

Independent Auditors' Report**To the Board of Directors of
Firstsource Solutions Limited****Report on the Consolidated Quarterly Financial Results and Year to Date Financial Results
of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement**

We have audited the consolidated quarterly financial results of Firstsource Solutions Limited ('the Company') for the quarter ended 30 September 2012 and the year to date results for the period from 1 April 2012 to 30 September 2012 attached herewith, being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us.

Management's Responsibility for the Consolidated Quarterly Financial Results

These consolidated quarterly financial results as well as the year to date financial results have been prepared on the basis of the consolidated interim financial statements, which are the responsibility of the Company's management. These consolidated interim financial statements have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, prescribed by the Companies (Accounting Standard) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956, Accounting Standards issued by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements. 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 consolidated financial results are free from material misstatement(s).

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated quarterly financial results. 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 controls relevant to the Company's preparation and fair presentation of the condensed consolidated 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.

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Independent Auditors' Report (*Continued*)

Firstsource Solutions Limited

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, read with the emphasis of matter noted below, the consolidated quarterly financial results as well as the year to date financial results:

- i. include the quarterly financial results and year to date financial results of the following entities:
 - a. Firstsource Solutions Limited
 - b. Firstsource Group USA, Inc.
 - c. Firstsource Solutions UK Limited
 - d. Firstsource Advantage LLC
 - e. RevIT Systems Private Limited
 - f. Firstsource Business Process Services, LLC
 - g. MedAssist Holding, Inc
 - h. Firstsource Solutions USA LLC
 - i. Firstsource Transaction Services LLC
 - j. Twin Lake Property LLC-I
 - k. Twin Lake Property LLC-II
 - l. Firstsource Dialog Solutions (Private) Limited
 - m. Anunta Tech Infrastructure Services Limited
 - n. Firstsource BPO Ireland Limited
- ii. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- iii. give a true and fair view of the consolidated net profit and other financial information for the quarter ended 30 September 2012 and the year to date results for the period from 1 April 2012 to 30 September 2012.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 3 to the consolidated financial results that describes the adoption by the Company of AS 30, Financial Instruments: Recognition and Measurements, read with AS 31, Financial Instruments – Presentation, as applicable, along with prescribed limited revisions to other accounting standards, issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee for Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956. Consequent to early adoption of AS 30 and the related limited revisions, consolidated profit after taxation for the quarter ended 30 September 2012 and for the period from 1 April 2012 to 30 September 2012 is lower by Rs 634 million and higher by Rs 426 million respectively.

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Independent Auditors' Report (*Continued*)

Firstsource Solutions Limited

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

Mumbai
26 October 2012

For **B S R & Co.**
Chartered Accountants
Firm's registration No: 101248W



Vijay Bhatt

Partner

Membership No: 036647

Firstsource Solutions Limited
AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2012

(Rs. in millions, except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	September 30,	June 30,	September 30,	September 30,	September 30,	March 31,
	2012 (Audited)	2012 (Audited)	2011 (Audited)	2012 (Audited)	2011 (Audited)	2012 (Audited)
Revenue from operations	7,255.12	6,852.43	5,287.06	14,107.55	10,475.98	22,548.51
Other operating income, net	(78.83)	(100.73)	43.21	(179.56)	85.05	1.41
Total income from operations	7,176.29	6,751.70	5,330.27	13,927.99	10,561.03	22,549.92
Expenses						
Employee benefits expense	4,950.49	4,661.00	3,512.76	9,611.49	6,974.28	15,224.95
Depreciation and amortisation	229.05	222.21	225.10	451.26	444.68	892.62
Other expenses	1,545.14	1,534.02	1,355.48	3,079.16	2,695.97	5,474.11
Total expenses	6,724.68	6,417.23	5,093.34	13,141.91	10,114.93	21,591.68
Profit from operations before other income and finance costs	451.61	334.47	236.93	786.08	446.10	958.24
Other income	150.23	192.63	161.81	342.86	205.87	454.10
Gain / (loss) on FCCB buyback, net	-	-	3.79	-	3.79	(67.62)
Profit from ordinary activities before finance costs	601.84	527.10	402.53	1,128.94	655.76	1,344.72
Finance costs	189.69	189.19	141.67	378.88	241.28	584.88
Profit from ordinary activities before tax	412.15	337.91	260.86	750.06	414.48	759.84
Tax expense	54.55	42.91	46.72	97.46	92.59	137.73
Net profit from ordinary activities after tax	357.60	295.00	214.14	652.60	321.89	622.11
Minority Interest	(1.73)	5.20	(0.40)	3.47	0.90	1.80
Net profit for the period	359.33	289.80	214.54	649.13	320.99	620.31
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	4,307.76	4,307.76	4,307.76	4,307.76	4,307.76	4,307.76
Reserves excluding Revaluation Reserve	-	-	-	10,203.49	9,736.64	9,991.07
Earning Per Share (Rs.) : (Not Annualized)						
-Basic	0.83	0.67	0.50	1.51	0.75	1.44
-Diluted	0.76	0.65	0.48	1.41	0.75	1.44
Particulars of shareholding						
Public shareholding						
- Number of shares of Rs. 10	345,246,044	345,236,587	345,236,587	345,246,044	345,236,587	345,236,587
- Percentage of shareholding	80.15%	80.14%	80.14%	80.15%	80.14%	80.14%
Promoters' and promoter group shareholding						
a) Pledged/ Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	85,530,263	85,539,720	85,539,720	85,530,263	85,539,720	85,539,720
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	19.85%	19.86%	19.86%	19.85%	19.86%	19.86%

Notes to financials results :

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on October 26, 2012. The standalone financial results for the quarter and six months ended September 30, 2012 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and resulting unrealised profits and losses in full. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.
- Effective year ended March 31, 2009, the company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- The company has filed an application to the Bombay High Court for the merger of its wholly owned subsidiary, Rev IT Systems Private Limited with the Company effective 1 April 2011. Pending approval of the Honourable High Court at Mumbai, no effect of the scheme is given in the above financial results.
- Standalone Information (Audited)

Particulars	Quarter ended		Six months ended		Year ended
	September 30,	September 30,	September 30,	September 30,	March 31,
	2012	2011	2012	2011	2012
Total income from operations	2,105.00	1,939.92	4,060.00	3,768.33	7,542.56
Net profit before taxation	310.61	84.26	451.80	155.63	418.58
Net profit after taxation	310.61	81.36	451.80	153.06	453.59

- During the quarter, no equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- During the quarter, 24 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.



9. Statement of assets and liabilities (Consolidated - Audited)

Particulars	As at September, 30	As at March, 31
	2012	2012
Shareholders' funds		
Share capital	4,307.76	4,307.76
Reserves and surplus	10,203.49	9,991.07
Total Shareholders' funds	14,511.25	14,298.83
Minority interest	16.59	13.26
Non-current liabilities		
Long-term borrowings	8,399.77	9,258.83
Deferred tax liabilities, net	171.66	110.16
Other long-term liabilities	512.02	651.66
Long-term provisions	22.88	20.93
Total Non-current liabilities	9,106.33	10,041.58
Current liabilities		
Short-term borrowings	400.00	366.74
Trade payables	1,213.16	1,312.26
Other current liabilities	15,383.21	12,997.10
Short-term provisions	356.56	285.10
Total Current liabilities	17,352.93	14,961.20
Total - EQUITY AND LIABILITIES	40,987.10	39,314.87
ASSETS		
Non-current assets		
Goodwill on consolidation	23,941.08	23,108.58
Fixed assets		
Tangible assets	1,216.80	1,181.98
Intangible assets	567.00	688.55
Capital work-in-progress	22.81	86.69
	1,806.61	1,957.22
Non-current investments	25.41	16.00
Long-term loans and advances	1,340.70	1,257.44
Other non-current assets	331.53	345.83
Total Non-current assets	27,445.33	26,685.07
Current assets		
Current investments	883.00	784.31
Trade receivables	3,650.47	3,514.70
Cash and cash equivalents	6,868.00	6,828.68
Short-term loans and advances	359.82	365.17
Other current assets	1,780.48	1,136.94
Total Current assets	13,541.77	12,629.80
TOTAL ASSETS	40,987.10	39,314.87

Particulars	Segment Reporting					
	Quarter ended			Six months ended		Year ended
	September 30,	June 30,	September 30,	September 30,	September 30,	March 31,
	2012	2012	2011	2012	2011	2012
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment Revenue						
a) UK	2,545.17	2,253.05	1,696.22	4,798.22	3,386.01	7,071.98
b) USA and Canada	3,286.98	3,284.74	2,752.43	6,571.72	5,547.22	11,687.33
c) India	753.08	661.38	730.05	1,414.46	1,353.97	2,700.61
d) Rest of the World	669.89	653.26	108.36	1,323.15	188.78	1,088.59
Total	7,255.12	6,852.43	5,287.06	14,107.55	10,475.98	22,548.51
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Segment Revenue	7,255.12	6,852.43	5,287.06	14,107.55	10,475.98	22,548.51
Segment results before tax and finance costs						
a) UK	207.83	367.06	312.32	574.89	647.59	1,161.71
b) USA and Canada	432.23	353.44	326.10	785.69	589.23	1,187.21
c) India	37.49	(59.55)	112.83	(22.06)	141.13	209.03
d) Rest of the World	90.64	66.26	18.76	156.90	46.97	108.79
Total	768.19	727.21	770.01	1,495.42	1,424.92	2,666.74
i) Finance costs	(189.69)	(189.19)	(141.67)	(378.88)	(241.28)	(584.88)
ii) Other unallocable expenditure net of unallocable income	(166.35)	(200.11)	(367.48)	(366.48)	(769.16)	(1,322.02)
Profit before tax and minority interest	412.15	337.91	260.86	750.06	414.48	759.84
Capital Employed						
a) UK	1,361.68	1,661.96	1,052.26	1,361.68	1,052.26	1,460.90
b) USA and Canada	24,520.78	26,028.82	22,628.98	24,520.78	22,628.98	23,710.59
c) India	441.35	435.99	533.82	441.35	533.82	334.80
d) Rest of the World	465.95	520.07	96.04	465.95	96.04	454.53
e) Unallocated	10,305.71	9,021.35	10,727.46	10,305.71	10,727.46	9,579.14
	37,095.47	37,668.19	35,038.56	37,095.47	35,038.56	35,539.96

Notes on segment information*Primary segments*

The Primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada, India and Rest of the World.

Capital Employed

Capital employed comprises debtors including unbilled receivables and goodwill on consolidation directly attributable to the reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities and hence, has been included under unallocated.

Mumbai, India
October 26, 2012

By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

Independent Auditors' Report**To the Board of Directors of
Firstsource Solutions Limited****Report on the Quarterly Financial Results and Year to Date Financial Results of Firstsource Solutions Limited Pursuant to Clause 41 of the Listing Agreement**

We have audited the quarterly financial results of Firstsource Solutions Limited ('the Company') for the quarter ended 30 September 2012 and the year to date results for the period from 1 April 2012 to 30 September 2012 attached herewith, being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us.

Management's Responsibility for the Quarterly Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. These interim financial statements have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, prescribed by the Companies (Accounting Standard) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956, Accounting Standards issued by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements. 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 results are free from material misstatement(s).

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 controls relevant to the Company's preparation and fair presentation of the condensed 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.

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Independent Auditors' Report (*Continued*)

Firstsource Solutions Limited

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, read with the emphasis of matter noted below, the quarterly financial results as well as the year to date financial results:

- i. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- ii. give a true and fair view of the net profit and other financial information for the quarter ended 30 September 2012 and the year to date results for the period from 1 April 2012 to 30 September 2012.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 3 to the financial results that describes the adoption by the Company of AS 30, Financial Instruments: Recognition and Measurements, read with AS 31, Financial Instruments – Presentation, as applicable, along with prescribed limited revisions to other accounting standards, issued by the Institute of Chartered Accountants of India, as in management's opinion, it more appropriately reflects the nature/ substance of the related transactions. AS 30, along with limited revisions to the other accounting standards, has not currently been notified by the National Advisory Committee for Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956. Consequent to early adoption of AS 30 and the related limited revisions, profit after taxation for the quarter ended 30 September 2012 and for the period from 1 April 2012 to 30 September 2012 is lower by Rs 616 million and higher by Rs 347 million respectively.

Report on Other Legal and Regulatory Requirements

Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing agreement and found the same to be correct.

Mumbai
26 October 2012

For **B S R & Co.**
Chartered Accountants
Firm's registration No: 101248W



Vijay Bhatt
Partner

Membership No: 036647

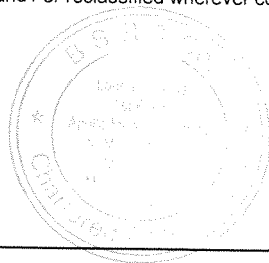
Firstsource Solutions Limited
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2012

(Rs. in millions, except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	September	June 30,	September	September	September	March 31,
	2012	2012	2011	2012	2011	2012
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Revenue from operations	2,182.52	2,054.03	1,922.09	4,236.55	3,722.82	7,596.70
Other operating income, net	(77.52)	(99.03)	17.83	(176.55)	45.51	(54.14)
Total income from operations	2,105.00	1,955.00	1,939.92	4,060.00	3,768.33	7,542.56
Expenses						
Employee benefits expense	1,105.83	1,112.89	1,052.01	2,218.72	2,066.58	4,264.82
Depreciation and amortisation expense	140.09	143.70	150.73	283.79	295.66	598.79
Other expenses	666.12	660.84	669.18	1,326.96	1,327.61	2,623.95
Total expenses	1,912.04	1,917.43	1,871.92	3,829.47	3,689.85	7,487.56
Profit from operations before other income and finance costs	192.96	37.57	68.00	230.53	78.48	55.00
Other income	276.81	263.88	296.53	540.69	450.26	1,086.85
Gain / (Loss) on FCCB buyback, net	-	-	3.79	-	3.79	(67.62)
Profit from ordinary activities before finance costs	469.77	301.45	368.32	771.22	532.53	1,074.23
Finance costs	159.16	160.26	284.06	319.42	376.90	655.65
Profit from ordinary activities before tax	310.61	141.19	84.26	451.80	155.63	418.58
Tax expense	-	-	2.90	-	2.57	(35.01)
Net profit from ordinary activities after tax	310.61	141.19	81.36	451.80	153.06	453.59
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	4,307.76	4,307.76	4,307.76	4,307.76	4,307.76	4,307.76
Reserves excluding Revaluation Reserve	-	-	-	4,535.11	5,647.10	4,493.22
Earning Per Share (Rs.) (not annualised)						
-Basic	0.72	0.33	0.19	1.05	0.36	1.05
-Diluted	0.68	0.33	0.19	1.05	0.36	1.05
Particulars of shareholding						
Public shareholding						
- Number of shares of Rs. 10	345,246,044	345,236,587	345,236,587	345,246,044	345,236,587	345,236,587
- Percentage of shareholding	80.15%	80.14%	80.14%	80.15%	80.14%	80.14%
Promoters' and promoter group shareholding						
a) Pledged/ Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	85,530,263	85,539,720	85,539,720	85,530,263	85,539,720	85,539,720
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	19.85%	19.86%	19.86%	19.85%	19.86%	19.86%

Notes to financials results :

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on October 26, 2012.
- The company has filed an application to the Bombay High Court for the merger of its wholly owned subsidiary, Rev IT Systems Private Limited with the Company effective 1 April 2011. Pending approval of the Honourable High Court at Mumbai, no effect of the Scheme is given in the above financial results.
- Effective year ended March 31, 2009, the Company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- During the quarter, no Equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- During the quarter, 24 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.



By order of the Board
For Firstsource Solutions Limited

Rajesh Subramaniam
Managing Director and CEO

Mumbai, India
October 26, 2012