

KIND ATTN : MR. HARI K / MR. ANEESH KUMAR

REF: SECT/02/2014/05

FEBRUARY 07, 2014

To,
The Managing Director,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra - (E),
Mumbai - 400 051

Dear Sir,

**SUB: CORPORATE DISCLOSURE UNDER LISTING AGREEMENT FOR BUSINESS APPROVED
AT THE BOARD MEETING**

This is with reference to the Listing Agreement entered into by R Systems International Limited. We wish to inform you as required in terms of Clause 20, 41 and other applicable provisions of the Listing Agreement that the Board of Directors of R Systems International Limited at its meeting held on February 07, 2014 has inter alia transacted the following businesses:

1. Approved the audited standalone financial results of the Company for the quarter and financial year ended December 31, 2013 (*refer Note 10 of the Standalone Financial Results*).
2. Approved the audited consolidated financial results of the Company for the quarter and financial year ended December 31, 2013 (*refer Note 12 of the Consolidated Financial Results*).
3. Recommended a final dividend of Re. 0.95 per equity share of face value of Re. 1/- each (equivalent to Rs. 9.50 per equity share of face value of Rs. 10/- per share before the sub-division of equity shares) (being 95% on the par value) to be appropriated from the profits for the financial year ended December 31, 2013, subject to the approval of shareholders at the ensuing Annual General Meeting. This is in addition to the first interim dividend and second interim dividend of Rs. 2.50 and Rs. 8.50 respectively paid on per equity share of face value of Rs. 10/- each during the year 2013. Thus total dividend for the financial year 2013 aggregates to Rs. 2.05 per shares on face value of Re. 1/- each (i.e. equivalent to Rs. 20.50 per equity share of face value of Rs. 10/- each) (being 205% on the par value).

Pursuant to the provisions of Clause 20 (as amended) of the Listing Agreement, the date of payment of aforesaid final dividend, if approved by the shareholders, will be intimated along with the declaration of dates for book closure and Annual General Meeting.



Page 1 of 27

Please find attached herewith the following:

1. Audited standalone financial results for the quarter and financial year ended December 31, 2013 in the format prescribed under Clause 41 of Listing Agreement along with the report of the auditors thereon (*refer Note 10 of the Standalone Financial Results*).
2. Audited consolidated financial results for the quarter and financial year ended December 31, 2013) in the format prescribed under Clause 41 of Listing Agreement along with the report of the auditors thereon (*refer Note 12 of the Consolidated Financial Results*).
3. Duly signed Form A with respect to unqualified Audit Report to the Audited Financial Result for the year ended December 31, 2013, as required under clause 31 of the Listing Agreement read with SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012.
4. Copy of the press release to be issued for recommendation of final dividend and declaration of the financial results for the quarter and financial year ended December 31, 2013.

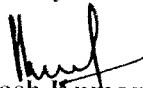
This is for your information and record.

Thanking you.

Yours faithfully,



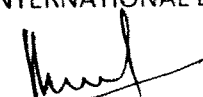
For R Systems International Limited


Vikash Kumar Tiwari
(Company Secretary & Compliance Officer)

R SYSTEMS INTERNATIONAL LIMITED					
Registered Office : B - 104A, Greater Kailash - I, New Delhi - 110 048					
Statement of Standalone Audited Results for the Quarter and Year Ended December 31, 2013					
PART I					
S.No.	Particulars (Refer notes)	Three Months Ended			Year Ended
		31.12.2013 (Audited) Refer note 10	30.09.2013 (Audited)	31.12.2012 (Audited) Refer note 10	31.12.2012 (Audited)
1	Income from operations				
(a)	Income from operations	7,368.80	7,336.18	5,790.71	26,980.34
(b)	Other operating income	8.35	4.62	4.50	31.82
	Total income from operations	7,377.15	7,340.78	5,795.21	27,012.16
2	Expenses				
(a)	Employee benefits expense	4,109.89	3,840.25	3,910.71	16,020.44
(b)	Depreciation and amortisation expense	124.83	119.92	130.82	478.08
(c)	Traveling and conveyance	529.63	602.49	517.21	2,170.73
(d)	Communication costs	134.09	130.13	113.14	506.54
(e)	Legal and professional expenses (including subcontract expenses)	141.28	129.07	93.75	558.52
(f)	Provision for doubtful debts and advances (net)	23.13	(38.86)	(24.26)	149.59
(g)	Other expenses	187.99	739.81	411.09	2,070.47
	Total expenses	5,230.64	5,522.61	5,152.46	21,954.37
3	Profit from operations before other income, finance costs and exceptional items (1-2)	2,146.51	1,818.17	642.75	5,057.79
4	Other income	95.67	89.11	109.04	385.05
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,242.18	1,907.28	751.79	5,442.84
6	Finance costs	8.69	6.41	6.71	27.97
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	2,233.49	1,900.87	745.08	5,414.87
8	Exceptional items	-	-	-	-
9	Profit from ordinary activities before tax (7+8)	2,233.49	1,900.87	745.08	5,414.87
10	Tax expense				
	Current tax	755.61	659.55	264.82	1,908.74
	MAT credit (refer note 9)	-	-	-	(123.21)
	Deferred tax charge / (credit)	14.69	(31.90)	(26.00)	(25.88)
	Total tax expense	770.30	627.65	238.82	1,759.65
11	Net profit from ordinary activities after tax (9-10)	1,463.19	1,273.22	506.26	3,655.22
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net profit for the period / year (11-12)	1,463.19	1,273.22	506.26	3,655.22
14	Paid - up equity share capital (Face value Rs. 10/- each) (refer note 7 and 8)	1,259.16	1,259.16	1,244.68	1,259.16
15	Reserves excluding Revaluation Reserves as at December 31, 2013 and December 31, 2012				17,546.23
16.i	Earnings per share before extraordinary items and after considering sub-division (Face value of Rs. 1/- each) (not annualised) (refer note 7)				
(a)	Basic	1.16	1.01	0.41	2.90
(b)	Diluted	1.16	1.01	0.41	2.90
16.ii	Earnings per share after extraordinary items and considering sub-division (Face value of Rs. 1/- each) (not annualised) (refer note 7)				
(a)	Basic	1.16	1.01	0.41	2.90
(b)	Diluted	1.16	1.01	0.41	2.90
See accompanying notes to the financial results.					
PART II					
A	PARTICULARS OF SHAREHOLDING (refer note 7)				
1	Public Shareholding				
	- Number of shares (Face value Rs. 10/- each)	6,223,762	6,223,762	6,146,127	6,223,762
	- Percentage of shareholding	49.14	49.14	49.09	49.14
2	Promoters and Promoter Group Shareholding				
(a)	Pledged / encumbered				
	- Number of shares (Face value Rs. 10/- each)	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
(b)	Non-encumbered				
	- Number of shares (Face value Rs. 10/- each)	6,441,696	6,441,696	6,374,581	6,441,696
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	50.86	50.86	50.91	50.86
Particulars		Three Months Ended			
		31.12.2013			
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	6			
	Disposed off during the quarter	6			
	Remaining unresolved at the end of the quarter	Nil			

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

S.R. Battliboi & Co. LLP, Gurgaon

for Identification

Page 3 of 27

Notes:

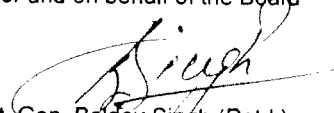
- 1 The results for the quarter and year ended December 31, 2013 were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on February 07, 2014.
- 2 The Board of Directors has recommended a final dividend of Re. 0.95 per equity share of face value of Re. 1/- each, equivalent to Rs. 9.50 per equity share of Rs. 10/- per share before the sub-division of equity shares (being 95% on the par value) (Refer note 7), subject to the approval of the shareholders at the forthcoming Annual General Meeting. This is in addition to first and second interim dividend of Rs. 2.50 and Rs.8.50 per equity share of face value of 10/- each declared during the year ended December 31, 2013 for which the confirmation will be taken in forthcoming Annual General Meeting.
- 3 An audit has been completed by the Statutory Auditors for the quarter and year ended December 31, 2013 and December 31, 2012. There is no qualification in the Auditors' Report on these financial results.
- 4 On January 26, 2011 the Company acquired 100% shares of Computaris International Limited, UK (Computaris) for a maximum consideration of GBP 9 million out of which GBP 4.25 million was the initial payout and balance was based on earn outs as well as fulfillment of certain condition by the erstwhile shareholders of Computaris over the next two years. During the year ended December 31, 2013, such conditions were fulfilled and accordingly the Company settled with erstwhile shareholders of Computaris the final consideration at Rs. 4,218.13 lakhs. The carrying value of investments has accordingly been adjusted as at December 31, 2013.
- 5 During the year ended December 31, 2010, the Board of Directors of the Company and R Systems NV, Belgium (wholly owned subsidiary of the Company) had approved the liquidation of R Systems NV, Belgium subject to the required statutory and corporate approvals in India and Belgium. The above liquidation was completed on June 24, 2013, in compliance with the applicable laws of India and Belgium.
- 6 One of the step down subsidiaries i.e. Computaris Limited (a wholly owned dormant subsidiary of Computaris International Limited) has been liquidated as per applicable laws in United Kingdom and India on December 24, 2013.
- 7 On January 14, 2014, the shareholders of the Company, through postal ballot, approved the sub-division (stock split) of one equity share of face value of Rs. 10/- into ten equity shares of face value of Re. 1/- each fully paid up. The Board of Directors has fixed February 28, 2014 as the record date to give effect of the sub-division. Accordingly, the sub-division has not been given effect in the disclosure pertaining to shareholding as at December 31, 2013 in Part II of the accompanying statement. However, for the purpose of computing Earnings Per Share for the current quarter and current year as well as all prior periods presented, the effect of sub-division has been considered in accordance with the requirements of Accounting Standard - 20 "Earnings Per Share".
- 8 During the year ended December 31, 2013, the Company has issued 144,750 equity shares of Rs. 10/- each pursuant to exercise of employee stock options under the R Systems International Limited Employee Stock Option Scheme 2007.
- 9 MAT Credit during the year ended December 31, 2013 includes credit amounting to Rs. 123.21 lakhs pertaining to prior years.
- 10 Figures for the quarter ended December 31, 2013 and December 31, 2012 are equivalent to the difference between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 11 Refer Annexure A for the standalone statement of assets & liabilities.
- 12 Refer Annexure B for segment wise standalone revenue, results and capital employed.
- 13 Previous period's / year's figures have been regrouped / reclassified wherever applicable, to the extent possible, to conform to the current period presentation.

S.R. Battibol & Co. LLP, Gurgaon
for Identification

Place : NOIDA

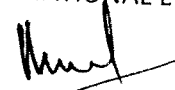
Date : February 07, 2014

For and on behalf of the Board


Lt. Gen. Baldev Singh (Retd.)
[President & Senior Executive Director]

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

R SYSTEMS INTERNATIONAL LIMITED**Standalone Statement of Assets & Liabilities**

(Rs. in lakhs)

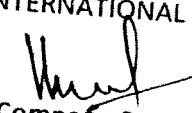
Particulars		As at Year Ended 31.12.2013	As at Year Ended 31.12.2012
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1,259.16	1,244.68
	(b) Reserves and surplus	17,546.23	16,779.16
	Sub total - Shareholders' fund	18,805.39	18,023.84
2	Non-current liabilities		
	(a) Long-term borrowings	44.03	34.47
	(b) Other long-term liabilities	38.27	65.70
	(c) Long-term provisions	734.38	712.41
	Sub total - Non-current liabilities	816.68	812.58
3	Current liabilities		
	(a) Trade payables	1,528.54	1,188.02
	(b) Other current liabilities	1,132.70	1,301.71
	(c) Short-term provisions	3,228.97	2,666.85
	Sub total - Current liabilities	5,890.21	5,156.58
	TOTAL - EQUITY AND LIABILITIES	25,512.28	23,993.00
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	3,460.68	3,046.31
	(b) Non-current investments	7,936.08	7,670.19
	(c) Deferred tax assets (net)	513.79	487.91
	(d) Long-term loans and advances	686.09	894.84
	(e) Other non-current assets	797.10	713.31
	Sub total - Non-current assets	13,393.74	12,812.56
2	Current assets		
	(a) Current investments	100.00	-
	(b) Trade receivables	5,795.26	4,628.66
	(c) Cash and cash equivalents	4,415.58	5,481.62
	(d) Short-term loans and advances	678.64	434.49
	(e) Other current assets	1,129.06	635.67
	Sub total - Current assets	12,118.54	11,180.44
	TOTAL - ASSETS	25,512.28	23,993.00

S.R. Batliboi & Co. LLP, Gurgaon

for Identification

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For R SYSTEMS INTERNATIONAL LTD.


 Company Secretary

R SYSTEMS INTERNATIONAL LIMITED						Annexure B
Segment Wise Standalone Revenue, Results and Capital Employed						(Rs. In lakhs)
S.No.	Particulars	Three Months Ended			Year Ended	
		31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012
		(Audited) Refer note 10	(Audited)	(Audited) Refer note 10	(Audited)	(Audited)
1	Segment revenue					
	- Information technology services and products	6,442.89	6,423.17	4,993.19	23,564.01	19,904.51
	- Business process outsourcing services	925.91	912.99	797.52	3,416.33	2,988.22
	Income from operations	7,368.80	7,336.16	5,790.71	26,980.34	22,892.73
2	Segment results before tax and interest					
	- Information technology services and products	2,010.35	1,722.92	570.81	4,903.89	2,675.09
	- Business process outsourcing services	267.07	212.27	144.65	629.94	402.20
	Total	2,277.42	1,935.19	715.46	5,533.83	3,077.29
	(i) Interest expense	(1.94)	(1.61)	(1.61)	(6.81)	(6.81)
	(ii) Interest income	95.67	89.11	109.04	385.05	401.27
	(iii) Other unallocable expenses	(137.66)	(121.82)	(77.81)	(497.20)	(399.14)
	Profit before tax	2,233.49	1,900.87	745.08	5,414.87	3,072.61
3	Capital employed					
	- Information technology services and products	15,610.27	14,969.10	13,652.46	15,610.27	13,652.46
	- Business process outsourcing services	(918.36)	(1,180.60)	(1,538.38)	(918.36)	(1,538.38)
	- Unallocated corporate	4,113.48	4,961.40	5,909.76	4,113.48	5,909.76
	Total capital employed	18,805.39	18,749.90	18,023.84	18,805.39	18,023.84

S.R. Batliboi & Co. LLP, Gurgaon

for identification

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

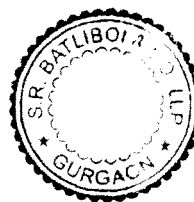
Auditor's Report on Quarterly Financial Results and Year to Date Results of R Systems International Limited pursuant to the Clause 41 of the Listing Agreement

To
**Board of Directors of
R Systems International Limited**

1. We have audited the quarterly financial results of R Systems International Limited ('the Company') for the quarter ended December 31, 2013 and the financial results for the year ended December 31, 2013, attached herewith, being submitted by the Company pursuant to the requirement 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. These quarterly financial results as well as year to date financial results have been prepared on the basis of interim financial statements, which are responsibility of Company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date 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 December 31, 2013 and for the year ended December 31, 2013.
4. Further, read with paragraph 1 above, we report that the figures for the quarter ended December 31, 2013 represent the derived figures between the audited figures in respect of the financial year ended December 31, 2013 and the published year-to-date figures up to September 30, 2013, being the date of the end of the third quarter of the current financial year, as required under Clause 41(I)(d) of the Listing Agreement.

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary



Page 7 of 27

S.R. BATLIBOI & Co. LLP

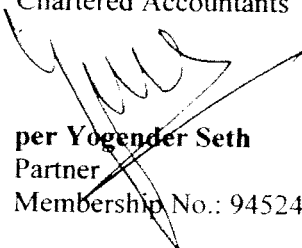
Chartered Accountants

5. Further, read with paragraph 1 above, we also report that we have, on the basis of the 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.

For S.R. BATLIBOI & CO. LLP

ICAI Firm registration number: 301003E

Chartered Accountants


per **Yogender Seth**

Partner

Membership No.: 94524

Place: Noida

Date: February 7, 2014

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

R SYSTEMS INTERNATIONAL LIMITED						
Registered Office : B - 104A, Greater Kailash - I, New Delhi - 110 048						
Statement of Consolidated Audited Results for the Year Ended December 31, 2013						
PART I		(Rs. in lakhs, except per share data)				
S.No.	Particulars	Three Months Ended			Year Ended	
		31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012
	(Refer notes)	(Audited) Refer note 12	(Unaudited)	(Audited) Refer note 12	(Audited)	(Audited)
1	Income from operations					
(a)	Income from operations	16,555.09	16,042.33	12,160.27	59,605.42	46,500.88
(b)	Other operating income	9.59	6.96	28.92	68.03	77.13
	Total income from operations	16,564.68	16,049.29	12,189.19	59,673.45	46,578.01
2	Expenses					
(a)	Employee benefits expense	9,427.49	9,058.84	7,941.75	35,738.67	31,262.84
(b)	Depreciation and amortisation expense	281.74	264.68	225.99	1,017.07	1,008.94
(c)	Traveling and conveyance	811.43	926.13	842.83	3,459.44	3,005.27
(d)	Communication costs	242.46	218.41	192.72	866.67	753.16
(e)	Legal and professional expenses (including subcontract expenses)	1,713.90	1,619.15	1,124.36	5,951.97	3,384.40
(f)	Provision for doubtful debts and advances (net)	8.75	(23.70)	3.25	334.50	209.41
(g)	Other expenses (refer note 10)	1,198.47	1,576.05	1,428.17	5,451.20	4,424.47
	Total expenses	13,664.24	13,639.56	11,759.07	52,819.52	44,048.49
3	Profit from operations before other income, finance costs and exceptional items (1-2)	2,880.44	2,409.73	430.12	6,853.93	2,529.52
4	Other income	101.08	94.37	111.88	403.46	423.31
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,981.52	2,504.10	542.00	7,257.39	2,952.83
6	Finance costs	22.22	15.59	14.09	74.84	67.47
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	2,959.30	2,488.51	527.91	7,182.55	2,885.36
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before tax (7+8)	2,959.30	2,488.51	527.91	7,182.55	2,885.36
10	Tax expense					
	Current tax (refer note 10)	760.17	704.24	256.04	2,048.20	949.86
	MAT credit (refer note 9)	-	-	-	(123.21)	-
	Deferred tax charge / (credit) (refer note 10)	22.04	(21.12)	(18.76)	(12.31)	99.30
	Total tax expense	782.21	683.12	237.28	1,912.68	1,049.16
11	Net profit from ordinary activities after tax (9-10)	2,177.09	1,805.39	290.63	5,269.87	1,836.20
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net profit for the period / year (11-12)	2,177.09	1,805.39	290.63	5,269.87	1,836.20
14	Share of profit / (loss) of associates	-	-	-	-	-
15	Minority Interest	-	-	-	-	-
16	Net profit after taxes, minority interest and share of profit of associates (13+14-15)	2,177.09	1,805.39	290.63	5,269.87	1,836.20
17	Paid - up equity share capital (Face value Rs. 10/- each) (refer note 7 and 8)	1,259.16	1,259.16	1,244.68	1,259.16	1,244.68
18	Reserves excluding Revaluation Reserves as at December 31, 2013 and December 31, 2012	-	-	-	21,916.91	18,215.30
19.i	Earnings per share before extraordinary items and after considering sub-division (Face value of Rs. 1/- each) (not annualised) (refer note 7)					
(a)	Basic	1.72	1.43	0.23	4.18	1.48
(b)	Diluted	1.72	1.43	0.23	4.18	1.48
19.ii	Earnings per share after extraordinary items and considering sub-division (Face value of Rs. 1/- each) (not annualised) (refer note 7)					
(a)	Basic	1.72	1.43	0.23	4.18	1.48
(b)	Diluted	1.72	1.43	0.23	4.18	1.48
See accompanying notes to the financial results.						
PART II						
A	PARTICULARS OF SHAREHOLDING (refer note 7)					
1	Public Shareholding					
	- Number of shares (Face value Rs. 10/- each)	6,223,762	6,223,762	6,146,127	6,223,762	6,146,127
	- Percentage of shareholding	49.14	49.14	49.09	49.14	49.09
2	Promoters and Promoter Group Shareholding					
(a)	Pledged / encumbered					
	- Number of shares (Face value Rs. 10/- each)	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
(b)	Non-encumbered					
	- Number of shares (Face value Rs. 10/- each)	6,441,696	6,441,696	6,374,581	6,441,696	6,374,581
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00	100
	- Percentage of shares (as a % of the total share capital of the Company)	50.86	50.86	50.91	50.86	50.91
Particulars		Three Months Ended				
		31.12.2013				
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	Nil				
	Received during the quarter	6				
	Disposed off during the quarter	6				
	Remaining unresolved at the end of the quarter	Nil				

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For R SYSTEMS INTERNATIONAL LTD.

S.R. Batliboi & Co. LLP, Gurgaon

for Identification

Company Secretary

Page 9 of 27

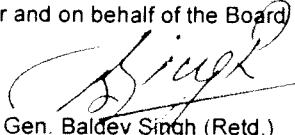
Notes:

- 1 The results for the quarter and year ended December 31, 2013 were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on February 07, 2014.
- 2 The Board of Directors has recommended a final dividend of Re. 0.95 per equity share of face value of Re. 1/- each, equivalent to Rs. 9.50 per equity share of Rs. 10/- per share before the sub-division of equity shares (being 95% on the par value) (Refer note 7), subject to the approval of the shareholders at the forthcoming Annual General Meeting. This is in addition to first and second interim dividend of Rs. 2.50 and Rs. 8.50 per equity share of face value of 10/- each declared during the year ended December 31, 2013 for which the confirmation will be taken in forthcoming Annual General Meeting.
- 3 An audit has been completed by the statutory auditors for the year ended December 31, 2013 and December 31, 2012. There is no qualification in the Auditors' Report on these financial results.
- 4 On January 26, 2011 the Company acquired 100% shares of Computaris International Limited, UK (Computaris) for a maximum consideration of GBP 9 million out of which GBP 4.25 million was the initial payout and balance was based on earn outs as well as fulfillment of certain condition by the erstwhile shareholders of Computaris over the next two years. During the year ended December 31, 2013, such conditions were fulfilled and accordingly the Company settled with erstwhile shareholders of Computaris the final consideration at Rs. 4,218.13 lakhs and accordingly adjusted the goodwill on acquisition. The restated goodwill amount as at December 31, 2013 is Rs. 2,911.11 lakhs.
- 5 During the year ended December 31, 2010, the Board of Directors of the Company and R Systems NV, Belgium (wholly owned subsidiary of the Company) had approved the liquidation of R Systems NV, Belgium subject to the required statutory and corporate approvals in India and Belgium. The above liquidation was completed on June 24, 2013, in compliance with the applicable laws of India and Belgium.
- 6 One of the step down subsidiaries i.e. Computaris Limited (a wholly owned dormant subsidiary of Computaris International Limited) has been liquidated as per applicable laws in United Kingdom and India on December 24, 2013.
- 7 On January 14, 2014, the shareholders of the Company, through postal ballot, approved the sub-division (stock split) of one equity share of face value of Rs. 10/- into ten equity shares of face value of Re. 1/- each fully paid up. The Board of Directors has fixed February 28, 2014 as the record date to give effect of the sub-division. Accordingly, the sub-division has not been given effect in the disclosure pertaining to shareholding as at December 31, 2013 in Part II of the accompanying statement. However, for the purpose of computing Earnings Per Share for the current quarter and current year as well as all prior periods presented, the effect of sub-division has been considered in accordance with the requirements of Accounting Standard - 20 "Earnings Per Share".
- 8 During the year ended December 31, 2013, the Company has issued 144,750 equity shares of Rs. 10/- each pursuant to exercise of employee stock options under the R Systems International Limited Employee Stock Option Scheme 2007.
- 9 MAT Credit during the year ended December 31, 2013 includes credit amounting to Rs. 123.21 lakhs pertaining to prior years.
- 10 Results for the year ended December 31, 2012 includes prior period expenses pertaining to current tax Rs 4.32 lakhs, deferred tax charge Rs 42.78 lakhs and other expenses of Rs 32.84 lakhs.
- 11 During the year ended December 31, 2012, one of the subsidiaries of the Company had received a claim for penalty from one of its customers and recorded provision of Rs 559.31 lakhs towards such claim. The subsidiary had subcontracted certain part of its scope of services to one of its vendors and basis the contractual terms claimed an equivalent amount from such vendor. However, pending acceptance of the claim by the vendor, the recoverable from the vendor was not recorded in the results. There is no change in management assessment as at December 31, 2013.
- 12 Figures for the quarter ended December 31, 2013 and December 31, 2012 are equivalent to the difference between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 13 Refer Annexure A for the consolidated statement of assets and liabilities.
- 14 Refer Annexure B for segment wise consolidated revenue, results and capital employed.
- 15 Previous period's / year's figures have been regrouped / reclassified wherever applicable, to the extent possible, to conform to the current period presentation.

S.R. Batliboi & Co. LLP, Gurgaon
for Identification

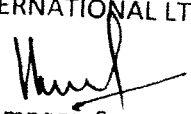
Place : NOIDA
Date : February 07, 2014

For and on behalf of the Board


Lt. Gen. Baldev Singh (Retd.)
[President & Senior Executive Director]

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

Page 10 of 27

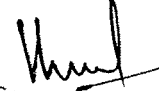
Annexure A

R SYSTEMS INTERNATIONAL LIMITED
Consolidated Statement of Assets and Liabilities

(Rs. in lakhs)

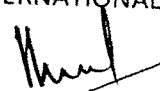
Particulars		As at Year Ended 31.12.2013	As at Year Ended 31.12.2012
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1,259.16	1,244.68
	(b) Reserves and surplus	21,916.91	18,215.30
	Sub total - Shareholders' fund	23,176.07	19,459.98
2	Minority interest	-	-
3	Non-current liabilities		
	(a) Long-term borrowings	88.07	34.47
	(b) Other long-term liabilities	43.79	72.85
	(c) Long-term provisions	734.38	712.41
	Sub total - Non-current liabilities	866.24	819.73
4	Current liabilities		
	(a) Trade payables	5,146.18	3,961.19
	(b) Other current liabilities	1,774.55	2,004.57
	(c) Short-term provisions	3,756.50	3,509.67
	Sub total - Current liabilities	10,677.23	9,475.43
	TOTAL - EQUITY AND LIABILITIES	34,719.54	29,755.14
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	4,629.98	3,870.69
	(b) Goodwill on consolidation	2,911.11	2,739.97
	(c) Non-current investments	0.25	0.25
	(d) Deferred tax assets (net)	553.49	548.28
	(e) Long-term loans and advances	843.81	1,047.88
	(f) Other non-current assets	962.33	802.97
	Sub total - Non-current assets	9,900.97	9,010.04
2	Current assets		
	(a) Current investments	100.00	-
	(b) Trade receivables	10,409.34	9,806.33
	(c) Cash and cash equivalents	10,145.35	8,145.56
	(d) Short-term loans and advances	1,501.53	1,073.45
	(e) Other current assets	2,662.35	1,719.76
	Sub total - Current assets	24,818.57	20,745.10
	TOTAL - ASSETS	34,719.54	29,755.14

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for Identification

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

R SYSTEMS INTERNATIONAL LIMITED						Annexure B
Segment Wise Consolidated Revenue, Results and Capital Employed						(Rs. in lakhs)
S.No.	Particulars	Three Months Ended			Year Ended	
		31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012
		(Audited) Refer note 12	(Unaudited)	(Audited) Refer note 12	(Audited)	(Audited)
1	Segment revenue					
	- Information technology services and products	13,431.77	13,076.20	9,792.30	48,396.68	37,603.24
	- Business process outsourcing services	3,174.77	3,035.88	2,406.47	11,443.06	9,048.56
	Less: Elimination of intersegment sales	51.45	69.75	38.50	234.32	150.92
	Income from operations	16,555.09	16,042.33	12,160.27	59,605.42	46,500.88
2	Segment results before tax and interest					
	- Information technology services and products	2,591.27	2,170.10	303.49	6,218.86	2,371.72
	- Business process outsourcing services	492.76	379.78	291.17	1,239.25	716.29
	Total	3,084.03	2,549.88	594.66	7,458.11	3,088.01
	(i) Interest expense	(3.77)	(2.83)	(2.12)	(12.34)	(8.60)
	(ii) Interest income	101.08	94.37	111.88	403.46	423.31
	(iii) Other unallocable expenses	(222.04)	(152.91)	(176.51)	(666.68)	(617.36)
	Profit before tax	2,959.30	2,488.51	527.91	7,182.55	2,885.36
3	Capital employed					
	- Information technology services and products	17,052.44	16,068.07	13,658.70	17,052.44	13,658.70
	- Business process outsourcing services	751.90	268.53	(657.94)	751.90	(657.94)
	- Unallocated corporate	5,371.73	6,064.35	6,459.22	5,371.73	6,459.22
	Total capital employed	23,176.07	22,400.95	19,459.98	23,176.07	19,459.98

S.R. Batliboi & Co. LLP, Gurgaon
for Identification


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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

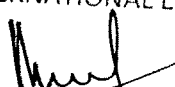
Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Results of R Systems International Limited pursuant to the Clause 41 of the Listing Agreement

To
Board of Directors of
R Systems International Limited.

1. We have audited the quarterly consolidated financial results of R Systems International Limited for the quarter ended December 31, 2013 and the consolidated financial results for the year ended December 31, 2013, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly consolidated financial results are the derived figures between the audited figures in respect of the year ended December 31, 2013 and the published year-to-date figures up to September 30, 2013, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The consolidated financial results for the quarter ended December 31, 2013 have been prepared on the basis of the consolidated financial results for the nine-month period ended September 30, 2013, the audited annual consolidated financial statements as at and for the year ended December 31, 2013, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our review of the consolidated financial results for the nine-month period ended September 30, 2013 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India; our audit of the annual consolidated financial statements as at and for the year ended December 31, 2013; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of twenty two subsidiaries included in the consolidated quarterly financial results and consolidated financial results for the year, whose consolidated financial statements reflect total assets of Rs. 14,530.62 lakhs as at quarter and year ended December 31, 2013; as well as the total revenue of Rs. 9,391.05 lakhs for the quarter ended December 31, 2013 and Rs. 33,304.73 lakhs for the year ended December 31, 2013. These financial statements and other information have been audited by other auditors whose reports have been furnished to us, and our opinion on the quarterly financial results and for the year results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

Page 13 of 27

4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- i. include the quarterly financial results and year-to-date results of the following entities:

- a) R Systems, Inc.,
- b) Indus Software, Inc.,
- c) R Systems Solutions, Inc.,
- d) R Systems Europe B.V.,
- e) R Systems S.A.S.,
- f) Systemes R. International Ltee,
- g) R Systems (Singapore) Pte Limited,
- h) ECnet Limited,
- i) ECnet(M) Sdn Bhd,
- j) ECnet, Inc.,
- k) ECnet (Hong kong) Limited,
- l) ECnet Systems (Thailand) Co. Limited,
- m) ECnet Kabushiki Kaisha,
- n) ECnet (Shanghai) Co. Limited,
- o) Computaris International Limited,
- p) Computaris Polska sp z.o.o,
- q) ICS Computaris International SRL,
- r) Computaris Romania SRL,
- s) Computaris Malaysia Sdn. Bhd,
- t) Computaris USA, Inc.,
- u) R Systems N.V.,#
- v) Computaris Limited ##

#liquidated on June 24, 2013

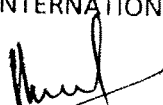
liquidated on December 24, 2013

- 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 net profit and other financial information for the quarter ended December 31, 2013 and for the year ended December 31, 2013.

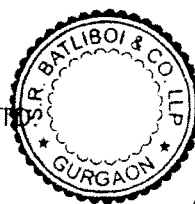
5. Further, read with paragraph 1 above, we report that the figures for the quarter ended December 31, 2013 represent the derived figures between the audited figures in respect of the financial year ended December, 2013 and the published year-to-date figures up to September 30, 2013, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(1)(d) of the Listing Agreement.

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For R SYSTEMS INTERNATIONAL LTD.



Company Secretary



Page 14 of 27

S.R. BATLIBOI & CO. LLP

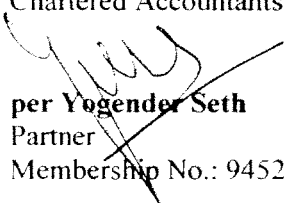
Chartered Accountants

6. Further, read with paragraph 1 above, we also report that we have, on the basis of the 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.

For S.R. BATLIBOI & CO. LLP

ICAI Firm registration number: 301003E

Chartered Accountants


per Yogender Seth

Partner

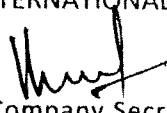
Membership No.: 94524

Place: Noida

Date: February 7, 2014

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

FORM A**Format of covering letter of the annual audit report to be filed with the stock exchanges**

1.	Name of the Company:	R Systems International Limited
2.	Annual financial statements for the year ended	December 31, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by- ☐ CEO/Managing Director : Satinder Singh Rekhi ☐ CFO Nand Sardana ☐ Auditor of the company Yogender Seth (Partner, M/s. S. R. Batliboi & Co, LLP) Firm Reg. No. 301003E ☐ Audit Committee Chairman Raj Kumar Gogia	



R Systems Revenue Crosses US\$100 mn in Calendar Year 2013

YOY Revenue Growth 28.18 % and Net Profit Growth 187.00 %
Recommends Dividend of Rs. 9.50 per share of face value of Rs. 10/-

Noida, India – February 7, 2014

Highlights

Consolidated results for FY ended December 31, 2013

- Consolidated revenue for FY 2013 was Rs. 596.05 crores (US\$ 101.76 mn.) as against Rs. 465.01 crores (US\$ 87.05 mn.) in FY 2012; YoY increase of 28.18 %.
- Earnings before interest, depreciation, taxes and allowances (“EBITDA”) for FY 2013 were Rs. 78.64 crores (US\$ 13.43 mn.) as against Rs. 34.84 crores (US\$ 6.53 mn.) in FY 2012; YoY increase of 125.74 %.
- Net profit after taxes for FY 2013 was Rs. 52.70 crores (US\$ 9.00 mn) as against Rs. 18.36 crores (US\$ 3.44 mn) in FY 2012; YoY increase of 187.00 %.
- Earnings per share (face value of Rs 10/- each) of Rs. 41.78 for FY 2013 as against Rs. 14.76 in FY 2012 equivalent to Rs. 4.18 per share for the year 2013 and Rs. 1.48 per share for the year 2012 post sub-division of share into Re. 1/- face value.
- Total cash and bank balances as at December 31, 2013 were Rs. 111.52 crores as against Rs. 88.94 crores as at December 31, 2012.

Consolidated results for the quarter ended December 31, 2013

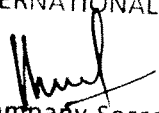
- Consolidated revenue from operations for Q4-13 was Rs. 165.55 crores (US\$ 26.78 mn) compared to Rs. 121.60 crores (US\$ 22.44 mn) in Q4, 2012 and Rs. 160.42 crores (US\$ 25.89 mn) in Q3, 2013. YoY increase was 36.14 % and QoQ increase was 3.20 %.
- EBITDA was Rs 29.28 crores (US\$ 4.83 mn) compared to Rs. 5.89 crores (US\$ 1.08 mn) in Q4, 2012 and Rs. 28.71 crores (US\$ 4.85 mn) in Q3, 2013. YoY increase was 397.23 % and QoQ increase was 2.00%.
- Net profit after taxes was Rs. 21.77 crores (US\$ 3.61 mn) compared to Rs. 2.91 crores (US\$ 0.53 mn) in Q4, 2012 and Rs. 18.05 crores (US\$ 3.05 mn) in Q3, 2013. YoY increase was 648.92 % and QoQ increase was 20.59 %.

Others

- During the quarter, R Systems added 8 key customers.
- Total associates as on December 31, 2013 were 2,582 compared to 2,566 at the end of December 31, 2012 and 2,563 at the end of September 30, 2013.

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

Page 17 of 27



Mr. Rekhi Singh, Chairman and MD stated “We have joined the elite club of companies with revenue over USD 100 mn. Over the year we added over 15 marquee clients with profitability across all business verticals and geographies. We have a strong balance sheet with constant cash generation and are keen to invest further in research and development, and creating more innovative solutions.”

He added, “ Year 2014 looks promising for the Company and considering the overall performance, the Board has recommended a final dividend of Rs. 9.50 per share having face value of Rs. 10/- (in addition to earlier declared interim dividends of Rs. 11 per share) subject to approval of shareholders.”

Mr. Raj Swaminathan Executive Director and COO said “We are able to achieve record revenue and profitability through discipline in execution. During 2013, we served 25 million dollar plus accounts including 6 accounts contributing dollar three million plus revenues.” He added, “Our Indus Product Business won the Financial Express “IT Solution of the Year” award for the high impact and innovative solution we delivered for India’s one of the most respected Insurance companies. We were declared the Category winner by an elite jury panel comprising highly regarded Business / IT and Academic leaders.”

Dividend Declaration

The Board of Directors at its meeting held on February 7, 2014 has recommended a final dividend of Rs 9.50 per share having face value of Rs. 10/- each (being 95% on face value) , subject to approval of the shareholders at the forthcoming Annual General Meeting. This is in addition to first and second interim dividend of Rs. 2.50 and Rs. 8.50 per equity share declared earlier during the year 2013.

Key Operational Highlights for the Quarter

R Systems’ core service offerings include Outsourced Product Engineering, sold under our brand of iPLM (Integrated Product Life Cycle Management) IT and ITES services. Our iPLM IT Services are designed to help software product development companies to accelerate their time-to-market, make our customer more competitive and increase product life spans. Our key ITES services include customer care and technical support, managed services, NOC support, high-end quality process management and revenue and claims management. These are delivered in multiple languages using our global delivery model.

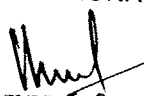
R Systems products group consists of two units i.e., Indus® and ECnet®. Indus® addresses its target BFSI market with its flagship product LSI (Lending Solutions from Indus) and its variants for the telecom and insurance industry.

ECnet® addresses supply chain, warehousing and inventory management. Further, ECnet also operates as a channel partner for reselling and implementing several ERP products of one of the largest ERP vendors.

The quarter concluded with 8 key new customers and has a strong pipeline across the business verticals and geographies. The brief of some significant wins are listed below:

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary



One of the leading providers of cloud-based HR and payroll solutions for SME businesses in USA has selected R Systems USA subsidiary for development of its billing and expense management modules along with revamping its existing legacy application.

One of the leading Swiss banks offering a wide range of products including loans, leasing, credit cards and savings products has selected R Systems to implement a project to upgrade its key front end applications.

A UK based new mobile phone manufacturer has selected R Systems' European BPO arm to provide technical support and customer services for its new range of smart phones.

A large auto manufacturer establishing its wholly owned captive financing company has chosen R Systems' flagship Indus product lending solutions for a wing-to-wing implementation for its lending and leasing business covering retail and corporate customers.

One of India's fastest growing scheduled commercial banks specialising in Agri & Development banking has chosen R Systems' Indus Collections solution for implementation across its multi-portfolio retail lending operations.

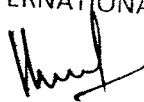
One of Malaysia's largest business conglomerates engaged in various businesses e.g. Automotive, hotels & resorts and health care etc. across Asia Pacific region has selected R Systems' subsidiary ECnet Limited to implement a renowned financial consolidation and reporting solution along with corporate performance management solution.

Liquidity and Shareholder Funds

Total Consolidated Cash and bank balance, including bank deposits and liquid debt funds, as at December 31, 2013 was Rs. 111.52 crores compared to Rs. 88.94 crores as on December 31, 2012. Total shareholder funds as on December 31, 2013 were Rs. 231.76 crores compared to Rs. 194.60 crores as on December 31, 2012.

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

**Financial Performance****Consolidated Profit & Loss Statement for the Quarter Ended December 31, 2013****(As per Indian GAAP)****(Rs. in mn)**

Sr. No.	Particulars	Quarter Ended December 31,		Quarter Ended September 30, 2013
		2013	2012	
1	Income			
1.1	Income from operations	1,655.51	1,216.03	1,604.23
1.2	Other operating income	0.96	2.89	0.70
	Total	1,656.47	1,218.92	1,604.93
2	Expenses			
2.1	Employee benefits expense	942.75	794.18	905.88
2.2	Depreciation and amortisation expense	28.17	22.60	26.47
2.3	Traveling and conveyance	81.14	84.28	92.61
2.4	Communication costs	24.25	19.27	21.84
2.5	Legal and professional expenses (including subcontract expenses)	171.39	112.44	161.92
2.6	Provision for doubtful debts and advances (net)	0.88	0.32	(2.37)
2.7	Other expenses	119.85	142.82	157.61
	Total expenses	1,368.43	1,175.91	1,363.96
3	Profit from operations before other income and finance cost	288.04	43.01	240.97
4	Other income	10.11	11.19	9.44
5	Profit from operations before finance cost	298.15	54.20	250.41
6	Finance cost	2.22	1.41	1.56
7	Profit before tax	295.93	52.79	248.85
8	Tax expense			
8.1	Current tax	76.02	25.60	70.42
8.2	Deferred tax charge / (credit)	2.20	(1.87)	(2.11)
	Total tax expense	78.22	23.73	68.31
9	Net profit after tax	217.71	29.06	180.54

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

**Financial Performance****Consolidated Profit & Loss Statement for the Year Ended December 31, 2013****(As per Indian GAAP)****(Rs. in mn)**

Sr. No.	Particulars	December 31,	
		2013	2012
1	Income		
1.1	Income from operations	5,960.54	4,650.09
1.2	Other operating income	6.80	7.71
	Total	5,967.34	4,657.80
2	Expenses		
2.1	Employee benefits expense	3,573.87	3,126.28
2.2	Depreciation and amortisation expense	101.71	100.89
2.3	Traveling and conveyance	345.94	300.53
2.4	Communication costs	86.67	75.31
2.5	Legal and professional expenses (including subcontract expenses)	595.20	338.44
2.6	Provision for doubtful debts and advances (net)	33.44	20.94
2.7	Other expenses	545.12	442.45
	Total expenses	5,281.95	4,404.84
3	Profit from operations before other income and finance cost	685.39	252.96
4	Other income	40.35	42.33
5	Profit from operations before finance cost	725.74	295.29
6	Finance cost	7.48	6.75
7	Profit before tax	718.26	288.54
8	Tax expense		
8.1	Current tax	204.82	94.99
8.2	MAT credit	(12.32)	-
8.3	Deferred tax charge / (credit)	(1.23)	9.93
	Total tax expense	191.27	104.92
9	Net profit after tax	526.99	183.62

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For R SYSTEMS INTERNATIONAL LTD.


 Company Secretary

**Financial Performance****Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended December 31, 2013**
(Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn)

Particulars	Q4 2013		Q4 2012		Q3 2013	
	INR	US\$	INR	US\$	INR	US\$
Revenues	1,655.51	26.78	1,216.03	22.44	1,604.23	25.89
Cost of revenues	1,006.46	16.23	807.47	14.91	977.10	15.66
Gross margin	649.05	10.55	408.56	7.53	627.13	10.23
	39.21%		33.60%		39.09%	
SG & A Expenses	356.23	5.72	349.67	6.45	340.03	5.38
	21.52%		28.76%		21.20%	
EBITDA	292.82	4.83	58.89	1.08	287.10	4.85
	17.69%		4.84%		17.90%	
Depreciation and amortization	28.17	0.46	22.60	0.41	26.47	0.43
Income from operations	264.65	4.37	36.29	0.67	260.63	4.42
Interest expense	(0.38)	(0.00)	(0.21)	(0.00)	(0.28)	(0.00)
Other income (net)	31.66	0.54	16.71	0.30	(11.50)	(0.21)
Income before income tax	295.93	4.91	52.79	0.97	248.85	4.21
Income tax provision	78.22	1.30	23.73	0.44	68.31	1.16
Net earnings	217.71	3.61	29.06	0.53	180.54	3.05

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For R SYSTEMS INTERNATIONAL LTD.


 Company Secretary

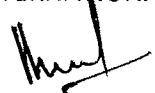
**Financial Performance****Consolidated Profit & Loss Statement (Un-audited) for the Year Ended December 31, 2013**
(Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn)

Particulars	Year 2013		Year 2012	
	INR	US\$	INR	US\$
Revenue	5,960.54	101.76	4,650.09	87.05
Cost of revenue	3,769.14	64.34	3,014.08	56.44
Gross margin	2,191.40	37.42	1,636.01	30.61
	36.76%		35.18%	
SG & A Expenses	1,404.98	23.99	1,287.65	24.07
	23.57%		27.69%	
EBITDA	786.42	13.43	348.36	6.53
	13.19%		7.49%	
Depreciation and amortization	101.71	1.74	100.89	1.89
Operating income before non-recurring cost	684.71	11.69	247.47	4.64
Non-recurring cost	-	-	29.45	0.56
Income from operations	684.71	11.69	218.02	4.08
Interest expense	(1.23)	(0.02)	(0.86)	(0.02)
Other income (net)	34.78	0.59	71.38	1.34
Income before income tax	718.26	12.26	288.54	5.40
Income tax provision	191.27	3.26	104.92	1.96
Net earnings	526.99	9.00	183.62	3.44

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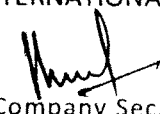
Consolidated Balance Sheet as at December 31, 2013 (As per Indian GAAP)

(Rs. in mn)

Particulars	As at		
	Dec 31, 2013 (Audited)	Dec 31, 2012 (Audited)	Sep 30, 2013 (Unaudited)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	125.92	124.47	125.92
Reserves and Surplus	2,191.69	1,821.53	2,114.18
Sub-Total Shareholder's Funds	2,317.61	1,946.00	2,240.10
Minority interest	-	-	-
Non-current liabilities			
Long-term borrowings	8.80	3.45	9.36
Other long term liabilities	4.38	7.28	4.28
Long-term provisions	73.44	71.24	73.67
Subtotal - Non-current liabilities	86.62	81.97	87.31
Current liabilities			
Trade payables	514.62	396.12	491.39
Other current liabilities	177.45	200.46	191.57
Short-term provisions	375.65	350.97	456.35
Subtotal- Current Liabilities	1,067.72	947.55	1,139.31
TOTAL - EQUITY AND LIABILITIES	3,471.95	2,975.52	3,466.72
ASSETS			
Non-current assets			
Fixed assets	463.00	387.07	458.74
Goodwill on consolidation	291.11	274.00	288.33
Non-current investments	0.03	0.03	0.03
Deferred tax assets (net)	55.35	54.83	59.08
Long-term loans and advances	84.38	104.78	86.47
Other non-current assets	96.23	80.30	274.92
Subtotal - Non- current assets	990.10	901.01	1,167.57
Current assets			
Current Investment	10.00	-	10.00
Trade receivables	1,040.93	980.63	1,076.74
Cash and bank balance	1,014.54	814.56	810.40
Short-term loans and advances	150.15	107.34	139.61
Other current assets	266.23	171.98	262.40
Subtotal - Current Assets	2,481.85	2,074.51	2,299.15
TOTAL - ASSETS	3,471.95	2,975.52	3,466.72

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary



Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended			Year Ended	
	Dec 31, 13	Dec 31, 12	Sep 30, 13	Dec 31, 13	Dec 31, 12
Revenues	100.00	100.00	100.00	100.00	100.00
Gross margin	39.21	33.60	39.09	36.76	35.18
SG & A	21.52	28.76	21.20	23.57	27.69
EBITDA	17.69	4.84	17.90	13.19	7.49
EBT	17.88	4.34	15.51	12.05	6.20
PAT	13.15	2.39	11.25	8.84	3.95

Revenue from Top 10 Clients	Quarter ended			Year Ended	
	Dec 31, 13	Dec 31, 12	Sep 30, 13	Dec 31, 13	Dec 31, 12
Top 10 Clients	35.74%	35.75%	35.34%	34.68%	38.87%
Top 5 Clients	20.35%	22.37%	22.19%	21.97%	26.36%
Top 3 Clients	13.32%	15.23%	14.68%	14.74%	19.21%
Largest Client	4.85%	5.58%	5.30%	5.11%	8.01%

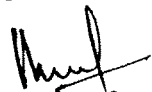
Revenues by Geographies	Quarter ended			Year Ended	
	Dec 31, 13	Dec 31, 12	Sep 30, 13	Dec 31, 13	Dec 31, 12
USA	54.75%	51.06%	57.60%	55.66%	51.14%
Europe	27.34%	25.20%	24.29%	25.46%	26.98%
SEAC (South East Asia)	9.10%	10.19%	9.82%	10.17%	9.84%
India	5.85%	5.28%	4.03%	4.77%	5.71%
Others	2.96%	8.27%	4.26%	3.94%	6.33%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Utilization (excluding trainees)	Quarter ended		
	Dec 31, 13	Dec 31, 12	Sep 30, 13
Onsite	73.76%	65.52%	73.52%
Offshore	75.29%	70.57%	73.05%
Blended	74.92%	69.45%	73.16%

Utilization (including trainees)	Quarter ended		
	Dec 31, 13	Dec 31, 12	Sep 30, 13
Onsite	73.76%	65.52%	73.52%
Offshore	71.63%	64.64%	70.10%
Blended	72.13%	64.82%	70.87%

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Consolidated Operational Data (Un-audited)

Human resources	As at		
	Dec 31, 13	Dec 31, 12	Sep 30, 13
Technical	2,206	2,183	2,193
Software services			
Onsite	307	286	306
Offshore	1,351	1,282	1,349
BPO			
Offshore	261	314	285
Onsite	201	161	195
Trainees	86	140	58
Support	376	383	370
Total count	2,582	2,566	2,563

(Rs. in mn, except DSO)

Key Balance Sheet Data	As At		
	Dec 31, 13	Dec 31, 12	Sep 30, 13
Receivable	1,040.93	980.63	1,076.74
Receivable in days ("DSO")	52	60	55
Total cash and bank balance*	1,115.20	889.39	1,087.54
Fixed assets	463.00	387.07	458.74
Shareholders' funds	2,317.61	1,946.00	2,240.10

*Including investments in liquid debt funds and fixed deposits with banks

Development/Service Centres Location	As on December 31, 2013	
	Covered areas in sq ft.	No. of seats
India		
Noida	76,980	1,441
Pune	25,190	436
Chennai	12,666	170
	114,836	2,047
USA		
Sacramento, CA	9,500	60
Salt Lake City, Utha	13,800	117
	23,300	177
South East Asia		
Singapore	7,125	42
Malaysia	3,822	37
Thailand	592	10
	11,539	89
Europe		
Netherlands	21,194	251
France	8,600	112
Romania	14,090	126
Poland	4,865	39
Moldova	3,398	44
	52,147	572
	201,822	2,885
Total		

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Notes:

1. US\$ equivalent figures are derived by converting the Rupee figures using average rates for profit & loss items and closing rate for balance sheet items.
2. Previous period's / year's figures have been regrouped / reclassified wherever applicable, to the extent possible, to conform to the current period presentation.

About R Systems International Limited

R Systems International Limited founded in 1993, is one of the leading provider of outsourced product development and customer support services. We help companies to accelerate the speed to market their products and services with a high degree of time and cost predictability by using our proprietary pSuite framework. Clients can choose services specific to their needs from R Systems iPLM suite of services. We help companies to build scalable, configurable and secure products and applications; and help our clients to support their customers worldwide for products and services using our global delivery model in 20 languages. R Systems rapidly growing customer list includes a variety of Fortune 1000, government and mid-sized organizations across a wide range of industry verticals including Banking and Finance, High Technology, Independent Software Vendors, Telecom and Digital Media, Government, HealthCare, Manufacturing and Logistic Industries. R Systems maintains thirteen development and service centres and using our global delivery model we serve customers in USA, Europe, South America, the Far East, the Middle East and Africa.

Safe Harbor:

Investors are cautioned that this presentation contains forward looking statements that involve risks and uncertainties. The Company undertakes no obligation publicly to update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Actual results, performance, or achievements could differ from those expressed or implied in such forward-looking statements.

For further information please contact:

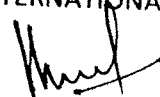
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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary