

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.



CERTIFIED TRUE COPY
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

Yogender Seth
Per Yogender Seth
Partner
Membership No.: 94524
Place: *Mumbai*
Date: *Feb 9, 2012*



CERTIFIED TRUE COPY
For R SYSTEMS INTERNATIONAL LTD.

[Signature]
Company Secretary