



R SYSTEMS INTERNATIONAL LIMITED

Corporate Identity Number : L74899DL1993PLC053579

[CMMI Level 5, PCMM Level 5, ISO 9001:2008 & ISO 27001:2005 Company]

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New Delhi - 110 048

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

REF: SECT/02/2015/31

FEBRUARY 07, 2015

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

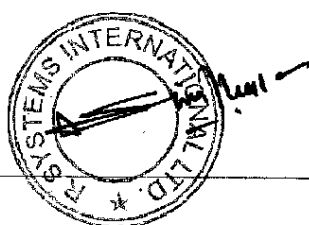
Dear Sir,

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, 2015 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, 2014 (refer Note 12 of the Standalone Financial Results).
2. Approved the audited consolidated financial results of the Company for the quarter and financial year ended December 31, 2014 (refer Note 11 of the Consolidated Financial Results).
3. Recommended a final dividend of Re. 0.95 per equity share of face value of Re. 1/- each (being 95% on the par value) to be appropriated from the available profits of the Company, subject to the approval of shareholders at the ensuing Annual General Meeting. This is in addition to the first interim dividend of Re. 0.95, second interim dividend of Re. 0.50, third interim dividend of Re. 0.90 and fourth interim (special) dividend of Rs. 2.55 respectively paid on per equity share of face value of Re. 1/- each during the year 2014. Thus total dividend for the financial year 2014 aggregates to Rs. 5.85 per share on face value of Re. 1/- each (being 585% 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.



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4. Approved the deferment of postal ballot process for seeking approval of shareholders for amendment of Articles of Association of the Company as was approved by the Board of Directors at its meeting held on January 10, 2015.

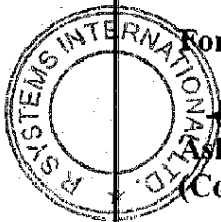
Please find attached herewith the following:

1. Audited standalone financial results for the quarter and financial year ended December 31, 2014 in the format prescribed under Clause 41 of Listing Agreement along with the report of the auditors thereon (refer Note 12 of the Standalone Financial Results).
2. Audited consolidated financial results for the quarter and financial year ended December 31, 2014) in the format prescribed under Clause 41 of Listing Agreement along with the report of the auditors thereon (refer Note 11 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, 2014, 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, 2014.

This is for your information and record.

Thanking you.

Yours faithfully,



For R Systems International Limited

Ashish Thakur

(Company Secretary & Compliance Officer)

R SYSTEMS INTERNATIONAL LIMITED

CIN : L74899DL1993PLC053579

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

Statement of Standalone Audited Results for the Quarter and Year Ended December 31, 2014

PART I		(Rs. in lakhs, except per share data)				
S.No.	Particulars (Refer notes)	Three Months Ended			Year Ended	
		31.12.2014 (Audited) Refer Note 12	30.09.2014 (Audited)	31.12.2013 (Audited) Refer Note 12	31.12.2014 (Audited)	31.12.2013 (Audited)
1	Income from operations					
(a)	Income from operations	7,304.35	7,780.67	7,368.80	29,108.13	26,980.34
(b)	Other operating income	65.53	118.34	8.35	383.91	31.82
	Total income from operations	7,369.88	7,897.01	7,377.15	29,492.04	27,012.16
2	Expenses					
(a)	Employee benefits expense	4,667.60	4,470.46	4,109.89	17,814.32	16,020.44
(b)	Depreciation and amortisation expense	174.55	173.44	124.63	672.40	476.08
(c)	Traveling and conveyance	597.64	636.18	529.63	2,362.97	2,170.73
(d)	Communication costs	149.68	134.28	134.09	556.57	506.54
(e)	Legal and professional expenses (including subcontract expenses)	201.24	168.29	141.28	625.78	556.52
(f)	Provision for doubtful debts and advances (net)	23.06	(68.14)	23.13	3.79	149.59
(g)	Other expenses	595.77	605.17	167.99	2,200.15	2,070.47
	Total expenses	6,409.54	6,119.67	5,230.64	24,235.98	21,954.37
3	Profit from operations before other income, finance costs and exceptional items (1-2)	960.34	1,777.34	2,146.51	5,256.06	5,057.79
4	Other income (refer note 6)	678.77	74.78	95.67	964.51	385.05
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	1,639.11	1,852.12	2,242.18	6,220.57	5,442.84
6	Finance costs	12.22	15.49	8.59	42.87	27.87
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,626.89	1,836.63	2,233.49	6,177.70	5,414.87
8	Exceptional items (refer note 5 and 7)	2,406.88	1,524.44	-	3,931.31	-
9	Profit from ordinary activities before tax (7+8)	4,033.77	3,361.07	2,233.49	10,109.01	5,414.87
10	Tax expense					
	Current tax	948.63	739.41	755.61	2,475.32	1,808.74
	MAT credit (refer note 11)	-	-	-	-	(123.21)
	Deferred tax charge / (credit)	4.46	(20.24)	14.69	130.80	(25.88)
	Total tax expense	953.08	719.17	770.30	2,606.12	1,768.65
11	Net profit from ordinary activities after tax (9-10)	3,080.69	2,641.90	1,463.19	7,502.89	3,655.22
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net profit for the period / year (11-12)	3,080.69	2,641.90	1,463.19	7,502.89	3,655.22
14	Reserves excluding Revaluation Reserves as at December 31, 2014 and December 31, 2013	-	-	-	16,241.02	17,546.23
15	Earnings per share before extraordinary items and after considering sub-division (Face value of Re. 1/- each) (not annualised) (refer note 9)					
(a)	Basic	2.42	2.07	1.16	5.90	2.90
(b)	Diluted	2.42	2.07	1.16	5.90	2.90
16	Earnings per share after extraordinary items and considering sub-division (Face value of Re. 1/- each) (not annualised) (refer note 9)					
(a)	Basic	2.42	2.07	1.16	5.90	2.90
(b)	Diluted	2.42	2.07	1.16	5.90	2.90

See accompanying notes to the financial results.

PART II						
A	PARTICULARS OF SHAREHOLDING (refer note 9)					
1	Public Shareholding					
	- Number of shares (Face value Re. 1/- each)	62,998,174	62,938,383	62,237,620	62,998,174	62,237,620
	- Percentage of shareholding	49.43	49.41	49.14	49.43	49.14
2	Promoters and Promoter Group Shareholding					
(a)	Pledged / encumbered					
	- Number of shares (Face value Re. 1/- 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 Re. 1/- each)	64,460,406	64,428,797	64,416,960	64,460,406	64,416,960
	- 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)	50.57	50.59	50.86	50.57	50.86
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	NIL				
	Received during the quarter	8				
	Disposed off during the quarter	8				
	Remaining unresolved at the end of the quarter	NIL				

S.R. Batlibol & Associates LLP, Gurgaon

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

For Identification

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Notes:

- 1 The results for the quarter and year ended December 31, 2014 were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on February 07, 2015.
- 2 The Board of Directors at its meeting held on February 07, 2015 has recommended a final dividend of Re. 0.95/- per equity share of face value of Re. 1/- each. This is in addition to four interim dividends aggregating to Rs. 4.90 per equity share of face value of Re. 1/- each declared during the year ended December 31, 2014. The shareholder's assent for final and interim dividends 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, 2014 and December 31, 2013. There is no qualification in the Auditors' Report on these financial results.
- 4 On July 11, 2014, the Company incorporated a wholly owned subsidiary in India, namely, R Systems Products & Technologies Limited ("RSPTL"). The shareholders of the Company by passing special resolution through postal ballot on September 23, 2014 have accorded necessary approval for transfer of Indus IT Product and Service business operated out of Pune and Chennai centres to RSPTL to pursue opportunities for its further sale or disinvestment. The said transfer will be on a going concern basis by way of slump sale, for consideration of Rs. 7,839.00 lakhs to be discharged by RSPTL through issuance of equity / debenture / loan and / or any other securities, on the terms and conditions as may be agreed by the Board of Directors of the Company and RSPTL. Accordingly, the aforesaid Indus IT Product and Service business, being part of information technology services and products segment, is considered as "Discontinuing Operations" for the purpose of the Standalone Audited Results of the Company. The revenue and expenses attributable to the said operations included in the financial results are as follows:

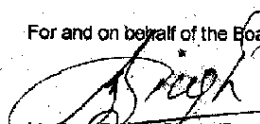
Particulars	(Rs. in lakhs)					
	Three Months Ended			Year Ended		
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	
Total income	2,208.20	2,350.21	2,004.71	8,413.41	7,281.33	
Total expenses	2,111.61	1,898.38	1,470.04	7,188.35	6,206.86	
Profit before tax	96.59	451.83	534.67	1,225.06	1,074.67	
Total tax expense	32.83	153.58	181.73	416.40	362.99	
Profit after tax	63.76	298.25	352.94	808.66	711.68	

The carrying amount of assets and liabilities attributable to the said operations included in the financial statements are as follows:

Particulars	(Rs. in lakhs)	
	As at Year End	
	31.12.2014	31.12.2013
Total assets	3,959.20	5,125.33
Total liabilities	1,922.43	1,447.48
Net assets	2,036.77	3,677.87

- 5 The Board of Directors at its meeting held on July 07, 2014 had approved the offer of buy-back from Computaris International Limited (a wholly owned subsidiary) of 13,500 shares held by the Company in the said subsidiary at the rate of GBP 111.38 per share amounting to GBP 1.50 million. The aforesaid buy-back proceeds were received by the Company on September 17, 2014. Even after this buy back, Computaris International Limited continues to remain wholly owned subsidiary of the Company. The profit on the buy-back amounting to Rs. 777.99 lakhs is included in 'Exceptional Items' in the financial results for the quarter ended September 30, 2014.
- 6 During the quarter ended December 31, 2014, the Company has received Rs. 554.84 lakhs as dividend from R Systems Europe B.V., its wholly owned subsidiary in Netherlands. This dividend income is included in 'Other Income'.
- 7 On November 27, 2014, the Company has completed the transfer of Europe BPO Business by way of sale of its 100% holding in R Systems Europe B.V., Netherlands and R Systems S.A.S., France, being wholly owned subsidiaries, to Customer Contact Management Group B.V. ("CCMG") a Europe based company by executing the Share Sale Agreement along with other necessary documents for a sale consideration of Euros 4.70 million (Rs. 3,574.89 lakhs). Out of the sale consideration, Euro 0.35 million (Rs. 266.28 lakhs) has been placed in an escrow account in the Netherlands pursuant to the provision of the Share Sale Agreement. The profit on transfer amounting to Rs. 1,761.58 lakhs and Rs. 645.29 lakhs for R Systems Europe B.V., Netherlands and R Systems S.A.S., France respectively are disclosed as 'Exceptional Items' in the current quarter in the financial results.
- Also, during the quarter ended September 30, 2014 the Company had reversed the provision considered in earlier period towards diminution in the value of investment amounting to Rs. 420.52 lakhs and Rs. 325.93 lakhs for R Systems Europe B.V., Netherlands and R Systems S.A.S., France respectively. These reversals are included in 'Exceptional Items' in the financial results.
- 8 The Board of Directors of the Company at its meeting held on December 20, 2014 has approved the buy-back of the Company's fully paid-up equity shares of face value of Re. 1/- each from its existing shareholders, other than those who are promoters, members of the promoter group and persons acting in concert, from the open market through stock exchange(s) for a total consideration not exceeding Rs. 600 lakhs and at a price not exceeding Rs. 100/- per share, payable in cash. Pursuant to above buy back offer, the Company has deposited an amount aggregating to Rs. 150 lakhs, being 25% of the maximum buy-back size as approved in the meeting, in an escrow account with a bank. This offer for buy back has opened on January 06, 2015 subsequent to the financial year ended December 31, 2014.
- 9 Pursuant to the approval of the shareholders accorded by passing necessary resolution through Postal Ballot on January 14, 2014, each equity share of face value of Re. 10/- each of the Company was sub-divided into ten equity shares of face value of Re. 1/- each fully paid up. The sub-division was given effect as per record date fixed by the Board of Directors i.e. February 28, 2014. Accordingly, the number of equity shares in Part II of the accompanying statement (including the previous period comparative numbers) has been stated based on face value of Re. 1/- each. Further, for the purpose of computing Earnings Per Share, the effect of sub-division has been considered in accordance with the requirements of Accounting Standard - 20 "Earnings Per Share" in all comparable periods.
- 10 During the year ended December 31, 2014, the Company has issued 804,000 equity shares of Re. 1/- each, of which 91,400 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.
- 11 MAT Credit during the year ended December 31, 2013 pertains to prior periods.
- 12 Figures for the quarter ended December 31, 2014 and December 31, 2013 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 standalone statement of assets & liabilities.
- 14 Refer Annexure B for segment wise standalone 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 / year presentation.

For and on behalf of the Board


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

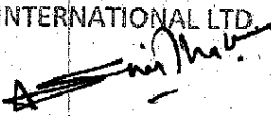
Place : NOIDA
Date : February 07, 2015

S.R. Batliboi & Associates LLP, Gurgaon

For Identification

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

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R SYSTEMS INTERNATIONAL LIMITED			Annexure A
Standalone Statement of Assets & Liabilities			(Rs. In lakhs)
	Particulars	As at Year End 31.12.2014	As at Year End 31.12.2013
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1,267.20	1,259.16
	(b) Reserves and surplus	16,241.02	17,546.23
	Sub total - Shareholders' fund	17,508.22	18,805.39
2	Non-current liabilities		
	(a) Long-term borrowings	62.85	44.03
	(b) Other long-term liabilities	47.24	38.27
	(c) Long-term provisions	952.16	734.38
	Sub total - Non-current liabilities	1,062.25	816.68
3	Current liabilities		
	(a) Trade payables	2,390.95	1,653.54
	(b) Other current liabilities	5,367.30	1,132.70
	(c) Short-term provisions	3,040.01	3,103.97
	Sub total - Current liabilities	10,798.26	5,890.21
	TOTAL - EQUITY AND LIABILITIES	29,368.73	25,512.28
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	3,547.26	3,460.68
	(b) Non-current investments	7,229.25	7,936.08
	(c) Deferred tax assets (net)	382.99	513.79
	(d) Long-term loans and advances	577.65	686.09
	(e) Other non-current assets	508.40	797.10
	Sub total - Non-current assets	12,245.55	13,393.74
2	Current assets		
	(a) Current investments	180.00	100.00
	(b) Trade receivables	6,263.70	5,795.26
	(c) Cash and cash equivalents	9,414.28	4,415.58
	(d) Short-term loans and advances	685.78	678.64
	(e) Other current assets	579.42	1,129.06
	Sub total - Current assets	17,123.18	12,118.54
	TOTAL - ASSETS	29,368.73	25,512.28

S.R. Battiboi & Associates LLP, Gurgaon

For Identification

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For R SYSTEMS INTERNATIONAL LTD.

[Signature]
Company Secretary

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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	
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013
		(Audited) Refer Note 12	(Audited)	(Audited) Refer Note 12	(Audited)	(Audited)
1	Segment revenue					
	- Information technology services and products	6,236.86	6,754.59	6,442.89	25,383.38	23,564.01
	- Business process outsourcing services	1,067.49	1,026.08	925.91	3,724.75	3,416.33
	Income from operations	7,304.35	7,780.67	7,368.80	29,108.13	26,980.34
2	Segment results before tax and interest					
	- Information technology services and products	801.77	1,670.64	2,010.35	5,117.66	4,903.89
	- Business process outsourcing services	269.00	239.10	267.07	662.40	629.94
	Total	1,070.77	1,909.74	2,277.42	5,780.06	5,533.83
	(i) Interest expense	(2.30)	(1.85)	(1.94)	(7.84)	(6.81)
	(ii) Interest income	123.91	74.78	95.67	399.62	385.05
	(iii) Dividend income (refer note 6)	554.84	-	-	554.84	-
	(iv) Other unallocable income	-	-	-	10.05	-
	(v) Exceptional Items (refer note 5 and 7)	2,406.88	1,524.44	-	3,831.31	-
	(vi) Other unallocable expenses	(120.33)	(146.04)	(137.66)	(559.03)	(497.20)
	Profit before tax	4,033.77	3,361.07	2,233.49	10,109.01	5,414.87
3	Capital employed *					
	- Information technology services and products	6,156.25	7,132.21	7,808.36	6,156.25	7,808.36
	- Business process outsourcing services	(389.16)	(659.47)	(1,052.53)	(389.16)	(1,052.53)
	- Unallocated corporate	11,741.13	13,296.76	12,049.56	11,741.13	12,049.56
	Total capital employed	17,508.22	19,769.50	18,805.39	17,508.22	18,805.39

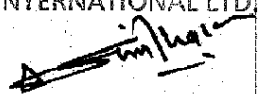
* As at December 31, 2014, the Company has re-classified the investments aggregating to Rs 7,095.10 lakhs from information technology services and products and Rs 134.15 lakhs from business process outsourcing services to unallocated corporate and previous comparative numbers have been reclassified accordingly.

S.R. Batliboi & Associates LLP, Gurgaon

For Identification

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Golf View Corporate Tower-B
Sector-42, Sector Road
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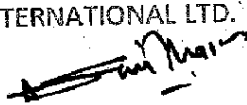
**Auditor's Report on Quarterly Financial Results and Year to Date Results of the
R Systems International Limited pursuant to the Clause 41 of the Listing Agreement**

To
Board of Directors of
R Systems International Limited,

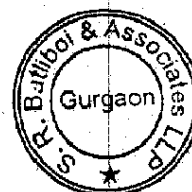
1. We have audited the quarterly financial results of R Systems International Limited for the quarter ended December 31, 2014 and the year-to-date results for the period January 01, 2014 to December 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of 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. The quarterly financial results are the derived figures between the audited figures in respect of the year ended December 31, 2014 and the published year-to-date figures up to September 30, 2014, being the date of the end of third quarter of the current financial year, which were audited by us. The financial results for the quarter ended December 31, 2014 have been prepared on the basis of the financial results for the nine-month period ended September 30, 2014, the audited annual financial statements as at and for the year ended December 31, 2014, 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 financial results based on our audit of the financial results for the nine-months period ended September 30, 2014, which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and read with General Circular 08/2014 dated 4 April 2014, issued by the Ministry of Corporate Affairs, and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended December 31, 2014; 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(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, 2014 as well as the year to date results for the period from January 01, 2014 to December 31, 2014.

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

S.R. Batliboi & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAB-4295
Regd. Office : 22, Camac Street, Block 'C', 3rd Floor, Kolkata-700 016



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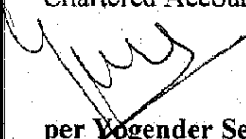
S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figure for the quarter ended December 21, 2014 represent the derived figures between the audited figures in respect of the financial year ended December 31, 2014 and the published year-to-date figures up to September 30, 2014, being the date of the end of the third quarter of the current financial year, as required under Clause 41(1)(d) of the Listing Agreement.
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 & Associates LLP**ICAI Firm registration number: 101049W**

Chartered Accountants

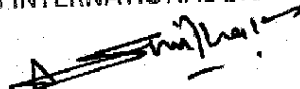

per **Yogender Seth**

Partner

Membership No.: 94524

Place **Noida**Date: **Feb 7, 2014****CERTIFIED TRUE COPY**

For R SYSTEMS INTERNATIONAL LTD.


Company Secretary

R SYSTEMS INTERNATIONAL LIMITED						
CIN : L74899DL1993PLC053679						
Registered Office : B - 104A, Greater Kailash - I, New Delhi - 110 048						
Statement of Consolidated Audited Results for the Year Ended December 31, 2014						
PART I	(Rs. in lakhs, except per share data)					
S.No.	Particulars	Three Months Ended			Year Ended	
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013
	(Refer notes)	(Audited) Refer note 11	(Unaudited)	(Audited) Refer note 11	(Audited)	(Audited)
1	Income from operations					
(a)	Income from operations	16,304.82	16,851.47	16,555.09	64,849.59	59,605.42
(b)	Other operating income	47.48	94.27	9.59	487.05	68.03
	Total income from operations	16,352.30	16,945.74	16,564.68	65,336.64	59,673.45
2	Expenses					
(a)	Employee benefits expense	9,753.47	9,946.75	9,427.49	39,352.21	35,738.67
(b)	Depreciation and amortisation expense	286.11	284.85	281.74	1,124.53	1,017.07
(c)	Traveling and conveyance	926.88	860.99	811.43	3,477.64	3,459.44
(d)	Communication costs	211.15	223.12	211.45	874.68	835.66
(e)	Legal and professional expenses (including subcontract expenses)	1,888.85	1,977.36	1,744.91	7,227.17	5,982.97
(f)	Provision for doubtful debts and advances (net)	-	-	8.75	-	334.50
(g)	Other expenses	1,289.11	1,158.20	1,198.47	4,870.57	5,451.21
	Total expenses	14,355.57	14,451.27	13,684.24	66,926.80	62,819.52
3	Profit from operations before other income, finance costs and exceptional items (1-2)	1,996.73	2,494.47	2,880.44	8,409.84	6,853.93
4	Other income	125.30	77.34	101.08	420.21	403.46
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,122.03	2,571.81	2,981.52	8,830.05	7,257.39
6	Finance costs	22.96	26.68	22.22	89.10	74.84
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	2,099.07	2,545.13	2,959.30	8,740.95	7,182.55
8	Exceptional items (refer note 5 and 6)	2,240.25	260.85	-	2,501.10	-
9	Profit from ordinary activities before tax (7+8)	4,339.32	2,806.98	2,959.30	11,242.05	7,182.55
10	Tax expense					
	Current tax	1,154.82	990.06	760.17	3,252.89	2,048.20
	MAT credit (refer note 10)	-	-	-	-	(123.21)
	Deferred tax charge / (credit)	21.16	(5.10)	22.04	175.78	(12.31)
	Total tax expense	1,175.98	984.96	782.21	3,428.67	1,912.68
11	Net profit from ordinary activities after tax (9-10)	3,163.34	1,821.00	2,177.09	7,813.38	5,269.87
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net profit for the period / year (11-12)	3,163.34	1,821.00	2,177.09	7,813.38	5,269.87
14	Share of profit / (loss) of associates	-	-	-	-	-
15	Minority interest	-	-	-	-	-
16	Net profit after taxes, minority interest and share of profit / (loss) of associates (13+14-15)	3,163.34	1,821.00	2,177.09	7,813.38	5,269.87
17	Paid - up equity share capital (Face value Re. 1/- each) (refer note 8 and 9)	1,267.20	1,266.28	1,259.16	1,267.20	1,259.16
18	Reserves excluding Revaluation Reserves as at December 31, 2014 and December 31, 2013	-	-	-	20,043.32	21,916.91
19.i	Earnings per share before extraordinary items and after considering sub-division (Face value of Re. 1/- each) (not annualised) (refer note 8)					
(a)	Basic	2.48	1.43	1.72	5.14	4.18
(b)	Diluted	2.48	1.43	1.72	5.14	4.18
19.ii	Earnings per share after extraordinary items and considering sub-division (Face value of Re. 1/- each) (not annualised) (refer note 8)					
(a)	Basic	2.48	1.43	1.72	5.14	4.18
(b)	Diluted	2.48	1.43	1.72	5.14	4.18
See accompanying notes to the financial results.						
PART II						
A	PARTICULARS OF SHAREHOLDING (refer note 8)					
1	Public Shareholding					
	Number of shares (Face value Re. 1/- each)	62,998,174	62,938,383	62,237,620	62,998,174	62,237,620
	Percentage of shareholding	49.43	49.41	49.14	49.43	49.14
2	Promoters and Promoter Group Shareholding					
(a)	Pledged / encumbered					
	Number of shares (Face value Re. 1/- 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 Re. 1/- each)	64,460,406	64,428,797	64,418,960	64,460,406	64,418,960
	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)	50.57	50.59	50.86	50.57	50.86
B						
	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	Nil				
	Received during the quarter	8				
	Disposed off during the quarter	8				
	Remaining unresolved at the end of the quarter	Nil				

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For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

S.R. Batliboi & Associates LLP, Gurgaon

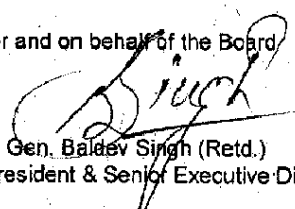
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Notes:

- 1 The results for the quarter and year ended December 31, 2014 were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on February 07, 2015.
- 2 The Board of Directors at its meeting held on February 07, 2015 has recommended a final dividend of Re. 0.95/- per equity share of face value of Re. 1/- each. This is in addition to four interim dividends aggregating to Rs. 4.90 per equity share of face value of Re.1/- each declared during the year ended December 31, 2014. The shareholder's assent for final and interim dividends will be taken in forthcoming Annual General Meeting.
- 3 An audit has been completed by the Statutory Auditors for the year ended December 31, 2014 and December 31, 2013. There is no qualification in the Auditors' Report on these financial results.
- 4 On July 11, 2014, the Company incorporated a wholly owned subsidiary in India, namely, R Systems Products & Technologies Limited ("RSPTL"). The shareholders of the Company by passing special resolution through postal ballot on September 23, 2014 have accorded necessary approval for transfer of Indus IT Product and Service business operated out of Pune and Chennai centres to RSPTL to pursue opportunities for its further sale or disinvestment. The said transfer will be on a going concern basis by way of slump sale, for consideration of Rs. 7,839.00 lakhs to be discharged by RSPTL through issuance of equity / debenture / loan and / or any other securities, on the terms and conditions as may be agreed by the Board of Directors of the Company and RSPTL. Further, the aforesaid transfer to the subsidiary will not affect the consolidated financial results of the Company.
- 5 The Board of Directors at its meeting held on July 07, 2014 had approved the offer of buy-back from Computaris International Limited (a wholly owned subsidiary) of 13,500 shares held by the Company in the said subsidiary at the rate of GBP 111.38 per share amounting to GBP 1.50 million. The aforesaid buy-back proceeds were received by the Company on September 17, 2014. Even after this buy back, Computaris International Limited continues to remain wholly owned subsidiary of the Company. On account of this buy-back, the Company has released proportionate currency translation reserve amounting to Rs. 260.85 lakhs to the foreign exchange fluctuation which is disclosed as 'Exceptional Items' in the financial results for the quarter ended September 30, 2014.
- 6 On November 27, 2014, the Company has completed the transfer of Europe BPO Business by way of sale of its 100% holding in R Systems Europe B.V., Netherlands and R Systems S.A.S., France, being wholly owned subsidiaries, to Customer Contact Management Group B.V. ("CCMG") a Europe based company by executing the Share Sale Agreement along with other necessary documents for a sale consideration of Euros 4.70 million (Rs. 3,574.69 lakhs). Out of the sale consideration, Euro 0.35 million (Rs. 266.28 lakhs) has been placed in an escrow account in the Netherlands pursuant to the provision of the Share Sale Agreement. The profit on aforesaid transfer of subsidiaries amounting to Rs. 2,240.25 lakhs is disclosed as 'Exceptional Items' in the current quarter in the financial results.
- 7 The Board of Directors of the Company at its meeting held on December 20, 2014 has approved the buy-back of the Company's fully paid-up equity shares of face value of Re. 1/- each from its existing shareholders, other than those who are promoters, members of the promoter group and persons acting in concert, from the open market through stock exchange(s) for a total consideration not exceeding Rs. 600 lakhs and at a price not exceeding Rs. 100/- per share, payable in cash. Pursuant to above buy back offer, the Company has deposited an amount aggregating to Rs. 150 lakhs, being 25% of the maximum buy-back size as approved in the meeting, in an escrow account with a bank. This offer for buy back has opened on January 06, 2015 subsequent to the financial year ended December 31, 2014.
- 8 Pursuant to the approval of the shareholders accorded by passing necessary resolution through Postal Ballot on January 14, 2014, each equity share of face value of Rs. 10/- each of the Company was sub-divided into ten equity shares of face value of Re. 1/- each fully paid up. The sub-division was given effect as per record date fixed by the Board of Directors i.e. February 28, 2014. Accordingly, the number of equity shares in Part II of the accompanying statement (including the previous period comparative numbers) has been stated based on face value of Re. 1/- each. Further, for the purpose of computing Earnings Per Share, the effect of sub-division has been considered in accordance with the requirements of Accounting Standard - 20 "Earnings Per Share" in all comparable periods.
- 9 During the year ended December 31, 2014, the Company has issued 804,000 equity shares of Re. 1/- each, of which 91,400 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.
- 10 MAT Credit during the year ended December 31, 2013 pertains to prior periods.
- 11 Figures for the quarter ended December 31, 2014 and December 31, 2013 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.
- 12 Refer Annexure A for the consolidated statement of assets and liabilities.
- 13 Refer Annexure B for segment wise consolidated revenue, results and capital employed.
- 14 Previous period's / year's figures have been regrouped / reclassified wherever applicable, to the extent possible, to conform to the current period / year presentation.

For and on behalf of the Board


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

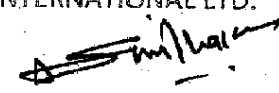
 Place : NOIDA
 Date : February 07, 2015

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S.R. Batliboi & Associates LLP, Gurgaon

For R SYSTEMS INTERNATIONAL LTD.

For Identification


 Company Secretary

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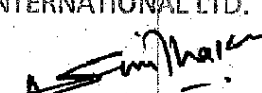
R SYSTEMS INTERNATIONAL LIMITED		Annexure A	
Consolidated Statement of Assets and Liabilities		(Rs. in lakhs)	
Particulars	As at Year End 31.12.2014	As at Year End 31.12.2013	
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1,267.20	1,259.16	
(b) Reserves and surplus	20,043.32	21,916.91	
Sub total - Shareholders' fund	21,310.52	23,176.07	
2 Minority Interest	-	-	
3 Non-current liabilities			
(a) Long-term borrowings	62.85	88.07	
(b) Deferred tax liabilities (net)	6.62	-	
(c) Other long-term liabilities	49.95	43.79	
(d) Long-term provisions	952.16	734.38	
Sub total - Non-current liabilities	1,071.58	866.24	
4 Current liabilities			
(a) Trade payables	5,088.88	5,271.18	
(b) Other current liabilities	5,902.48	1,774.55	
(c) Short-term provisions	3,927.31	3,631.50	
Sub total - Current liabilities	14,918.67	10,677.23	
TOTAL - EQUITY AND LIABILITIES	37,300.77	34,719.54	
B ASSETS			
1 Non-current assets			
(a) Fixed assets	4,158.15	4,629.98	
(b) Goodwill on consolidation	2,802.04	2,911.11	
(c) Non-current investments	0.25	0.25	
(d) Deferred tax assets (net)	382.98	553.49	
(e) Long-term loans and advances	686.41	843.81	
(f) Other non-current assets	585.72	962.33	
Sub total - Non-current assets	8,617.55	9,900.97	
2 Current assets			
(a) Current investments	180.00	100.00	
(b) Trade receivables	12,507.65	10,409.34	
(c) Cash and cash equivalents	13,638.35	10,145.35	
(d) Short-term loans and advances	1,185.75	1,501.53	
(e) Other current assets	1,171.47	2,662.35	
Sub total - Current assets	28,683.22	24,818.57	
TOTAL - ASSETS	37,300.77	34,719.54	

S.R. Batliboi & Associates LLP, Gurgaon

For Identification

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For R SYSTEMS INTERNATIONAL LTD.

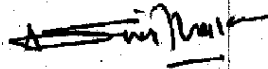

 Company Secretary

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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
		31.12.2014	30.09.2014	31.12.2013	31.12.2013
		(Audited) Refer note 11	(Unaudited)	(Audited) Refer note 11	(Audited)
1	Segment revenue				
	Information technology services and products	13,530.94	13,720.63	13,431.77	52,985.91
	Business process outsourcing services	2,818.22	3,174.33	3,174.77	12,047.89
	Total	16,349.16	16,894.96	16,606.54	65,033.80
	Less: Elimination of intersegment sales	44.34	43.49	51.45	184.21
	Income from operations	16,304.82	16,851.47	16,555.09	64,849.59
2	Segment results before tax and interest				
	Information technology services and products	1,701.08	2,193.77	2,591.27	7,620.70
	Business process outsourcing services	474.49	455.55	492.76	1,435.08
	Total	2,175.57	2,649.32	3,084.03	9,055.78
	(i) Interest expense	(2.75)	(2.55)	(3.77)	(11.75)
	(ii) Interest income	125.30	77.34	101.08	410.16
	(iii) Other unallocable income	-	-	-	10.05
	(iv) Exceptional Items (refer note 5 and 6)	2,240.25	260.85	-	2,501.10
	(v) Other unallocable expenses	(199.05)	(178.98)	(222.04)	(723.29)
	Profit before tax	4,339.32	2,805.98	2,959.30	11,242.05
3	Capital employed *				
	Information technology services and products	12,387.56	13,739.17	13,972.33	12,387.56
	Business process outsourcing services	1,916.88	1,577.26	751.90	1,916.88
	Unallocated corporate	7,006.08	8,413.38	8,451.84	7,006.08
	Total capital employed	21,310.52	23,729.81	23,176.07	21,310.52
As at December 31, 2014, the Company has re-classified the goodwill on consolidation and business acquisition aggregating to Rs 2,927.60 lakhs from information technology services and products to unallocated corporate and previous comparative numbers have been reclassified accordingly.					

S.R. Batliboi & Associates LLP, Gurgaon

For Identification

CERTIFIED TRUE COPY
For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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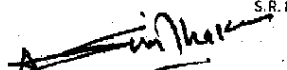
Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To,
Board of Directors
R Systems International Limited

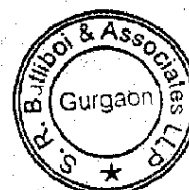
1. We have audited the quarterly consolidated financial results of R Systems International Limited for the quarter ended December 31, 2014 and the consolidated financial results for the year ended December 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of clause 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. The quarterly consolidated financial results are the derived figures between the audited figures in respect of the year ended December 31, 2014 and the published year-to-date figures up to September 30, 2014, being the date of the end of third quarter of the current financial year, which were subject to limited review. The consolidated financial results for the quarter ended December 31, 2014 have been prepared on the basis of the consolidated financial results for the nine-month period ended September 30, 2014, the audited annual consolidated financial statements as at and for the year ended December 31, 2014, 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, 2014, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and read with General Circular 08/2014, Issued by the Ministry of Corporate Affairs, 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, 2014; 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. We did not audit the financial statements of twenty subsidiaries included in the consolidated quarterly financial results and consolidated financial results for the year, whose consolidated financial statements reflect total assets of Rs 12,737.39 lakhs as at quarter and year ended December 31, 2014; as well as the total revenue of Rs 9273.07lakhs for the quarter ended December 31, 2014 and Rs. 36858.10 lakhs for the year ended December 31, 2014. These financial statements and other financial 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

S.R. Batliboi & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAB-4295
Regd. Office : 22, Camac Street, Block 'C', 3rd Floor, Kolkata-700 016



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S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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

(i) include the quarterly financial results and year-to-date 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 SAS, France, #
- f) Systemes R. International Ltee, Canada,
- g) R Systems (Singapore) Pte Limited,
- h) ECnet Limited, Singapore,
- 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 Product & Technologies Limited, India ##

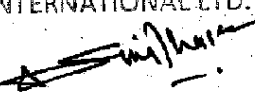
sold on November 27, 2014

incorporated on July 11, 2014

- (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended December 31, 2014 and for the year ended December 31, 2014.
5. Further, read with paragraph 1 above, we report that the figures for the quarter ended December 31, 2014 represent the derived figures between the audited figures in respect of the financial year ended December, 2014 and the published year-to-date figures up to September 30, 2014, 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(IXd) of the Listing Agreement.

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For R SYSTEMS INTERNATIONAL LTD.

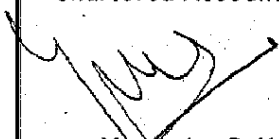

 Company Secretary


S.R. BATLIBOI & ASSOCIATES 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 & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

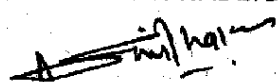


per Yogender Seth
Partner
Membership No.: 94524

Place: Noida
Date: February 7, 2015

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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, 2014
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 & Associates LLP) FIRM REG. NO. 101049W ☐ Audit Committee Chairman Raj Kumar Gogia	



R Systems International Limited – Financial Release December 31, 2014

R Systems Announces Results for Calendar Year 2014

FY 2014: Revenue: Rs. 648 Crores, EBITDA: Rs. 90 Crores and Net Profit Rs. 78 Crores

Q4 2014: Revenue: Rs. 163 Crores, EBITDA: Rs. 22 Crores and Net Profit: Rs. 32 Crores

Noida, India – February 7, 2015

Highlights

Consolidated results for FY ended December 31, 2014

- Consolidated revenue for FY 2014 was Rs. 648.50 crores (US\$ 106.27 mn.) as against Rs. 596.05 crores (US\$ 101.76 mn.) in FY 2013; YoY increase of 8.80 %.
- Earnings before interest, depreciation, taxes and allowances (“EBITDA”) for FY 2014 were Rs. 90.05 crores (US\$ 14.76 mn.) as against Rs. 78.64 crores (US\$ 13.43 mn.) in FY 2013; YoY increase of 14.50 %.
- Net profit after taxes for FY 2014 was Rs. 78.13 crores (US\$ 12.80 mn) as against Rs. 52.70 crores (US\$ 9.00 mn) in FY 2013; YoY increase of 48.27 %.
- Net profit after taxes for FY 2014 was after considering exceptional profit (net of tax) of Rs. 18.50 crores (US\$ 3.03). Out of this Rs. 16.89 crores (US\$ 2.77 mn) pertains to profit on sale of Europe BPO Business and Rs. 1.61 crores (US\$ 0.26 mn) on buy-back of shares of Computaris International Limited (a wholly owned subsidiary).
- Earnings per share (face value of Re 1/- each) of Rs. 6.14 for FY 2014 as against Rs. 4.18 in FY 2013.

Consolidated results for the quarter ended December 31, 2014

- Consolidated revenue from operations for Q4-14 was Rs. 163.05 crores (US\$ 26.31 mn) compared to Rs. 165.55 crores (US\$ 26.78 mn) in Q4, 2013 and Rs. 168.51 crores (US\$ 27.81 mn) in Q3, 2014.
- EBITDA for Q4-14 was Rs. 22.08 crores (US\$ 3.56 mn) compared to Rs. 29.28 crores (US\$ 4.83 mn) in Q4, 2013 and Rs. 26.87 crores (US\$ 4.43 mn) in Q3, 2014.
- Net profit after taxes for Q4-14 was Rs. 31.63 crores (US\$ 5.14 mn) compared to Rs. 21.77 crores (US\$ 3.61 mn) in Q4, 2013 and Rs. 18.21 crores (US\$ 3.00 mn) in Q3, 2014.
- Net profit after taxes for Q4-14 was after considering exceptional profit (net of tax) of Rs. 16.89 crores (US\$ 2.77 mn) on account of profit on sale of Europe BPO Business.

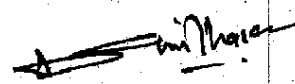
Others

- During the quarter, R Systems added 8 key customers.
- Total associates as on December 31, 2014 were 2,598 compared to 2,582 (2,454 excluding R Systems Europe BPO) at the end of December 31, 2013.

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For R SYSTEMS INTERNATIONAL LTD.

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Company Secretary

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R Systems International Limited – Financial Release December 31, 2014

Mr. Rekhi Singh, Managing Director emphasized, “Our performance was satisfactory in 2014 with profitable growth. We realigned our focus towards core services and the Company reported revenues of Rs. 648 crores with about 14% EBITDA amounting to Rs. 90 crores. Efficiency in execution, higher licensing revenue, coupled with rupee depreciation, contributed positively to the overall 2014 performance. We have a strong balance sheet with constant cash generation to support investment in research and development, and for developing more innovative solutions. Considering the overall performance during 2014, the Board has recommended a final dividend of Re 0.95 per share (in addition to earlier declared interim dividends of Rs. 4.90 per share) subject to approval of shareholders.”

Mr. Rekhi added, “Year 2015 looks promising for the Company backed by strong sales funnel across business verticals and geographies.”

Mr. Raj Swaminathan Executive Director and COO, said, “During 2014, we were able to deliver good performance through discipline in execution. We added marquee clients in all businesses. Our customer and delivery focus approach have paid off encouragingly in terms of revenues growth, overall customer satisfaction and enhanced operational efficiency.” He added “We continue to sustain our focus towards key business verticals, by investing in competencies and robust infrastructure to our customers’ delight.”

Dividend Declaration and other Corporate Matters

The Board of Directors at its meeting held on February 7, 2015 has recommended a final dividend of Re. 0.95 per share having face value of Re. 1/- each, subject to approval of the shareholders at the forthcoming Annual General Meeting. This is in addition to interim dividends aggregating to Rs. 4.90 per equity share of face value of Re.1/- each declared earlier during the year 2014.

Further, the Company has completed the sale of Europe BPO Business comprising of its 100% holding in R Systems Europe B.V., Netherlands and R Systems S.A.S., France on November 27, 2014.

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:



R Systems International Limited – Financial Release December 31, 2014

A USA based prepaid cards provider has engaged R Systems to revamp its website by re-designing, architecting and layering of applications using latest technologies along with up gradation of its third party integration.

A UK based company serving world's leading brands in customer automation management to automate order-to-cash processes has engaged R Systems for providing application development, mapping and testing services.

One of Saudi Arabia's largest telecom operators has mandated R Systems to implement Indus Credit Management and Revenue Collection solution to manage its customer acquisition, exposure management and bill collection processes.

One of Africa's large banking companies has selected Indus' Lending Solutions suite for its Zambia business. The Solution will address end to end requirements for its lending business.

A leading mobile telecommunication company in Austria has engaged our European subsidiary Computaris to deliver IT services for service delivery platform built on OC Rhino technology.

A Malaysia based leading foam and rubber components manufacturer has engaged our Singapore subsidiary ECnet Limited to implement globally renowned and comprehensive ERP System that helps manufacturers worldwide to improve performance.

Liquidity and Shareholder Funds

Total Consolidated Cash and bank balance, including bank deposits and liquid debt funds, as at December 31, 2014 was Rs. 109.82 crores (excluding money kept in escrow account for interim dividend and margin money for buy back) compared to Rs. 111.52 crores as on December 31, 2013. Total shareholder funds as on December 31, 2014 were Rs. 213.11 crores compared to Rs. 231.76 crores as on December 31, 2013.

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R Systems International Limited – Financial Release December 31, 2014

Financial Performance

Consolidated Profit & Loss Statement for the Quarter Ended December 31, 2014

(As per Indian GAAP)

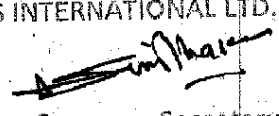
Sr. No.	Particulars	Figures in mn, except per share data		
		Quarter Ended December 31,		Quarter Ended September 30, 2014
		2014	2013	
1	Income			
1.1	Income from operations	1,630.48	1,655.51	1,685.15
1.2	Other operating income	4.75	0.96	9.43
	Total	1,635.23	1,656.47	1,694.58
2	Expenses			
2.1	Employee benefits expense	975.35	942.75	994.68
2.2	Depreciation and amortisation expense	28.61	28.17	28.48
2.3	Traveling and conveyance	92.69	81.14	86.10
2.4	Communication costs	21.11	21.15	22.31
2.5	Legal and professional expenses (including subcontract expenses)	188.89	174.49	197.74
2.6	Provision for doubtful debts and advances (net)	-	0.88	-
2.7	Other expenses	128.91	119.85	115.82
	Total expenses	1,435.56	1,368.43	1,445.13
3	Profit from operations before other income, Finance cost and exceptional items	199.67	288.04	249.45
4	Other income	12.53	10.11	7.73
5	Profit from operations before finance cost and exceptional items	212.20	298.15	257.18
6	Finance cost	2.29	2.22	2.67
7	Profit from ordinary before exceptional items	209.91	295.93	254.51
8	Exceptional items [#]	224.02	-	26.09
9	Profit before tax	433.93	295.93	280.60
10	Tax expense			
10.1	Current tax (net of MAT credit)	115.48	76.02	99.01
10.2	Deferred tax charge / (credit)	2.12	2.20	(0.51)
	Total tax expense	117.60	78.22	98.50
11	Net profit after tax	316.33	217.71	182.10
12	Earnings per share (Face value of Re. 1/- each)			
12.1	Basic	2.48	1.72	1.43
12.2	Diluted	2.48	1.72	1.43

[#] Exceptional Items consists of:

- Rs. 224.02 mn in quarter ended December 31, 2014 represents profit on sale of Europe BPO Business.
- Rs. 26.09 mn in quarter ended September 30, 2014 represents transfer of proportionate currency translation reserve to the foreign exchange fluctuation on account of buy-back of shares of Computaris International Limited (a wholly owned subsidiary)

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Company Secretary



R Systems International Limited – Financial Release December 31, 2014

Financial Performance

Consolidated Profit & Loss Statement for the Year Ended December 31, 2014

(As per Indian GAAP)

(Figures in mn, except per share data)

Sl. No.	Particulars	December 31,	
		2014	2013
1	Income		
1.1	Income from operations	6,484.96	5,960.54
1.2	Other operating income	48.71	6.80
	Total	6,533.67	5,967.34
2	Expenses		
2.1	Employee benefits expense	3,935.22	3,573.87
2.2	Depreciation and amortisation expense	112.45	101.71
2.3	Traveling and conveyance	347.76	345.94
2.4	Communication costs	87.47	83.57
2.5	Legal and professional expenses (including subcontract expenses)	722.72	598.30
2.6	Provision for doubtful debts and advances (net)	-	33.44
2.7	Other expenses	487.06	545.12
	Total expenses	5,692.68	5,281.95
3	Profit from operations before other income, Finance cost and exceptional items	840.99	685.39
4	Other income	42.02	40.35
5	Profit from operations before finance cost and exceptional items	883.01	725.74
6	Finance cost	8.91	7.48
7	Profit from ordinary before exceptional items	874.10	718.26
8	Exceptional items *	250.11	-
9	Profit before tax	1,124.21	718.26
10	Tax expense		
10.1	Current tax (net of MAT credit)	325.29	192.50
10.2	Deferred tax charge / (credit)	17.58	(1.23)
	Total tax expense	342.87	191.27
11	Net profit after tax	781.34	526.99
12	Earnings per share (Face value of Re. 1/- each)		
12.1	Basic	6.14	4.18
12.2	Diluted	6.14	4.18

* Exceptional Items for the year 2014 consists of:

- Rs. 224.02 mn profit on sale of Europe BPO Business.
- Rs. 26.09 mn on account of transfer of proportionate currency translation reserve to the foreign exchange fluctuation on buy-back of shares of Computaris International Limited (a wholly owned subsidiary).

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[Signature]
Company Secretary



R Systems International Limited – Financial Release December 31, 2014

Financial Performance

Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended December 31, 2014 (Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn, except per share data)

Particulars	Q4 2014		Q4 2013		Q3 2014	
	INR	US\$	INR	US\$	INR	US\$
Revenues	1,630.48	26.31	1,655.51	26.78	1,685.15	27.81
Cost of revenues	1,049.73	16.94	1,006.46	16.23	1,047.14	17.28
Gross margin	580.75	9.37	649.05	10.55	638.01	10.53
	35.62%		39.21%		37.86%	
SG & A Expenses	359.90	5.81	356.23	5.72	369.36	6.10
	22.07%		21.52%		21.92%	
EBITDA	220.85	3.56	292.82	4.83	268.65	4.43
	13.54%		17.69%		15.94%	
Depreciation and amortization	28.61	0.46	28.17	0.46	28.48	0.47
Income from operations before exceptional items	192.24	3.10	264.65	4.37	240.17	3.96
Exceptional items [#]	224.02	3.67	-	-	26.09	0.43
Income from operations	416.26	6.77	-	-	266.26	4.39
Interest expense	(0.27)	(0.01)	(0.38)	(0.00)	(0.26)	(0.00)
Other income (net)	17.94	0.29	31.66	0.54	14.60	0.24
Income before income tax	433.93	7.05	295.93	4.91	280.60	4.63
Income tax provision	117.60	1.91	78.22	1.30	98.50	1.63
Net earnings	316.33	5.14	217.71	3.61	182.10	3.00
Earnings per share (Face value of Re. 1/- each)						
Basic	2.48	0.04	1.72	0.03	1.43	0.02
Diluted	2.48	0.04	1.72	0.03	1.43	0.02

[#] Exceptional Items consists of:

- Rs. 224.02 mn (US\$ 3.67 mn) in quarter ended December 31, 2014 represents profit on sale of Europe BPO Business.
- Rs. 26.09 mn (US\$ 0.43 mn) in quarter ended September 30, 2014 represents transfer of proportionate currency translation reserve to the foreign exchange fluctuation on account of buy-back of shares of Computaris International Limited (a wholly owned subsidiary).

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R Systems International Limited – Financial Release December 31, 2014

Financial Performance

Consolidated Profit & Loss Statement (Un-audited) for the Year Ended December 31, 2014 (Contribution Analysis Format; Basis Indian GAAP)

(Figures in mn, except per share data)

Particulars	Year 2014		Year 2013	
	INR	US\$	INR	US\$
Revenue	6,484.96	106.27	5,960.54	101.76
Cost of revenue	4,132.43	67.72	3,769.14	64.34
Gross margin	2,352.53	38.55	2,191.40	37.42
	36.28%		36.76%	
SG & A Expenses	1,452.06	23.79	1,404.98	23.99
	22.39%		23.57%	
EBITDA	900.47	14.76	786.42	13.43
	13.89%		13.19%	
Depreciation and amortization	112.45	1.85	101.71	1.74
Income from operations before exceptional items	788.02	12.91	684.71	11.69
Exceptional items #	250.11	4.10	-	-
Income from operations	1,038.13	17.01	684.71	11.69
Interest expense	(1.17)	(0.02)	(1.23)	(0.02)
Other income (net)	87.25	1.43	34.78	0.59
Income before income tax	1,124.21	18.42	718.26	12.26
Income tax provision	342.87	5.62	191.27	3.26
Net earnings	781.34	12.80	526.99	9.00
Earnings per share (Face value of Re. 1/- each)				
Basic	6.14	0.10	4.18	0.07
Diluted	6.14	0.10	4.18	0.07

Exceptional Items for the year 2014 consists of:

- Rs. 224.02 mn (US\$ 3.67 mn) profit on sale of Europe BPO Business.
- Rs. 26.09 mn (US\$ 0.43 mn) on account of transfer of proportionate currency translation reserve to the foreign exchange fluctuation on buy-back of shares of Computaris International Limited (a wholly owned subsidiary).

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R Systems International Limited – Financial Release December 31, 2014

Consolidated Balance Sheet as at December 31, 2014 (As per Indian GAAP)

(Rs. in mn)

Particulars	As at		
	Dec 31, 2014 (Audited)	Dec 31, 2013 (Audited)	Sep 30, 2014 (Unaudited)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	126.72	125.92	126.63
Reserves and Surplus	2,004.33	2,191.69	2,246.35
Sub-Total Shareholder's Funds	2,131.05	2,317.61	2,372.98
Minority interest	-	-	-
Non-current liabilities			
Long-term borrowings	6.29	8.80	5.62
Deferred tax liabilities (Net)	0.66	-	-
Other long term liabilities	4.99	4.38	4.48
Long-term provisions	95.22	73.44	85.32
Subtotal - Non-current liabilities	107.16	86.62	95.42
Current liabilities			
Trade payables	508.89	527.12	486.83
Other current liabilities	590.25	177.45	225.13
Short-term provisions	392.73	363.15	389.01
Subtotal- Current Liabilities	1,491.87	1,067.72	1,100.97
TOTAL - EQUITY AND LIABILITIES	3,730.08	3,471.95	3,569.37
ASSETS			
Non-current assets			
Fixed assets	415.82	463.00	446.95
Goodwill on consolidation	280.20	291.11	285.82
Non-current investments	0.03	0.03	0.03
Deferred tax assets (net)	38.30	55.35	39.86
Long-term loans and advances	68.84	84.38	73.67
Other non-current assets	58.57	96.23	73.22
Subtotal - Non- current assets	861.76	990.10	919.55
Current assets			
Current Investment	18.00	10.00	18.00
Trade receivables	1,250.77	1,040.93	1,121.87
Cash and bank balance	1,363.83	1,014.54	1,081.29
Short-term loans and advances	118.57	150.15	163.93
Other current assets	117.15	266.23	264.73
Subtotal - Current Assets	2,868.32	2,481.85	2,649.82
TOTAL - ASSETS	3,730.08	3,471.95	3,569.37

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R Systems International Limited – Financial Release December 31, 2014

Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended			Year Ended	
	Dec 31, 14	Dec 31, 13	Sep 30, 14	Dec 31, 14	Dec 31, 13
Revenues	100.00	100.00	100.00	100.00	100.00
Gross margin	35.62	39.21	37.86	36.28	36.76
SG & A	22.07	21.52	21.92	22.39	23.57
EBITDA	13.54	17.69	15.94	13.89	13.19
EBT	26.61	17.88	16.65	17.34	12.05
PAT	19.40	13.15	10.81	12.05	8.84

Revenue from Top 10 Clients	Quarter ended			Year Ended	
	Dec 31, 14	Dec 31, 13	Sep 30, 14	Dec 31, 14	Dec 31, 13
Top 10 Clients	32.26%	35.74%	32.18%	31.73%	34.68%
Top 5 Clients	21.53%	20.35%	20.78%	19.93%	21.97%
Top 3 Clients	15.78%	13.32%	15.35%	14.56%	14.74%
Largest Client	6.67%	4.85%	6.62%	5.87%	5.11%

Revenue by Geographies	Quarter ended			Year Ended	
	Dec 31, 14	Dec 31, 13	Sep 30, 14	Dec 31, 14	Dec 31, 13
USA	55.68%	54.75%	58.47%	57.08%	55.66%
Europe	23.75%	27.34%	21.11%	23.38%	25.46%
SEAC (South East Asia)	8.70%	9.10%	8.76%	9.05%	10.17%
India	7.12%	5.85%	7.12%	6.37%	4.77%
Others	4.75%	2.96%	4.54%	4.12%	3.94%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Utilization (excluding trainees)	Quarter ended		
	Dec 31, 14	Dec 31, 13	Sep 30, 14
Onsite	78.58%	73.76%	79.44%
Offshore	73.72%	75.29%	75.99%
Blended	74.87%	74.92%	76.84%

Utilization (including trainees)	Quarter ended		
	Dec 31, 14	Dec 31, 13	Sep 30, 14
Onsite	78.58%	73.76%	79.44%
Offshore	68.75%	71.63%	70.84%
Blended	70.96%	72.13%	72.83%

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Consolidated Operational Data (Un-audited)

Human resources	As at		
	Dec 31, 14	Dec 31, 13	Sep 30, 14
Technical	2,245	2,206	2,334
Software services			
Onsite	318	307	333
Offshore	1,428	1,351	1,360
BPO			
Offshore	289	261	297
Onsite	82	201	205
Trainees	128	86	139
Support	353	376	386
Total count	2,598	2,582	2,720

Dec 31, 2013 and Sep 30, 2014 includes 163 & 151 associates respectively pertaining to Europe BPO Business.

(Rs. in mn, except DSO)

Key Balance Sheet Data	As At		
	Dec 31, 14	Dec 31, 13	Sep 30, 14
Receivable	1,250.77	1,040.93	1,121.87
Receivable in days ("DSO")	51	52	52
Total cash and bank balance*	1,098.24	1,115.20	1,169.80
Fixed assets	415.82	463.00	446.95
Shareholders' funds	2,131.05	2,317.61	2,372.98

* Excluding money kept in escrow account for interim dividend and margin money for buy back.

Development/Service Centres Location	As on December 31, 2014	
	Covered areas in sq ft.	No. of seats
India		
Noida	70,980	1,434
Pune	28,690	515
Chennai	19,006	270
	124,676	2,219
USA		
Sacramento, CA	9,500	60
Salt Lake City, Utha	13,800	117
	23,300	177
South East Asia		
Singapore	5,544	56
Malaysia	3,365	31
Thailand	592	6
	9,501	93
Europe		
Romania	14,090	129
Poland	6,083	54
Moldova	3,398	46
	23,571	229
Total	181,048	2,718

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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. 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 eleven 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:

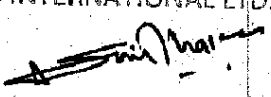
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