R SYSTEMS INTERNATIONAL LIMITED

SEI CMMI Level 5, PCMM Level 5, ISO 9001:2008 & ISO 27001:2005 Company
C-40, SECTOR-59, NOIDA - 201 307, DISTT. GAUTAM BUDH NAGAR, U.P. (INDIA)
PHONES : 0120-4303500 FAX : 0120-2587123
EMAIL : rsystems.india@rsystems.com, URL : www.rsystems.com
REGD. OFF. : B-104 A, GREATER KAILASH-I, NEW DELHI - 110 048

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

REF: SECT/02/2013/05 FEBRUARY 09, 2013

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 09, 2013 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, 2012.

2. Approved the audited consolidated financial results of the Company for the financial year ended December 31, 2012 and approved the unaudited *(refer Note 16 of the Consolidated Financial Results)* consolidated financial results for the fourth quarter ended December 31, 2012.

3. Recommended a final dividend of Rs. 7.50 per equity share (being 75% on the par value of Rs. 10 per share), to be appropriated from the profits for the financial year ended December 31, 2012, subject to the approval of shareholders at the ensuing Annual General Meeting. This is in addition to the special dividend in the form of interim dividend of Rs. 16/- per equity share paid in June 2012. Thus the total dividend for the year 2012 aggregates to Rs. 23.50 per share.

   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.

R SYSTEMS INTERNATIONAL LTD.

Please find attached herewith the following:

1. Audited standalone financial results for the quarter and financial year ended December 31, 2012 in the format prescribed under Clause 41 of Listing Agreement along with the report of the auditors thereon.

2. Audited consolidated financial results for the financial year ended December 31, 2012 and unaudited *(refer Note 16 of the Consolidated Financial Results)* consolidated financial results for the quarter ended December 31, 2012 in the format prescribed under Clause 41 of Listing Agreement along with the report of the auditors thereon.

3. Duly signed Form A with respect to unqualified Audit Report to the Audited Financial Result for the year ended December 31, 2012, 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, 2012.

This is for your information and record.

Thanking you.

Yours faithfully,

For R Systems International Limited

R SYSTEMS INTERNATIONAL LTD.

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 * Ended December 31, 2012

PART I

(Rs. in lakhs, except per share data)

S. No.	Particulars	Three Months Ended			Year Ended	
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011
	(Refer notes below)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	**Income from operations**					
(a)	Income from operations	5,790.71	5,694.29	5,286.60	22,892.73	19,168.61
(b)	Other operating income	4.50	1.40	41.22	20.88	122.24
	Total income from operations	5,795.21	5,695.69	5,327.82	22,913.61	19,290.85
2	**Expenses**					
(a)	Employee benefits expense	3,928.77	3,728.11	3,386.66	15,031.11	13,006.45
(b)	Depreciation and amortisation expense	130.82	141.43	220.89	624.01	881.24
(c)	Traveling and conveyance	506.55	484.54	444.17	1,863.53	1,685.07
(d)	Communication costs	102.44	100.82	119.03	424.87	443.00
(e)	Legal and professional expenses	93.75	106.58	133.18	483.86	538.54
(f)	Provision for doubtful debts and advances (net)	(24.26)	14.22	153.40	106.77	465.17
(g)	Other expenses	414.39	333.11	800.12	1,680.78	1,915.54
	Total expenses	5,152.46	4,908.81	5,257.45	20,214.93	18,935.01
3	**Profit from operations before other income, finance costs and exceptional items (1-2)**	642.75	786.88	70.37	2,698.68	355.84
4	Other income	109.04	88.25	137.92	401.27	477.18
5	**Profit from ordinary activities before finance costs and exceptional items (3+4)**	751.79	875.13	208.29	3,099.95	833.02
6	Finance costs	6.71	5.04	6.15	27.34	42.67
7	**Profit from ordinary activities after finance costs but before exceptional items (5-6)**	745.08	870.09	202.14	3,072.61	790.35
8	Exceptional items	-	-	-	-	-
9	**Profit from ordinary activities before tax (7+8)**	745.08	870.09	202.14	3,072.61	790.35
10	**Tax expense**					
	Current tax	264.82	328.00	170.30	954.02	547.80
	MAT credit (refer note 10 below)	-	-	(50.06)	-	(70.56)
	Deferred tax charge / (credit) (refer note 10 below)	(26.00)	(35.40)	(86.69)	65.82	(333.40)
	Total tax expense	238.82	292.60	33.55	1,019.84	143.84
11	**Net profit from ordinary activities after tax (9-10)**	506.26	577.49	168.59	2,052.77	646.51
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net profit for the period / year (11-12)**	506.26	577.49	168.59	2,052.77	646.51
14	Paid - up equity share capital (Face value Rs. 10/- each) (refer note 11 below)	1,244.68	1,241.68	1,224.30	1,244.68	1,224.30
15	Reserves excluding Revaluation Reserves as at December 31, 2012 and December 31, 2011				16,779.16	17,911.31
16.i	**Earnings per share before extraordinary items (par value of Rs. 10/- each) (not annualised)**					
	(a) Basic	4.05	4.63	1.37	16.50	5.25
	(b) Diluted	4.05	4.63	1.35	16.50	5.19
16.ii	**Earnings per share after extraordinary items (par value of Rs. 10/- each) (not annualised)**					
	(a) Basic	4.05	4.63	1.37	16.50	5.25
	(b) Diluted	4.05	4.63	1.35	16.50	5.19

See accompanying notes to the financial results.

PART II

A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- Number of shares	6,146,127	6,129,669	6,455,801	6,146,127	6,455,801
	- Percentage of shareholding	49.09	49.07	52.41	49.09	52.41
2	Promoters and Promoter Group Shareholding					
(a)	Pledged / encumbered					
	- Number of shares	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	6,374,581	6,361,067	5,861,085	6,374,581	5,861,085
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	50.91	50.93	47.59	50.91	47.59

	Particulars	Three Months Ended
		31.12.2012
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	5
	Disposed off during the quarter	5
	Remaining unresolved at the end of the quarter	Nil

Notes:

1. The results for the quarter and year ended December 31, 2012 were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on February 09, 2013.
2. The Board of Directors has recommended a final dividend of Rs. 7.50 per share, subject to the approval of the shareholders at the forthcoming Annual General Meeting. This is in addition to a special interim dividend of Rs. 16/- per equity shares paid in June 2012, confirmation to which 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, 2012 and December 31, 2011. There is no qualification in the Auditors' report on these financial results. Also refer note 15 below.
4. For comparative purpose quarter ended September 30, 2012 is also presented which was audited by the Statutory Auditors.
5. In July 2011, the Company had received a termination notice and claims from a customer on account of damages and losses due to alleged delays in the project. The Company was in discussion with the customer and on prudent basis had considered full provision against amount recoverable and unbilled revenue while simultaneously pursuing recovery.
   During the quarter ended June 2012, the Company has signed a Settlement Agreement with the customer and received Rs. 166.73 lakhs (USD 300,000) towards the final settlement of its claims which has been recorded through reversal of provision for doubtful debts and advances.
6. During the year ended December 31, 2011, the Company had acquired 100% shares of Computaris International Limited, UK (Computaris) on January 26, 2011 for a maximum consideration of GBP 9 million out of which GBP 4.25 million is the initial payout and balance is based on earn outs as well as fulfillment of certain condition by the erstwhile shareholders of Computaris over the next two years. As at December 31, 2011, the management assessed investment value at Rs 4,845.83 lakhs which represented consideration assessed as probable to be paid as on that date.
   As at December 31, 2012, the management has reassessed the investment value at Rs. 4,390.22 lakhs basis the final earn out amount payable to the erstwhile shareholders of Computaris.
7. During the quarter ended December 31, 2012, the Company has incorporated a wholly owned subsidiary Systemes R International Ltee in Canada on October 29, 2012.
8. 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 Company is in the process of obtaining relevant regulatory approvals.
9. During the year ended December 31, 2010, the Board of Directors had approved a scheme for corporate restructuring of its two subsidiaries based in Singapore viz ECnet Limited and R Systems (Singapore) Pte. Limited subject to applicable corporate and other regulatory approvals in India and Singapore. The proposed corporate restructuring involves conversion of loan by the Company to ECnet Limited into equity investment and thereafter amalgamation of both these subsidiaries. During the year ended December 31, 2011, the loan to ECnet Limited had been converted into equity investment and relevant regulatory approvals for the amalgamation of both the subsidiaries are in process.
10. Expenses pertaining to prior period during the year ended December 31, 2011: MAT credit Rs 81.56 lakhs and deferred tax credit of Rs 20.59 lakhs.
11. During the year ended December 31, 2012, the Company has issued 203,822 equity shares of Rs. 10 each at an exercise price of Rs. 120.70 per share, of which 29,972 equity shares have been issued during the current quarter pursuant to exercise of employee stock options under the R Systems International Limited Employee Stock Option Scheme 2007.
12. Refer Annexure A for the standalone statement of assets & liabilities.
13. Refer Annexure B for segment wise standalone revenue, results and capital employed.
14. Figures for the quarter ended December 31, 2012 and December 31, 2011 are audited and is also 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.
15. Previous period's / year's figures have been regrouped / reclassified wherever applicable, to the extent possible, to conform to the current period presentation.

For and on behalf of the Board

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

Place: NOIDA
Date: February 09, 2013

CERTIFIED TRUE COPY
For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

S.R. Batliboi & Co., Gurgaon
For Identification

Annexure A

R SYSTEMS INTERNATIONAL LIMITED

Standalone Statement of Assets & Liabilities

(Rs. in lakhs)

	Particulars	As at Year Ended 31.12.2012	As at Year Ended 31.12.2011
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share capital	1,244.68	1,224.30
	(b) Reserves and surplus	16,779.16	17,911.31
	Sub total - Shareholders' fund	**18,023.84**	19,135.61
2	**Non-current liabilities**		
	(a) Long-term borrowings	34.47	38.39
	(b) Other long-term liabilities	65.70	740.98
	(c) Long-term provisions	712.41	612.89
	Sub total - Non-current liabilities	**812.58**	1,392.26
3	**Current liabilities**		
	(a) Trade payables	1,188.02	1,078.15
	(b) Other current liabilities	1,301.71	2,170.29
	(c) Short-term provisions	2,666.85	1,672.11
	Sub total - Current liabilities	**5,156.58**	4,920.55
	TOTAL - EQUITY AND LIABILITIES	**23,993.00**	25,448.42
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets (net)	3,046.31	3,276.16
	(b) Non-current investments	7,670.19	8,137.67
	(c) Deferred tax assets (net)	487.91	553.73
	(d) Long-term loans and advances	894.84	831.02
	(e) Other non-current assets	713.31	1,123.53
	Sub total - Non- current assets	**12,812.56**	13,922.11
2	**Current assets**		
	(a) Trade receivables	4,628.66	5,225.22
	(b) Cash and cash equivalent	5,481.62	5,140.51
	(c) Short-term loans and advances	434.49	404.91
	(d) Other current assets	635.67	755.67
	Sub total - Current assets	**11,180.44**	11,526.31
	TOTAL - ASSETS	**23,993.00**	25,448.42

S.R. Batliboi & Co., Gurgaon

For Identification

CERTIFIED TRUE COPY

For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

Annexure B

R SYSTEMS INTERNATIONAL LIMITED

Segment Wise Standalone Revenue, Results and Capital Employed

(Rs. in lakhs)

S. No.	Particulars	Three Months Ended			Year Ended	
		31.12.2012 (Audited)	30.09.2012 (Audited)	31.12.2011 (Audited)	31.12.2012 (Audited)	31.12.2011 (Audited)
1	**Segment revenue**					
	- Software development and customisation services	4,993.19	4,950.83	4,644.55	19,904.51	16,828.72
	- Business process outsourcing services	797.52	743.46	642.05	2,988.22	2,339.89
	Income from operations	**5,790.71**	**5,694.29**	**5,286.60**	**22,892.73**	**19,168.61**
2	**Segment results** before tax and interest					
	- Software development and customisation services	570.81	741.70	214.35	2,675.09	760.43
	- Business process outsourcing services	144.65	145.14	(79.59)	402.20	(105.03)
	Total	**715.46**	**886.84**	**134.76**	**3,077.29**	**655.40**
	(i) Interest expense	(1.61)	(1.52)	(1.49)	(6.81)	(6.26)
	(ii) Interest income	109.04	88.25	122.03	401.27	398.55
	(iii) Other unallocable income	-	-	41.22	-	122.24
	(iv) Other unallocable expenses	(77.81)	(103.48)	(94.38)	(399.14)	(379.58)
	Profit before tax	**745.08**	**870.09**	**202.14**	**3,072.61**	**790.35**
3	**Capital employed**					
	- Software development and customisation services	13,652.46	13,441.29	14,533.75	13,652.46	14,533.75
	- Business process outsourcing services	(1,538.38)	(1,684.33)	(2,488.87)	(1,538.38)	(2,488.87)
	- Unallocated corporate	5,909.76	6,815.83	7,090.73	5,909.76	7,090.73
	Total capital employed	**18,023.84**	**18,572.79**	**19,135.61**	**18,023.84**	**19,135.61**

S.R. Batliboi & Co., Gurgaon

For Identification

CERTIFIED TRUE COPY

For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

S.R. BATLIBOI & CO.
Chartered Accountants

Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122 002, Haryana, India
Tel : +91 124 464 4000
Fax : +91 124 464 4050

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company 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 for the quarter ended December 31, 2012 and the year-to-date results for the period January 01, 2012 to December 31, 2012, 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 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 and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) as per Section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

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(s). 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, 2012 as well as the year to date results for the period from January 01, 2012 to December 31, 2012.

4. 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.

CERTIFIED TRUE COPY
For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

S.R. BATLIBOI & CO. GURGAON

5. Further, read with paragraph 1 above, we report that the figures for the quarter ended December 31, 2012 represent the derived figures between the audited figures in respect of the current full financial year ended December 31, 2012 and the published year-to-date figures up to September 30, 2012, 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.

S.R. Batliboi & Co.

For S.R. Batliboi & Co.
Firm registration number: 301003E
Chartered Accountants

per Yogender Seth
Partner
Membership No.: 94524

Place: Noida
Date: Feb 9, 2013

CERTIFIED TRUE COPY
For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

R SYSTEMS INTERNATIONAL LIMITED

Registered Office : B - 104A, Greater Kailash - I, New Delhi - 110 048

Audited Consolidated Financial Results for the Year Ended December 31, 2012

PART I

(Rs. in lakhs, except per share data)

S. No.	Particulars	Three Months Ended			Year Ended	
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011
	(Refer notes below)	(Audited) Refer note 16	(Unaudited)	(Audited) Refer note 16	(Audited)	(Audited)
1	**Income from operations**					
(a)	Income from operations	12,160.27	11,451.50	11,267.95	46,500.88	40,949.55
(b)	Other operating income	28.92	4.04	110.77	77.13	147.13
	Total income from operations	12,189.19	11,455.54	11,378.72	46,578.01	41,096.68
2	**Expenses**					
(a)	Employee benefits expense	7,959.81	7,963.09	7,148.96	31,332.44	26,228.30
(b)	Depreciation and amortisation expense	225.99	242.95	330.62	1,008.94	1,311.85
(c)	Traveling and conveyance	832.18	724.12	710.90	2,962.72	2,720.63
(d)	Communication costs	182.02	172.03	183.00	711.81	658.58
(e)	Legal and professional expenses	1,128.76	776.67	970.76	3,388.80	3,222.70
(f)	Provision for doubtful debts and advances (net)	3.25	24.21	219.83	209.41	579.24
(g)	Other expenses (refer note 11 below)	1,427.06	848.01	1,284.73	4,434.37	4,611.93
	Total expenses	11,759.07	10,751.08	10,848.80	44,048.49	39,333.23
3	**Profit from operations before other income, finance costs and exceptional items (1-2)**	430.12	704.46	529.92	2,529.52	1,763.45
4	Other income	111.88	98.43	125.53	423.31	409.30
5	**Profit from ordinary activities before finance costs and exceptional items (3+4)**	542.00	802.89	655.45	2,952.83	2,172.75
6	Finance costs	14.09	19.50	15.10	67.47	80.84
7	**Profit from ordinary activities after finance costs but before exceptional items (5-6)**	527.91	783.39	640.35	2,885.36	2,091.91
8	Exceptional items	-	-	-	-	-
9	**Profit from ordinary activities before tax (7+8)**	527.91	783.39	640.35	2,885.36	2,091.91
10	**Tax expense**					
	Current tax (refer note 11 below)	256.04	348.16	336.75	949.86	928.00
	MAT credit (refer note 12 below)	-	-	(50.06)	-	(70.56)
	Deferred tax charge / (credit) (refer note 11 and 12 below)	(18.76)	(27.39)	(190.22)	99.30	(416.78)
	Total tax expense	237.28	320.77	96.47	1,049.16	440.66
11	**Net profit from ordinary activities after tax (9-10)**	290.63	462.62	543.88	1,836.20	1,651.25
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net profit for the period / year (11-12)**	290.63	462.62	543.88	1,836.20	1,651.25
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)**	290.63	462.62	543.88	1,836.20	1,651.25
17	Paid - up equity share capital (Face value Rs. 10/- each) (refer note 13 below)	1,244.68	1,241.68	1,224.30	1,244.68	1,224.30
18	Reserves excluding Revaluation Reserves as at December 31, 2012 and December 31, 2011				18,215.30	18,634.01
19.i	**Earnings per share before extraordinary items (par value of Rs. 10/- each) (not annualised)**					
	(a) Basic	2.33	3.71	4.42	14.76	13.41
	(b) Diluted	2.33	3.71	4.37	14.76	13.26
19.ii	**Earnings per share after extraordinary items (par value of Rs. 10/- each) (not annualised)**					
	(a) Basic	2.33	3.71	4.42	14.76	13.41
	(b) Diluted	2.33	3.71	4.37	14.76	13.26

See accompanying notes to the financial results.

PART II

A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- Number of shares	6,146,127	6,129,669	6,455,801	6,146,127	6,455,801
	- Percentage of shareholding	49.09	49.07	52.41	49.09	52.41
2	Promoters and Promoter Group Shareholding					
(a)	Pledged / encumbered					
	- Number of shares	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	6,374,581	6,361,067	5,861,085	6,374,581	5,861,085
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	50.91	50.93	47.59	50.91	47.59

	Particulars	Three Months Ended
		31.12.2012
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	5
	Disposed off during the quarter	5
	Remaining unresolved at the end of the quarter	Nil

Notes:

1 The results for the quarter and year ended December 31, 2012 were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on February 09, 2013.

2 The Board of Directors has recommended a final dividend of Rs. 7.50 per share, subject to the approval of the shareholders at the forthcoming Annual General Meeting. This is in addition to a special interim dividend of Rs. 16/- per equity shares paid in June 2012, confirmation to which will be taken in forthcoming Annual General Meeting.

3 An audit has been completed by the statutory auditors for the year ended December 31, 2012 and December 31, 2011. . There is no qualification in the Auditors' report on these financial results.

4 For comparative purpose quarter ended September 30, 2012 is also presented which was reviewed by the Statutory Auditors.

5 In July 2011, the Company had received a termination notice and claims from a customer on account of damages and losses due to alleged delays in the project. The Company was in discussion with the customer and on prudent basis had considered full provision against amount recoverable and unbilled revenue while simultaneously pursuing recovery.
During the quarter ended June 2012, the Company has signed a Settlement Agreement with the customer and received Rs. 166.73 lakhs (USD 300,000) towards the final settlement of its claims which has been recorded through reversal of provision for doubtful debts and advances.

6 During the year ended December 31, 2011, the Company had acquired 100% shares of Computaris International Limited, UK (Computaris) on January 26, 2011 for a maximum consideration of GBP 9 million out of which GBP 4.25 million is the initial payout and balance is based on earn outs as well as fulfillment of certain condition by the erstwhile shareholders of Computaris over the next two years. As at December 31, 2011, the management assessed investment value at Rs 4,845.83 lakhs which represented consideration assessed as probable to be paid as on that date and accordingly recorded the goodwill on acquisition amounting to Rs. 2,701.01 lakhs.
As at December 31, 2012, the management has reassessed the investment value at Rs. 4,390.22 lakhs basis the final earn out amount payable to the erstwhile shareholders of Computaris and the goodwill on acquisition amounts to Rs. 2,739.97 lakhs.

7 During the year ended December 31, 2012, one of the subsidiary of the Company received a claim for penalty from one of its customer and has recorded provision of Rs 443.12 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 has claimed an equivalent amount from such vendor. However, pending acceptance of the claim, the recoverable for the amount claimed from the vendor has not been recorded in the results.

8 During the quarter ended December 31, 2012, the Company has incorporated a wholly owned subsidiary Systemes R. International Ltee in Canada on October 29, 2012 and net result of the subsidiary is included in the above results.

9 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 Company is in the process of obtaining relevant regulatory approvals.

10 During the year ended December 31, 2010, the Board of Directors had approved a scheme for corporate restructuring of its two subsidiaries based in Singapore viz ECnet Limited and R Systems (Singapore) Pte. Limited subject to applicable corporate and other regulatory approvals in India and Singapore. The proposed corporate restructuring involves conversion of loan by the Company to ECnet Limited into equity investment and thereafter amalgamation of both these subsidiaries. During the year ended December 31, 2011, the loan to ECnet Limited had been converted into equity investment and relevant regulatory approvals for the amalgamation of both the subsidiaries are in process.

11 Expenses pertaining to prior period during the year ended December 31, 2012: current tax Rs 4.32 lakhs, deferred tax charge Rs 42.78 lakhs and other expenses of Rs 32.84 lakhs.

12 Expenses pertaining to prior period during the year ended December 31, 2011: MAT credit Rs 81.56 lakhs and deferred tax credit of Rs 20.59 lakhs.

13 During the year ended December 31, 2012, the Company has issued 203,822 equity shares of Rs. 10 each at an exercise price of Rs. 120.70 per share, of which 29,972 equity shares have been issued during the current quarter, pursuant to exercise of employee stock options under the R Systems International Limited Employee Stock Option Scheme 2007.

14 Refer Annexure A for the consolidated statement of assets & liabilities.

15 Refer Annexure B for segment wise consolidated revenue, results and capital employed.

16 Figures for the quarter ended December 31,2012 and December 31,2011 are the 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.

17 One of the subsidiary of Company has received a notification from a customer for a possible claim of Rs 247.76 lakhs. The subsidiary is assessing the notification and pending such assessment, no provision has been recorded in the results.

18 Previous period's / year's figures have been regrouped / reclassified wherever applicable, to the extent possible, to conform to the current period presentation.

For and on behalf of the Board

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

Place: NOIDA
Date: February 09, 2013

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

S.R. Batliboi & Co., Gurgaon

For Identification

Annexure A

R SYSTEMS INTERNATIONAL LIMITED

Consolidated Statement of Assets and Liabilities

(Rs. in lakhs)

	Particulars	As at Year Ended 31.12.2012	As at Year Ended 31.12.2011
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share capital	1,244.68	1,224.30
	(b) Reserves and surplus	18,215.30	18,634.01
	Sub total - Shareholders' fund	**19,459.98**	**19,858.31**
2	**Minority interest**	-	-
3	**Non-current liabilities**		
	(a) Long-term borrowings	34.47	38.39
	(b) Other long-term liabilities	72.85	750.46
	(c) Long-term provisions	712.41	612.89
	Sub total - Non-current liabilities	**819.73**	**1,401.74**
4	**Current liabilities**		
	(a) Trade payables	3,961.19	3,821.35
	(b) Other current liabilities	2,004.57	3,196.36
	(c) Short-term provisions	3,509.67	2,501.29
	Sub total - Current liabilities	**9,475.43**	**9,519.00**
	TOTAL - EQUITY AND LIABILITIES	**29,755.14**	**30,779.05**
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets (net)	3,870.69	4,001.01
	(b) Goodwill on consolidation	2,739.97	2,701.01
	(c) Non-current investments	0.25	0.25
	(d) Deferred tax assets (net)	548.28	634.33
	(e) Long-term loans and advances	1,047.88	904.71
	(f) Other non-current assets	802.97	1,232.35
	Sub total - Non- current assets	**9,010.04**	**9,473.66**
2	**Current assets**		
	(a) Trade receivables	9,806.33	10,531.55
	(b) Cash and cash equivalent	8,145.56	8,291.14
	(c) Short-term loans and advances	1,073.45	795.28
	(d) Other current assets	1,719.76	1,687.42
	Sub total - Current assets	**20,745.10**	**21,305.39**
	TOTAL - ASSETS	**29,755.14**	**30,779.05**

S.R. Batliboi & Co., Gurgaon

For Identification

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

Annexure B

R SYSTEMS INTERNATIONAL LIMITED

Segment Wise Consolidated Revenue, Results and Capital Employed

(Rs. in lakhs)

S.No.	Particulars	Three Months Ended			Year Ended	
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011
		(Audited) Refer note 16	(Unaudited)	(Audited) Refer note 16	(Audited)	(Audited)
1	**Segment revenue**					
	- Software development and customisation services	9,792.30	9,276.10	9,178.46	37,603.24	34,099.29
	- Business process outsourcing services	2,406.47	2,213.98	2,126.20	9,048.56	6,974.83
	Less: Elimination of intersegment sales	38.50	38.58	36.71	150.92	124.57
	Income from operations	**12,160.27**	**11,451.50**	**11,267.95**	**46,500.88**	**40,949.55**
2	**Segment results** before tax and interest					
	- Software development and customisation services	303.49	621.66	448.52	2,371.72	1,926.68
	- Business process outsourcing services	291.17	206.02	103.85	716.29	135.26
	Total	**594.66**	**827.68**	**552.37**	**3,088.01**	**2,061.94**
	(i) Interest expense	(2.12)	(2.63)	(1.52)	(8.60)	(6.69)
	(ii) Interest income	111.88	98.43	125.53	423.31	409.30
	(iii) Other unallocable income	-	-	110.77	-	147.13
	(iv) Other unallocable expenses	(176.51)	(140.09)	(146.80)	(617.36)	(519.77)
	Profit before tax	**527.91**	**783.39**	**640.35**	**2,885.36**	**2,091.91**
3	**Capital employed**					
	- Software development and customisation services	13,658.70	12,951.55	14,759.91	13,658.70	14,759.91
	- Business process outsourcing services	(657.94)	(980.54)	(1,914.62)	(657.94)	(1,914.62)
	- Unallocated corporate	6,459.22	7,419.49	7,013.02	6,459.22	7,013.02
	Total capital employed	**19,459.98**	**19,390.50**	**19,858.31**	**19,459.98**	**19,858.31**

S.R. Batliboi & Co., Gurgaon

For Identification

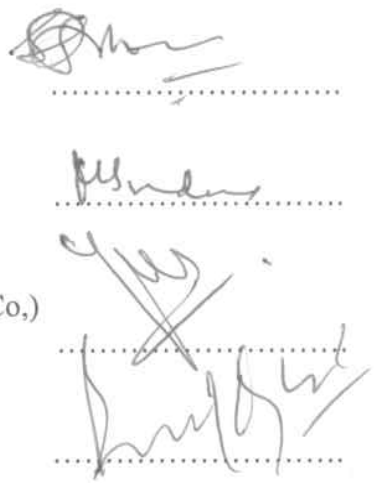
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For R SYSTEMS INTERNATIONAL LTD.

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	31st December 2012
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,) □ Audit Committee Chairman Raj Kumar Gogia	

S.R. BATLIBOI & CO.
Chartered Accountants

Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122 002, Haryana, India
Tel : +91 124 464 4000
Fax : +91 124 464 4050

Auditor's Report

The Board of Directors
R Systems International Limited,
B -104A, Greater Kailash – I,
New Delhi- 110048

1. We have audited the attached Consolidated Balance Sheet of R Systems International Limited, as at 31st December, 2012, and also the Consolidated statement of profit and loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the R Systems International Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit total assets, total revenue and cash flows in respect of certain subsidiaries included in the accompanying consolidated financial statement as stated below whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors :

   i. R Systems, Inc., USA, total assets of Rs. 195,909,086 as at December 31, 2012, the total revenues of Rs. 658,581,486 and cash outflows amounting to Rs. 15,234,944 for the year then ended.

   ii. Indus Software, Inc., USA, total assets of Rs. 10,143,776 as at December 31, 2012, the total revenues of Rs. Nil and cash inflows amounting to Rs. 7,358,429 for the year then ended.

   iii. R Systems Solutions, Inc., USA, total assets of Rs. 58,755,347 as at December 31, 2012, the total revenues of Rs. 197,480,225 and cash inflows amounting to Rs. 575,900 for the year then ended.

   iv. ECnet Limited and its subsidiaries, total assets of Rs. 125,160,624 as at December 31, 2012, the total revenues of Rs. 259,943,067 and cash inflows amounting to Rs. 2,509,045 for the year then ended.

   v. R System (Singapore) Pte Ltd., total assets of Rs. 32,984,695 as at December 31, 2012, the total revenues of Rs. 116,082,312 and cash inflows amounting to Rs. 4,591,326 for the year then ended.

   vi. R Systems S.A.S, total assets of Rs. 6,980,513 as at December 31, 2012 the total revenues of Rs. 4,178,638 and cash inflows amounting to Rs. 91,268 for the year then ended.

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For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

vii. R Systems Europe B.V, total assets of Rs.147,820,883 as at December 31, 2012 the total revenues of Rs. 408,042,720 and cash outflows amounting to Rs. 12,267,012 for the year then ended.

viii. R Systems NV, total assets of Rs. 860,169 as at December 31, 2012 the total revenues of Rs.Nil and cash outflows amounting to Rs. 475,017 for the year then ended.

ix. Computaris International Limited and its subsidiaries, total assets of Rs. 519,571,948 as at December 31, 2012 the total revenues of Rs. 765,876,451 and cash outflows amounting to Rs. 37,735,081 for the year then ended.

The financial statements of these Subsidiaries have been prepared in accordance with accounting policies generally accepted in their respective countries and have been audited by other auditors who have submitted their audit opinions, prepared under generally accepted auditing standards of their respective countries, to the shareholders of the respective companies, copies of which have been provided to us by the Company. The management has converted these audited financial statements of the Company's subsidiaries to accounting principles generally accepted in India. Our opinion thus, in so far it relates to amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors under the accounting policies generally accepted in respective countries and our audit of the conversion process followed by management.

4. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the R Systems International Limited Group as at 31st December, 2012;

(b) in the case of the Consolidated Statement of Profit and loss, of the Profit for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

S. R. Batliboi & Co

For S.R. Batliboi & Co.
Firm registration number: 301003E
Chartered Accountants

Per Yogender Seth
Partner
Membership No.: 94524
Place: Noida
Date: Feb 9, 2013

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

R Systems Announces Results for Calendar Year 2012

Q4 2012: Record Revenue: Rs 121.60 Crores, EBITDA: Rs 5.89 Crores and Net Profits: Rs 2.91 Crores
FY 2012: Record Revenue: Rs 465.01 Crores, EBITDA: Rs 34.84 Crores and Net Profit Rs 18.36 Crores

Noida, India – February 9, 2013

Highlights

Consolidated results for the quarter ended December 31, 2012

- Consolidated revenue from operations for Q4-12 was Rs 121.60 crores (US$ 22.44 mn); QoQ increase was 6.19 % and YoY increase was 7.92 %.
- Earnings before interest, depreciation, taxes and allowances ("EBITDA") were Rs 5.89 crores (US$ 1.08 mn) compared to Rs 10.67 crores (US$ 2.14 mn) in Q4, 2011 and Rs 7.63 crores (US$ 1.37 mn) in Q3, 2012.
- Net profit after taxes was Rs 2.91 crores (US$ 0.53 mn) compared to Rs 5.44 crores (US$ 1.09 mn) in Q4, 2011 and Rs 4.63 crores (US$ 0.83 mn) in Q3, 2012.

Others

- During the quarter, R Systems added 8 key customers.
- Total associates as on December 31, 2012 were 2,566 compared to 2,444 at the end of December 31, 2011 and 2,545 at the end of September 30, 2012.

Consolidated results for FY ended December 31, 2012

- Consolidated revenue for FY 2012 was Rs 465.01 crores (US$ 87.05 mn.) as against Rs 409.49 crores (US$ 87.79 mn.) in FY 2011; YoY increase of 13.56 %.
- EBITDA for FY 2012 was Rs 34.84 crores (US$ 6.53 mn.) as against Rs 32.28 crores (US$ 6.92 mn.) in FY 2011; YoY increase of 7.92 %.
- Net profit after taxes for FY 2012 was Rs 18.36 crores (US$ 3.44 mn) as against 16.51 crores (US$ 3.54 mn) in FY 2011; YoY increase of 11.20 %.
- Total cash and bank balances as at December 31, 2012 were Rs 88.94 crores as against Rs 94.95 crores as at December 31, 2011.

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For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

Mr. Rekhi Singh, Chairman and MD stated "We concluded Year 2012 with record revenue of Rs. 465 crores and reported EBITDA of Rs 35 crores. Higher licensing revenue and depreciation of rupee contributed positively to overall 2012 performance. During the year, we added marquee clients across all key business verticals and geographies. Our sales funnel for 2013 is strong. However we are cautiously optimistic due to challenging economic environment." He added "Our Balance sheet continues to be very strong with cash reserve of Rs 88.9 crores and net worth of Rs 194.6 crores"

Mr. Raj Swaminathan Executive Director and COO said "We are continuing to invest in building capabilities and capacities for Telecom, BFSI, Health-care and Manufacturing & Logistic verticals to provide innovative services and solutions to our clients. Start-up-cost for new projects has impacted utilization level during the year" He added "We ended 2012 with 2,566 associates to support the encouraging business pipeline across all our key verticals"

Dividend Declaration

The Board of Directors at its meeting held on February 9, 2013 has recommended a final dividend of Rs 7.50 per share, subject to approval of the shareholders at the forthcoming Annual General Meeting. This is in addition to a special interim dividend of Rs. 16/- per equity shares paid in June 2012, confirmation to which will be taken in forthcoming Annual General Meeting.

Key Operational Highlights for the Quarter

The Company delivers solutions and services in the area of Information Technology and Information Technology enabled services. R Systems is focused on key verticals of Telecommunication and Digital Media, BFSI, Hi-Tech Manufacturing and Logistics, Government and Health Care. The IT services today cover application development, systems integration and support and maintenance of applications. Under the ITES we cover managed services, BPO services covering both technical support for IT and Hi-Tech electronic gadgets, high-end Quality Process Management and Revenue and Claims Management. R Systems products group consists of two units. Indus® which address the retail lending, telecommunication and insurance industries and ECnet® which addresses supply chain, warehousing and inventory management.

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

A UK based healthcare company which operates highly regarded private hospitals selected R Systems to revamp its hospital administration system with new architecture, user interface and work flows to address the current and future requirements of its expanding hospital operations.

One of the global leaders in management consulting, technology services and solutions has engaged R Systems for providing development and maintenance services for its IPTV product customers.

One of the largest providers of video, high-speed data and phone services in the United States has selected R Systems to provide business analysis support for their contact center operations.

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For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

One of Philippines oldest banks has selected R Systems' Loan Originations System (LOS) and Collection System for implementation across its multi-portfolio retail lending operations.

R Systems has won a multi-year engagement from one of India's largest credit card operations to manage its IT support operations covering application and infrastructure support.

One of the leading manufacturer and supplier of laminates in Malaysia has selected ECnet, a subsidiary of R Systems as their solutions provider to implement globally renowned and comprehensive ERP System to manage its complex manufacturing and distribution requirements.

Liquidity and Shareholder Funds

Total Consolidated Cash and bank balance, including bank deposits, as at December 31, 2012 was Rs 88.94 crores compared to Rs 90.19 crores as on September 30, 2012. Total shareholder funds as on December 31, 2012 were Rs 194.60 crores compared to Rs 193.90 crores as on September 30, 2012.

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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, 2012

(As per Indian GAAP)

(Rs. in mn, except per share data)

Sr. No.	Particulars	Quarter Ended December 31,		Quarter Ended September 30, 2012
		2012	2011	
1	**Income**			
1.1	Income From Operations	1,216.03	1,126.79	1,145.15
1.2	Other Operating Income	2.89	11.08	0.40
	Total	**1,218.92**	**1,137.87**	**1,145.55**
2	**Expenditure**			
2.1	Employee Benefits Expense	795.98	714.90	796.31
2.2	Depreciation and Amortisation Expense	22.60	33.06	24.29
2.3	Traveling and Conveyance	83.22	71.09	72.41
2.4	Communication Costs	18.20	18.30	17.20
2.5	Legal and Professional Expenses	112.88	97.08	77.67
2.6	Provision for Doubtful Debts and Advances (net)	0.33	21.98	2.42
2.7	Other Expenditure	142.71	128.47	84.80
	Total Expenditure	**1175.92**	**1084.88**	**1,075.10**
3	**Profit From Operations Before Other Income and Finance Cost**	**43.00**	**52.99**	**70.45**
4	Other Income	11.19	12.56	9.84
5	**Profit From Operations Before Finance Cost**	**54.19**	**65.55**	**80.29**
6	Finance Cost	1.40	1.51	1.95
7	**Profit Before Tax**	**52.79**	**64.04**	**78.34**
8	**Provision For Tax**			
8.1	Current Tax	25.60	33.68	34.82
8.2	MAT Credit	-	(5.01)	-
8.3	Deferred Tax Charge / (Credit)	(1.87)	(19.02)	(2.74)
	Total	**23.73**	**9.65**	**32.08**
9	**Net Profit After Tax**	**29.06**	**54.39**	**46.26**
10	**Earning Per Share**			
10.1	**Basic**	**2.33**	**4.42**	**3.71**
10.2	**Diluted**	**2.33**	**4.37**	**3.71**

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For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

Financial Performance

Consolidated Profit & Loss Statement (Audited) for the Year Ended December 31, 2012
(As per Indian GAAP)

(Rs. in mn, except per share data)

Sr. No.	Particulars	December 31,	
		2012	2011
1	**Income**		
1.1	Income From Operations	4,650.09	4,094.95
1.2	Other Operating Income	7.71	14.71
	Total	**4,657.80**	**4,109.66**
2	**Expenditure**		
2.1	Employee Benefits Expense	3,133.24	2,622.83
2.2	Depreciation and Amortisation Expense	100.89	131.18
2.3	Traveling and Conveyance	296.27	272.06
2.4	Communication Costs	71.18	65.86
2.5	Legal and Professional Expenses	338.88	322.27
2.6	Provision for Doubtful Debts and Advances (net)	20.94	57.92
2.7	Other Expenditure	443.44	461.20
	Total Expenditure	**4,404.84**	**3,933.32**
3	**Profit From Operations Before Other Income and Finance Cost**	**252.96**	**176.34**
4	Other Income	42.33	40.93
5	**Profit From Operations Before Finance Cost**	**295.29**	**217.27**
6	Finance Cost	6.75	8.08
7	**Profit Before Tax**	**288.54**	**209.19**
8	**Provision For Tax**		
8.1	Current Tax	94.99	92.80
8.2	MAT Credit	-	(7.06)
8.3	Deferred Tax Charge / (Credit)	9.93	(41.68)
	Total	**104.92**	**44.06**
10	**Net Profit After Tax**	**183.62**	**165.13**
11	**Earning Per Share**		
11.1	**Basic**	**14.76**	**13.41**
11.2	**Diluted**	**14.76**	**13.26**

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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, 2012

(Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn, except per share data)

Particulars	Q4 2012		Q4 2011		Q3 2012	
	INR	US$	INR	US$	INR	US$
Revenues	**1,216.03**	**22.44**	**1,126.79**	**22.19**	**1,145.15**	**20.75**
Cost of Revenues	807.47	14.91	695.71	13.61	746.90	13.54
Gross Margin	**408.56**	**7.53**	**431.08**	**8.58**	**398.25**	**7.21**
	33.60%		*38.26%*		*34.78%*	
SG & A						
Expenses	349.67	6.45	324.35	6.44	321.98	5.84
	28.76%		*28.79%*		*28.12%*	
EBITDA	**58.89**	**1.08**	**106.73**	**2.14**	**76.27**	**1.37**
	4.84%		*9.47%*		*6.66%*	
Depreciation and Amortization	22.60	0.41	33.06	0.64	24.29	0.44
Income From Operations	**36.29**	**0.67**	**73.67**	**1.50**	**51.98**	**0.93**
Interest Expense	(0.21)	(0.00)	(0.15)	(0.00)	(0.27)	(0.00)
Other Income (Net)	16.71	0.30	(9.48)	(0.22)	26.63	0.49
Income Before Income Tax	**52.79**	**0.97**	**64.04**	**1.28**	**78.34**	**1.42**
Income Tax Provision	23.73	0.44	9.65	0.19	32.08	0.59
Net Earnings	**29.06**	**0.53**	**54.39**	**1.09**	**46.26**	**0.83**
Earnings Per Share						
- Basic	**2.33**	**0.04**	**4.42**	**0.09**	**3.71**	**0.07**
- Diluted	**2.33**	**0.04**	**4.37**	**0.09**	**3.71**	**0.07**

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For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

Consolidated Profit & Loss Statement (Un- audited) for the Year Ended December 31, 2012

(Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn except per share data)

Particulars	Year 2012		Year 2011	
	INR	US$	INR	US$
Revenues	**4,650.09**	**87.05**	**4,094.95**	**87.79**
Cost of Revenues	3,014.08	56.44	2,660.11	57.03
Gross Margin	**1,636.01**	**30.61**	**1,434.84**	**30.76**
	35.18%		*35.04%*	
SG & A				
Expenses	1,287.65	24.07	1,112.05	23.84
	27.69%		*27.16%*	
EBITDA	**348.36**	**6.53**	**322.79**	**6.92**
	7.49%		*7.88%*	
Depreciation and Amortization	100.89	1.89	131.18	2.81
Operating Income Before Non-Recurring Cost	**247.47**	**4.64**	**191.61**	**4.11**
Non-Recurring Cost	29.45	0.56	-	-
Income From Operations	**218.02**	**4.08**	**191.61**	**4.11**
Interest Expense	(0.86)	(0.02)	(0.67)	(0.01)
Other Income (Net)	71.38	1.34	18.25	0.38
Income Before Income Tax	**288.54**	**5.40**	**209.19**	**4.48**
Income Tax Provision	104.92	1.96	44.06	0.94
Net Earnings	**183.62**	**3.44**	**165.13**	**3.54**
Earnings Per Share				
- Basic	**14.76**	**0.28**	**13.41**	**0.29**
- Diluted	**14.76**	**0.28**	**13.26**	**0.28**

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For R SYSTEMS INTERNATIONAL LTD.
Company Secretary

Consolidated Balance Sheet as at December 31, 2012 (*As per Indian GAAP*)

(Rs. in mn)

Particulars	As at		
	Dec 31, 2012 (Audited)	Dec 31, 2011 (Audited)	Sep 30, 2012 (Unaudited)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	124.47	122.43	124.17
Reserves and Surplus	1,821.53	1,863.40	1,814.88
Sub-Total Shareholder's Funds	**1,946.00**	**1,985.83**	**1,939.05**
Minority Interest		-	-
Non-current liabilities			
Long-term borrowings	3.45	3.84	3.97
Other long term liabilities	7.29	75.04	7.42
Long-term provisions	71.24	61.29	67.80
Subtotal - Non-current liabilities	**81.98**	**140.17**	**79.19**
Current liabilities			
Trade payables	396.12	382.13	460.59
Other current liabilities	200.46	319.64	259.66
Short-term provisions	350.97	250.13	135.05
Sub-Total current Liabilities	**947.55**	**951.90**	**855.30**
TOTAL - EQUITY AND LIABILITIES	**2,975.53**	**3,077.90**	**2,873.54**
ASSETS			
Non-current assets			
Fixed assets (net)	387.07	400.10	385.07
Goodwill on consolidation	274.00	270.10	270.10
Non-current investments	0.03	0.03	0.03
Deferred tax assets (net)	54.83	63.43	52.54
Long-term loans and advances	104.79	90.47	85.37
Other non-current assets #	80.30	123.24	80.39
Subtotal - Non- current assets	**901.02**	**947.37**	**873.50**
Current assets			
Trade receivables	980.63	1,053.15	868.81
Cash and bank equivalent	814.56	829.11	826.17
Short-term loans and advances	107.34	79.53	126.90
Other current assets	171.98	168.74	178.16
Subtotal - Current assets	**2074.51**	**2,130.53**	**2,000.04**
TOTAL - ASSETS	**2,975.53**	**3,077.90**	**2,873.54**

includes Rs 74.83 mn (Rs 120.44 mn as at Dec 31, 2011 and Rs 75.68 mn as at Sep 30, 2012) fixed deposits which has been pledged or marked lien in favor of various Government departments, against credit / derivative facilities taken, performance guarantees given for customer and landlords along with fixed deposit having current maturities of more than twelve months from the reporting date

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Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended			Year Ended	
	Dec 31, 12	Dec 31, 11	Sep 30, 12	Dec 31, 12	Dec 31, 11
Revenues	100.00	100.00	100.00	100.00	100.00
Gross margin	33.60	38.26	34.78	35.18	35.04
SG & A	28.72	28.79	28.12	27.69	27.16
EBITDA	4.84	9.47	6.66	7.49	7.88
EBT	4.34	5.68	6.84	6.20	5.11
PAT	2.39	4.83	4.04	3.95	4.03
Basic EPS (Rs.)	2.33	4.42	3.71	14.76	13.41

Revenue from Top 10 Clients	Quarter ended			Year Ended	
	Dec 31, 12	Dec 31, 11	Sep 30, 12	Dec 31, 12	Dec 31, 11
Top 10 Clients	35.75%	45.60%	39.49%	38.87%	46.54%
Top 5 Clients	22.37%	33.44%	25.92%	26.36%	33.11%
Top 3 Clients	15.23%	26.20%	18.63%	19.21%	25.78%
Largest Client	5.58%	11.88%	7.56%	8.01%	15.20%

Revenues by Geographies	Quarter ended			Year Ended	
	Dec 31, 12	Dec 31, 11	Sep 30, 12	Dec 31, 12	Dec 31, 11
USA	51.06%	49.85%	54.45%	51.14%	47.53%
Europe	25.20%	34.26%	23.27%	26.98%	36.28%
SEAC (South East Asia)	10.19%	6.28%	10.73%	9.84%	7.33%
India	5.28%	6.01%	5.31%	5.71%	5.40%
Others	8.27%	3.60%	6.24%	6.33%	3.46%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Utilization (excluding trainees)	Quarter ended		
	Dec 31, 12	Dec 31, 11	Sep 30, 12
Onsite	65.52%	68.57%	61.65%
Offshore	70.57%	69.81%	71.36%
Blended	69.45%	69.53%	69.20%

Utilization (including trainees)	Quarter ended		
	Dec 31, 12	Dec 31, 11	Sep 30, 12
Onsite	65.52%	68.57%	61.65%
Offshore	64.64%	64.39%	64.89%
Blended	64.82%	65.28%	64.22%

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Consolidated Operational Data (Un-audited)

Human resources	As at		
	Dec 31, 12	Dec 31, 11	Sep 30, 12
Technical	**2,183**	**2,075**	**2,162**
Software services			
Onsite	286	268	277
Offshore	1,282	1,196	1,247
BPO			
Offshore	314	314	307
Onsite	161	165	162
Trainees	140	132	169
Support	**383**	**369**	**384**
Total count	**2,566**	**2,444**	**2,545**

(Rs. in mn, except DSO)

Key Balance Sheet Data	As At		
	Dec 31, 12	Dec 31,11	Sep 30, 12
Receivable	980.63	1,053.15	868.81
Receivable in days ("DSO")	60	60	60
Total cash and bank balance including fixed deposits	889.39	949.55	901.85
Fixed assets (net)	387.07	400.10	385.07
Shareholders' funds	1,946.00	1,985.83	1,939.05

Development/Service centres Location	As on December 31, 2012	
	Covered areas in sq ft.	No. of seats
India		
Noida	76,980	1,452
Pune	30,940	529
Chennai	12,666	170
	120,586	2,151
USA	23,300	177
Singapore	7,125	42
Europe		
Netherlands	21,194	251
France	8,601	112
Romania	14,090	137
Poland	4,865	39
Moldova	4,635	55
	53,385	594
Total	**204,396**	**2,964**

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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 accelerate the speed to market for 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 build scalable, configurable and secure products and applications; and help our clients support their customers worldwide for products and services using our global delivery model in 18 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 the US, 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.

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