Additions during the year	1,285,210	1,518,905	867,069	0	3,671,184	1,723,716	1,723,716	5,394,901
Deletions / transfers during the year	2,813,094	6,096,468	-	-	8,909,562	-	-	8,909,562
As at 31 March 2015	100,228,475	130,690,440	24,263,249	15,846,226	271,028,390	231,974,873	280,830,659	551,859,049
							-	
Accumulated depreciation / amortization								
Opening balance	74,182,753	112,391,420	13,036,229	10,556,504	210,166,906	183,934,921	232,790,707	442,957,613
Charge for the year	11,400,728	8,436,730	3,121,008	2,874,031	25,832,497	17,234,798	17,234,798	43,067,295
Deletions / transfers during the year	2,813,226	6,069,499	-	-	8,882,725	-	-	8,882,725
As at 31 March 2015	82,770,255	114,758,651	16,157,237	13,430,535	227,116,678	201,169,719	250,025,505	477,142,183
							-	
Net Block (INR)	17,458,220	15,931,789	8,106,012	2,415,691	43,911,713	30,805,154	30,805,154	74,716,867
As at 31 March 2014 (INR)	27,573,607	22,876,583	10,359,951	5,289,722	66,099,863	46,316,236	46,316,235	112,416,098
Net Block (USD)	279,332	254,909	129,696	38,651	702,588	492,882	492,882	1,195,470
As at 31 March 2014 (USD)	441,178	366,025	165,759	84,636	1,057,599	741,059	741,059	1,798,658

MEDASSIST HOLDING INC.
Notes to the accounts
as at 31 March 2015

	Amount in Rupees		Amount in USD	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
11 Long term loans and advances (Unsecured, considered good)				
Deposits	6,052,162	6,052,162	96,835	96,835
Prepaid expenses	1,075,874	1,448,675	17,214	23,179
	7,128,036	7,500,837	114,049	120,014
12 Trade receivables (Unsecured, considered good)				
Receivables outstanding for a period exceeding from the date they are due for payment	-	-	-	-
- Considered good	-	-	-	-
- Considered doubtful	35,270,349	21,690,435	564,326	347,047
Less : Provision for bad and doubtful debts	(35,270,349)	(21,690,435)	(564,326)	(347,047)
	-	-	-	-
Other receivables	999,277,616	968,538,674	15,988,442	15,496,620
- Considered good	-	-	-	-
- Considered doubtful	-	-	-	-
	999,277,616	968,538,674	15,988,442	15,496,620
	999,277,616	968,538,674	15,988,442	15,496,620
13 Cash and Bank Balances				
Cash and cash equivalents				
Cash in hand	-	-	-	-
Balance with Bank				
in trust accounts, net	2,490,853	(11,317,055)	39,854	(181,073)
in current accounts	37,437,652	146,554,154	599,002	2,344,866
	39,928,505	135,237,099	638,856	2,163,794
Less: balance held in trust accounts	2,490,853	(11,317,055)	39,854	(181,073)
	37,437,652	146,554,154	599,002	2,344,866
14 Other Current Assets				
	-	-	-	-
Income Tax Receivable	10,877,718	12,713,718	174,043	203,419
Unbilled receivables	637,748,971	638,645,836	10,203,984	10,218,333
Advance for Expenses	640,369	-	10,246	-
Advance to employees	351,176	356,938	5,619	5,711
Prepaid Expenses	17,098,951	20,707,826	273,583	331,325
Balance held in trust account , net of due to client	2,490,853	12,158,590	39,854	194,537
	669,208,038	684,582,908	10,707,329	10,953,325

MEDASSIST HOLDING LLC.
Schedules to the financial statements
for the year ended 31 March 2014

	Amount in Rupees		Amount in USD	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
15 Revenue From Operations				
Sale of services	5,801,050,321	6,066,329,685	92,816,805	97,061,275
	5,801,050,321	6,066,329,685	92,816,805	97,061,275
16 Other Income				
Profit / (Loss) on sale / write off of fixed assets, net	(26,813)	(103,508)	(429)	(1,656)
	(26,813)	(103,508)	(429)	(1,656)
17 Employee Benefits expense				
Salaries and wages	3,606,270,687	4,045,529,446	57,700,331	64,728,471
Contribution to Provident and Other Funds	16,516,858	15,312,318	264,270	244,997
Staff Welfare Expenses	323,744,475	368,273,368	5,179,912	5,892,374
	3,946,532,020	4,429,115,132	63,144,513	70,865,842
18 Finance Cost				
Interest Expense	441,628,507	520,063,120	7,066,056	8,321,010
	441,628,507	520,063,120	7,066,056	8,321,010
19 Other Expenses				
Rent,	139,455,966	137,845,349	2,231,295	2,205,526
Rates & Taxes	10,782,269	10,410,665	172,516	166,571
Bank Fees	8,030,074	7,134,501	128,481	114,152
Insurance	46,607,432	35,613,727	745,719	569,820
Traveling and Conveyance	150,059,729	94,624,664	2,400,956	1,513,995
Legal and Professional Fees	103,217,799	140,936,167	1,651,485	2,254,979
Marketing and Support Services	27,317,933	25,410,968	437,087	406,575
Communication Expenses	208,811,519	226,539,104	3,340,984	3,624,626
Information Services	105,951,948	134,129,281	1,695,231	2,146,069
Connectivity Charges	69,561,518	84,558,766	1,112,984	1,352,940
Common Corporate Expenses	60,738,720	62,369,485	971,820	997,912
Printing and Stationary	20,330,856	32,353,574	325,294	517,657
Miscellaneous Expenses	226,421	3,776,488	3,623	60,424
Charitable Contribution	1,801,375	458,556	28,822	7,337
Upkeep and Maintenance - Others	15,061,555	14,945,681	240,985	239,131
Car Hire Charges and Other Hire Charges	13,933,750	11,873,393	222,940	189,974
Computer and software Expenses	43,853,990	54,824,141	701,664	877,186
Bad Debts / Provision for Doubtful Accounts	19,660,743	(22,815,425)	314,572	(365,047)
Recruitment / Training Expense	36,582,417	48,366,403	585,319	773,862
Electricity, Water and Power Consumption	8,904,691	7,427,460	142,475	118,839
	1,090,890,706	1,110,782,948	17,454,253	17,772,528

MEDASSIST HOLDING LLC.

Notes to the accounts

as at 31 March 2015

20. Leases

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. 96,233,562 equivalent to USD 1,539,737 (31 March 2014: Rs. 23,507,068 equivalent to USD 384,670) 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 US \$	
	2015	2014	2015	2014
Amount due within one year from the balance sheet date	137,372,313	135,184,000	2,197,957	2,162,944
Amount due in the period between one year and five years	415,814,125	461,341,250	6,653,026	7,381,460
	553,186,438	596,525,250	8,850,983	9,544,403

Rental expenses under cancelable operating leases aggregating to Rs 43,222,375 equivalent to USD 691,558 (31 March 2014: Rs. 113,803,438 equivalent to USD 1,820,855) have been debited to the profit and loss account.

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 2015, particularly on the amount of tax expense and that of the provision for taxation.

22. Capital commitments

The Company has capital commitments of Rs 45,602,938 in USD 729,647 (31 March 2014: Rs 1,619,313 in USD 25,909) as at the balance sheet date.

MEDASSIST HOLDING LLC.

Notes to the accounts

as at 31 March 2015

23. Supplementary statutory information (accrual basis)

	31 March 2015	31 March 2014
(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. Contingent liabilities

The Company has no contingent liabilities as at the balance sheet date.

25. Related Party Transactions

Details of related parties including summary of transactions entered into during the year ended 31 March 2015 are summarized below:

Holding Company	• Firstsource Group USA Inc.
Parties with substantial interests	• Firstsource Solutions Ltd
	• RevIT Systems Private Ltd
	• Firstsource Advantage LLC
	• Firstsource Solution UK Limited
	• Anunta Tech Infrastructure Services Limited
	• Firstsource BPO Ireland Limited
	• Firstsource Solutions S.A
	• Firstsource Dialog Solutions (Private) Ltd.
	• Firstsource Business Process Services LLC
	• One Advantage LLC
	• Firstsource Transaction Services LLC
Directors	• Arjun Mitra
	• Venkat Raman

MEDASSIST HOLDING LLC.

Notes to the accounts

as at 31 March 2015

25. Related Party Transactions (continued)

Particulars of related party transactions during the year ended 31 March 2015

Name of the related party	Description	Transaction value during the year ended (In Rupees)		Transaction value during the year ended (In USD)		Payable (In Rupees)		Payable (In USD)	
		2015	2014	2015	2014	2015	2014	2015	2014
Firstsource Solutions Ltd	Cost of sales	32,167,938	35,437,125	514,687	566,994	-	-	-	-
	Recovery of expenses	43,188	4,747,188	691	75,955	-	-	-	-
	Expenses Reimbursement	67,123,500	71,556,813	1,073,976	1,144,909	-	-	-	-
	(Payable)/Receivable	-	-	-	-	(72,354,375)	(74,089,125)	(1,157,670)	(1,185,426)
Firstsource Group USA Inc	Expenses Reimbursement	451,072,000	695,340,438	7,217,152	11,125,447	-	-	-	-
	Recovery of Expenses	76,517,188	-	1,224,275	-	-	-	-	-
	(Payable)/Receivable	-	-	-	-	(201,505,799)	(35,147,375)	(3,224,092)	(562,358)
Firstsource Advantage LLC	Recovery of Expenses	209,813,549	-	3,357,017	-	-	-	-	-
	Expenses Reimbursement	399,972,419	94,296,625	6,399,559	1,508,746	-	-	-	-
	(Payable)/Receivable	-	-	-	-	18,558,000	15,583,438	296,928	249,335

MEDASSIST HOLDING LLC.

Notes to the accounts

as at 31 March 2015

Name of the related party	Description	Transaction value during the year ended (In Rupees)		Transaction value during the year ended (In USD)		Payable (In Rupees)		Payable (In USD)	
		2015	2014	2015	2014	2015	2014	2015	2014
Firstsource Solutions UK Limited	Expenses Reimbursement	-	241,438	-	3863	-	-	-	-
Firstsource Transaction Services	Expenses Reimbursement	10,718,313	77,357,313	171,493	1,237,717	-	-	-	-
	Recovery of Expenses	396,653,649	-	6,346,458	-	-	-	-	-
	(Payable)/Receivable	-	-	-	-	237,523,500	(235,605,375)	3,800,376	(3,769,686)
One Advantage LLC	Reimbursement of Expense	2,187,500	-	35,000	-	-	-	-	-
	Receivable/(Payable)	-	-	-	-	2,187,500	-	35,000	-

MEDASSIST HOLDING LLC.

Notes to the accounts

as at 31 March 2015

26. 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 31 of the consolidated financial statements)

27. There are no Micro, Small and Medium Enterprises to whom the Company Owes dues, which are outstanding for more than 45 days during the year and also as at 31st March 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Developments Act, 2006 has been determined to the extent such parties have been identified on the Basis of information available with the Company (refer note 41 of the consolidated financial statements).

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

For and on behalf of the Board of Directors

Praveena Jain

Partner

Membership No: 402256

Arjun Mitra

Director

Venkat Raman

Director

Mumbai

Date: 5 May 2015