

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 Ended March 31, 2015

PART I		(Rs. in lakhs, except per share data)			
S.No.	Particulars	Three Months Ended			Year Ended
		31.03.2015	31.12.2014	31.03.2014	31.12.2014
	(Refer notes)	(Audited)	(Audited) Refer Note 11	(Audited)	(Audited)
1	Income from operations				
(a)	Income from operations	7,881.19	7,304.35	6,907.35	29,108.13
(b)	Other operating income	171.48	65.53	135.26	383.91
	Total income from operations	8,052.67	7,369.88	7,042.61	29,492.04
2	Expenses				
(a)	Employee benefits expense	4,866.91	4,667.60	4,253.05	17,814.32
(b)	Depreciation and amortisation expense	355.76	174.55	155.36	672.40
(c)	Traveling and conveyance	627.83	597.64	566.54	2,362.97
(d)	Communication costs	138.54	149.68	127.61	556.57
(e)	Legal and professional expenses (including subcontract expenses)	225.96	201.24	128.74	625.78
(f)	Provision for doubtful debts and advances (net)	12.85	23.06	26.89	3.79
(g)	Other expenses	605.19	595.77	477.28	2,200.15
	Total expenses	6,833.04	6,409.54	5,735.47	24,235.98
3	Profit from operations before other income, finance costs and exceptional items (1-2)	1,219.63	960.34	1,307.14	5,256.06
4	Other income (refer note 9)	107.44	678.77	109.52	964.51
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	1,327.07	1,639.11	1,416.66	6,220.57
6	Finance costs	7.63	12.22	8.51	42.87
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,319.44	1,626.89	1,408.15	6,177.70
8	Exceptional items (refer note 8 and 10)	-	2,406.88	-	3,931.31
9	Profit from ordinary activities before tax (7+8)	1,319.44	4,033.77	1,408.15	10,109.01
10	Tax expense				
	Current tax	550.00	948.63	302.87	2,475.32
	Deferred tax charge / (credit)	(97.71)	4.45	180.68	130.80
	Total tax expense	452.29	953.08	483.55	2,606.12
11	Net profit from ordinary activities after tax (9-10)	867.15	3,080.69	924.60	7,502.89
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net profit for the period / year (11-12)	867.15	3,080.69	924.60	7,502.89
14	Paid - up equity share capital (Face value Re. 1/- each) (refer note 7)	1,264.70	1,267.20	1,266.28	1,267.20
15	Reserves excluding Revaluation Reserves as at December 31, 2014				16,241.02
16.i	Earnings per share before extraordinary items (Face value of Re. 1/- each) (not annualised)				
(a)	Basic	0.68	2.42	0.73	5.90
(b)	Diluted	0.68	2.42	0.73	5.90
16.ii	Earnings per share after extraordinary items (Face value of Re. 1/- each) (not annualised)				
(a)	Basic	0.68	2.42	0.73	5.90
(b)	Diluted	0.68	2.42	0.73	5.90

See accompanying notes to the financial results.

PART II

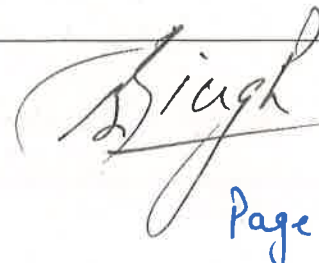
A	PARTICULARS OF SHAREHOLDING (refer note 7)				
1	Public Shareholding				
	- Number of shares (Face value Re. 1/- each)	62,748,839	62,998,174	63,006,905	62,998,174
	- Percentage of shareholding	49.33	49.43	49.47	49.43
2	Promoters and Promoter Group Shareholding				
(a)	Pledged / encumbered				
	- Number of shares (Face value Re. 1/- each)	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
(b)	Non-encumbered				
	- Number of shares (Face value Re. 1/- each)	64,460,406	64,460,406	64,360,275	64,460,406
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	50.67	50.57	50.53	50.57

	Particulars	Three Months Ended
		31.03.2015
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

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For R SYSTEMS INTERNATIONAL LTD.


Company Secretary



Page 3 of 20

Notes:

- 1 The results for the quarter ended March 31, 2015 were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on April 23, 2015.
- 2 An audit has been completed by the Statutory Auditors for the quarter ended March 31, 2015, quarter ended March 31, 2014 and for the quarter and year ended December 31, 2014 (also refer note 11 below). There is no qualification in the Auditors' Report on these financial results.
- 3 The Board of Directors at its meeting held on April 23, 2015 has declared interim dividend of Re. 0.40 per equity share of face value of Re. 1/- each, as per record date of May 04, 2015. The Shareholders' assent for interim dividend will be taken in the Annual General Meeting for the year 2015.
- 4 The Board of Directors at its meeting held on February 07, 2015 had recommended a final dividend of Re. 0.95/- per equity share of face value of Re. 1/- each. This was 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.
- 5 As at January 01, 2015, the Company, based on technical assessment, reassessed the useful life of tangible assets and accordingly changed the useful lives of certain assets resulting in incremental charge of depreciation. Accordingly, the depreciation charge for the current quarter is higher by Rs. 102.18 lakhs and profit after tax for the current quarter is lower by Rs. 67.45 lakhs. Further, the Company has transferred Rs. 124.55 lakhs (net of tax) to reserves based on the transitional provision under Schedule II of the Companies Act, 2013.
- 6 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 had 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
	31.03.2015	31.12.2014	31.03.2014	31.12.2014
Total income	2,582.36	2,208.20	1,897.89	8,413.41
Total expenses	2,294.95	2,111.61	1,536.00	7,188.35
Profit before tax	287.41	96.59	361.89	1,225.06
Total tax expense	97.69	32.83	123.01	416.40
Profit after tax	189.72	63.76	238.88	808.66

- 7 The Company had issued Public Announcement dated December 29, 2014, for buy-back of equity shares of face value of Re. 1/- each from the open market at a price not exceeding Rs. 100 per share for an aggregate amount not exceeding Rs. 600 lakhs. Under the Buy-back offer, the Company has bought back 249,335 equity shares up to March 31, 2015 for an aggregate amount of Rs. 202.29 lakhs by utilising the Securities Premium Account to the extent of Rs. 199.80 lakhs and General Reserve to the extent of Rs. 2.49 lakhs. The Capital Redemption Reserve has been created out of General Reserve for Rs. 2.49 lakhs being the nominal value of equity shares bought back in terms of Section 68 of the Companies Act, 2013. Subsequent to the quarter end, the Company has closed the buy-back offer with 678,155 equity shares (including 249,335 equity shares up to March 31, 2015) for an aggregate amount of Rs. 595.74 lakhs as approved by the Board of Directors of the Company at its meeting held on April 23, 2015.
- 8 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 was included in 'Exceptional Items' in the financial results for the year ended December 31, 2014.
- 9 During the quarter ended December 31, 2014, the Company had 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'.
- 10 On November 27, 2014, the Company had 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) had 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 quarter and year ended December 31, 2014 in the financial results. Also, during the year ended December 31, 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 for the Year ended December 31, 2014.
- 11 Figures for the quarter ended December 31, 2014 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 financial year.
- 12 Refer Annexure A for segment wise standalone revenue, results and capital employed.
- 13 Previous period's / year's figures have been regrouped / reclassified wherever applicable, to the extent possible, to conform to the current period / year presentation.

For and on behalf of the Board

Lt. Gen. Baldev Singh, (Retd.)

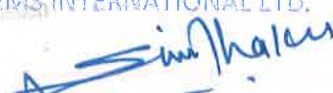
[President & Senior Executive Director]

Place : New Delhi

Date : April 23, 2015

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For R SYSTEMS INTERNATIONAL LTD.


 Company Secretary

Page 4 of 20

R SYSTEMS INTERNATIONAL LIMITED**Segment Wise Standalone Revenue, Results and Capital Employed**

(Rs. in lakhs)

S.No.	Particulars	Three Months Ended			Year Ended
		31.03.2015	31.12.2014	31.03.2014	31.12.2014
		(Audited)	(Audited) Refer Note 11	(Audited)	(Audited)
1	Segment revenue				
	- Information technology services and products	6,890.83	6,236.86	6,170.03	25,383.38
	- Business process outsourcing services	990.36	1,067.49	737.32	3,724.75
	Income from operations	7,881.19	7,304.35	6,907.35	29,108.13
2	Segment results before tax and interest				
	- Information technology services and products	1,260.74	801.77	1,448.22	5,117.66
	- Business process outsourcing services	115.99	269.00	(19.69)	662.40
	Total	1,376.73	1,070.77	1,428.53	5,780.06
	(i) Interest expense	(2.19)	(2.30)	(1.73)	(7.84)
	(ii) Interest income	107.44	123.91	109.52	399.62
	(iii) Dividend income (refer note 9)	-	554.84	-	554.84
	(iv) Other unallocable income	-	-	-	10.05
	(v) Exceptional Items (refer note 8 and 10)	-	2,406.88	-	3,931.31
	(vi) Other unallocable expenses	(162.54)	(120.33)	(128.17)	(559.03)
	Profit before tax	1,319.44	4,033.77	1,408.15	10,109.01
3	Capital employed *				
	- Information technology services and products	5,674.66	6,156.25	7,727.97	6,156.25
	- Business process outsourcing services	(528.95)	(389.16)	(1,077.15)	(389.16)
	- Unallocated corporate	12,297.14	11,741.13	13,157.26	11,741.13
	Total capital employed	17,442.85	17,508.22	19,808.08	17,508.22

* The Company has re-classified the investments as at March 31, 2014 aggregating to Rs 7,801.91 lakhs from information technology services and products and Rs 134.17 lakhs from business process outsourcing services to unallocated corporate to conform to the current period / year presentation.

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For R SYSTEMS INTERNATIONAL LTD.


 Company Secretary

