



Delivering Exceptional Value!

Caring
Innovating
Transforming



R SYSTEMS INTERNATIONAL LIMITED

Annual Report 2013

What you will find inside...

Corporate Information	1
Our Journey so Far	2
Delivering Exceptional Value	3
Corporate Identity	10
Chairman's Letter	12
Delivering Value to our Investors	16
Business Verticals	18
Our Quality Journey	26
Our Client Mix	27
Intellectual Capital	28
Beyond Business	30
Directors' Report	32
Corporate Governance Report	48
Management Discussion and Analysis	64
Risk Management Report	78
Financial Statements (Standalone)	85
Financial Statements (Consolidated)	130
Notice of Twentieth Annual General Meeting	174

Safe Harbor Statement:

Certain Statements in this report concerning our future growth prospects are forward-looking statements, which involves a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the success of our investments, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT and ITES services and solutions including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international marketing and sales operations, reduced demand for technology and consulting services in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions and restructuring, liability for damages on our service contracts and product warranty, the success of the companies in which the Company has made strategic investments, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time-to-time, make additional written and oral forward-looking statements and does not undertake to update any forward-looking statements that may be made from time-to-time by or on behalf of the Company.

Corporate Information

Board of Directors

(As on March 30, 2014)

1. **Mr. Satinder Singh Rekhi**
(Chairman and Managing Director)
2. **Lt. Gen. Baldev Singh (Retd.)**
(President and Senior Executive Director)
3. **Mr. Raj Swaminathan**
(Director and Chief Operating Officer)
4. **Mr. Raj Kumar Gogia**
(Non-Executive Independent Director)
5. **Mr. Gurbax Singh Bhasin**
(Non-Executive Independent Director)
6. **Mr. Suresh Paruthi**
(Non-Executive Independent Director)
7. **Mr. Anuj Kanish**
(Additional Director – Non Executive Independent)

Company Secretary and Compliance Officer

Mr. Vikash Kumar Tiwari

Committees of the Board of Directors Audit Committee

1. **Mr. Raj Kumar Gogia**
(Chairman)
2. **Mr. Gurbax Singh Bhasin**
(Member)
3. **Mr. Suresh Paruthi**
(Member)
4. **Mr. Anuj Kanish**
(Member)

Shareholders / Investors Grievance Committee

1. **Mr. Raj Kumar Gogia**
(Chairman)
2. **Mr. Suresh Paruthi**
(Member)
3. **Mr. Satinder Singh Rekhi**
(Member)
4. **Lt. Gen. Baldev Singh (Retd.)**
(Member)

Remuneration Committee

1. **Mr. Raj Kumar Gogia**
(Chairman)
2. **Mr. Gurbax Singh Bhasin**
(Member)

3. **Mr. Suresh Paruthi**
(Member)
4. **Mr. Anuj Kanish**
(Member)

Compensation Committee

1. **Mr. Raj Kumar Gogia**
(Chairman)
2. **Mr. Suresh Paruthi**
(Member)
3. **Lt. Gen. Baldev Singh (Retd.)**
(Member)

Registered Office

B - 104A, Greater Kailash - I,
New Delhi - 110 048, India

Corporate Office

C - 40, Sector - 59, Noida (U.P.) - 201 307,
India

Statutory Auditors

S. R. Batliboi & Co. LLP
Chartered Accountants
Golf View Corporate Tower - B,
Sector - 42, Sector Road,
Gurgaon - 122 002, Haryana, India

Registrar & Share Transfer Agent

M/s Link Intime India Private Limited
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase- I
Near PVR Naraina,
New Delhi - 110 028, India

Bankers to the Company

1. Axis Bank Limited
2. ICICI Bank Limited
3. HDFC Bank Limited
4. State Bank of India
5. The Ratnakar Bank Limited
6. Oriental Bank of Commerce
7. State Bank of Bikaner & Jaipur
8. Canara Bank
9. Kotak Mahindra Bank
10. California Bank and Trust, U.S.A.
11. ABN Amro Bank, The Netherlands
12. Sumitomo Mitsui Banking Corporation (SMBC), Japan

Listed At

1. National Stock Exchange of India Limited
2. BSE Limited

Subsidiaries of R Systems International Limited

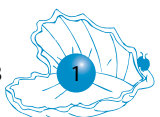
1. R Systems (Singapore) Pte Limited, Singapore
2. R Systems, Inc., U.S.A.
3. Indus Software, Inc., U.S.A.
4. ECnet Limited, Singapore
5. R Systems Solutions, Inc., U.S.A.
6. R Systems NV, Belgium (liquidated on June 24, 2013)
7. R Systems Europe B.V., The Netherlands
8. R Systems S.A.S., France
9. Computaris International Limited, U.K.
10. Systèmes R. International Ltée, Canada

Subsidiaries of ECnet Limited

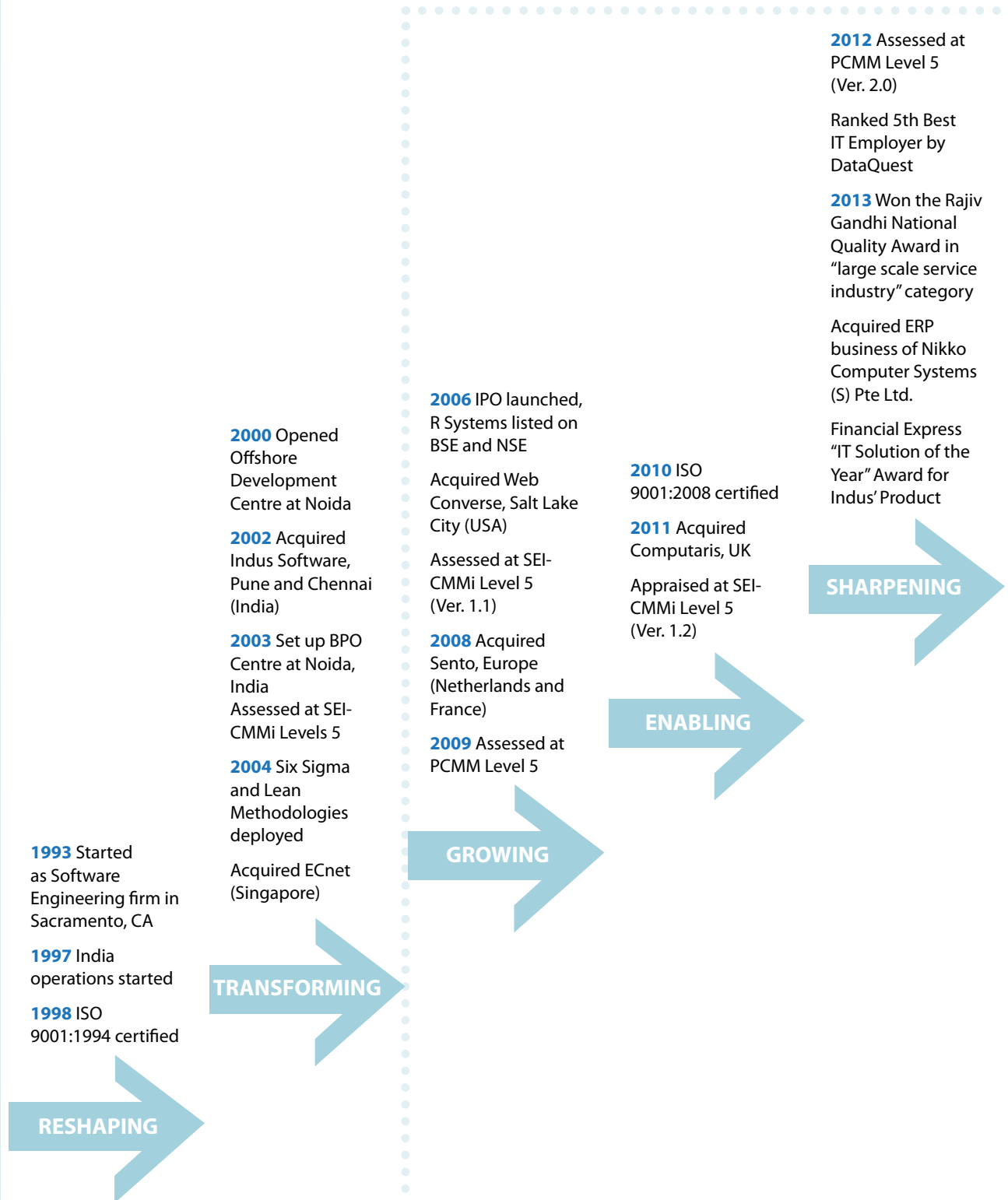
11. ECnet (M) Sdn. Bhd., Malaysia
12. ECnet Inc., U.S.A.
13. ECnet (Hong Kong) Limited, Hong Kong
14. ECnet Systems (Thailand) Company Limited, Thailand
15. ECnet Kabushiki Kaisha, Japan
16. ECnet (Shanghai) Co. Ltd., People's Republic of China

Subsidiaries of Computaris International Limited

17. ICS Computaris International Srl, Moldova
18. Computaris Malaysia Sdn. Bhd., Malaysia
19. Computaris Polska sp z o.o., Poland
20. Computaris Romania SRL, Romania
21. Computaris USA, Inc.
22. Computaris Limited, U.K. (liquidated on December 24, 2013)



Our Journey so Far



Delivering Exceptional Value

An oyster is pushed by the ocean currents on an epic journey to produce a precious pearl. It undergoes various challenges yet rises above the challenges to deliver value in the form of pearl.

At R Systems, we relate ourselves completely to an oyster. Over the years, we have strived hard to grow to the size that we have currently achieved. We have overcome various odds and challenges before achieving success. Over the years, we have grown by leaps and bounds supported by our unstinted dedication, diligence and hard work. In doing so, we are delivering exceptional value to our various stakeholders including employees, customers, investors and the community in which we operate.



Caring





At R Systems, we care for our employees, customers, investors and all those who are associated with us. We walk the extra mile and nurture our relationships to build an association that is meaningful, long-term and sustainable.

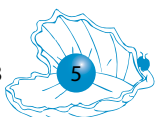
Driven by our core value of caring, we believe that employees are our biggest asset who drive the organisation towards growth. We provide our employees a safe and healthy work environment that encourages them to share, learn and evolve together. We create value for our employees by helping them attain a better lifestyle and purposeful living. In doing so, we encourage an entrepreneurship spirit in our employees so that they, in turn, can generate value for our other stakeholders.

Customers are key to any business. At R Systems, we strive to provide measurable business advantages to our customers. We are strongly equipped to respond to customer's changing needs due to our deep domain understanding and technology prowess in select verticals. Over the years, we have won countless accolades from global customers for our benchmarked delivery track record, quality standards and adaptability to technological challenges. With a rich legacy spread over two decades, we have generated

exceptional value that helps organizations transcend to higher levels of efficiency and growth.

Investors are an integral part of our business ecosystem. Over the years we have created exceptional value for our investors by generating healthy return on invested capital, making profitable investments and acquisitions, improving margins and profits consistently, year after year.

Last but not least, we prioritize on developing and nurturing the community around which we operate. We create value for our communities through our well-organized initiatives, which includes providing education to the underprivileged, supporting and empowering the lesser advantaged communities and preserving the environment among others.





At R Systems, we stay ahead by embracing innovation in all that we think and do. Our innovation spreads across the entire value chain and includes people, processes and products.

Driven by our core value of innovation, we believe that innovation is not just a practice but an essential component embedded within our organizational DNA. Innovation is one of our core areas which keeps us competitive and successful in today's highly competitive business environment. We harness our knowledge and technical competence, gathered over the years, to innovate new solutions and services for our customers. We believe innovation can enable clients to stay ahead and prepare them for the challenges for tomorrow. Keeping this in mind, we frequently engage with our existing and new clients to incubate, design, develop, implement and sustain products and applications for complex business challenges. We collaborate with our customers to help them launch relevant and breakthrough products ahead of their competitors.

We understand that people perform well when they operate in a culture that is caring, supportive and encouraging. In order to bring out the best in our people, we nurture our employees through our structured training programs and continuous learning and development opportunities. As a result our 2500+ employees combine a unique blend of entrepreneurial spirit, technical competence and passion to innovate.

In order to develop innovative products, we have established dedicated and well-equipped research and development labs at Pune and Noida. Our R&D labs have produced several innovative products that address the diverse needs of a wide range of customers across Banking, Finance and Insurance, Telecom and Mobility. During the year 2013, we invested Rs. 110.92 million in our R&D activities to create new products and solutions and enhance existing products and solutions at our Pune and Noida centres.

Our quality benchmarks are amongst the best in the IT industry, which is evident from our consistently high approval ratings by several Fortune 1000 companies and other customers we serve, worldwide. During 2013, our Noida centre won the Rajiv Gandhi National Quality Award 2011 in the "Large Scale Service Industry" category, which is given to those who are considered as the leaders of quality movement in the country. This award confirms our leadership position in quality and process excellence.



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