

BEYOND SOFTWARE ENGINEERING
It's VALUE ENGINEERING!



...like the Oyster delivering the Pearl

ANNUAL REPORT
2014

ANNUAL REPORT 2014

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04

Value Engineering



06

Caring



08

Innovating



10

Transforming

OUR INDUSTRY VERTICALS



Telecom And
Digital Media



Banking and
Finance



Healthcare
Services



Manufacturing and
Logistics



Government
Services

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, salary 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 April 23, 2015)

1. **Mr. Satinder Singh Rekhi**
(Managing Director)
2. **Lt. Gen. Baldev Singh (Retd.)**
(President and Senior Executive Director)
3. **Mrs. Ruchica Gupta**
(Additional Director – Non Executive)
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. Amardeep Singh Ranghar**
(Additional Director – Non Executive Independent)
8. **Mr. Raj Swaminathan**
(Director and Chief Operating Officer)

Chief Financial Officer

Mr. Nand Sardana

Company Secretary and Compliance Officer

Mr. Ashish Thakur

Committees of the Board of Directors

Audit Committee

1. **Mr. Raj Kumar Gogia**
(Chairman)
2. **Mrs. Ruchica Gupta**
(Member)
3. **Mr. Gurbax Singh Bhasin**
(Member)
4. **Mr. Suresh Paruthi**
(Member)

Stakeholders Relationship Committee

(Also known as 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)

Nomination & Remuneration Committee

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

Compensation Committee

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

Corporate Social Responsibility Committee (CSR Committee)

1. **Mr. Raj Kumar Gogia**
(Chairman)
2. **Lt. Gen. Baldev Singh (Retd.)**
(Member)
3. **Mrs. Ruchica Gupta**
(Member)
4. **Mr. Suresh Paruthi**
(Member)
5. **Mr. Raj Swaminathan**
(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 & Associates 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. Kotak Mahindra Bank
9. California Bank and Trust, U.S.A.

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 Europe B.V., The Netherlands
(Ceased to be a subsidiary w.e.f. November 27, 2014)
7. R Systems S.A.S., France
(Ceased to be a subsidiary w.e.f. November 27, 2014)
8. Computaris International Limited, U.K.
9. Systèmes R. International Ltée, Canada
10. R Systems Products & Technologies Limited, India

Subsidiaries of ECnet Limited

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

Subsidiaries of Computaris International Limited

17. Computaris Romania SRL, Romania
18. Computaris Polska sp z o.o., Poland
19. ICS Computaris International Srl, Moldova
20. Computaris USA, Inc.
21. Computaris Malaysia Sdn. Bhd., Malaysia

THE MAKING OF A GLOBAL OFFSHORING LEADER

2004

- 📍 Six Sigma and Lean Methodologies deployed
- 📍 Acquired ECnet (Singapore)

2003

- 📍 Set up BPO Centre at Noida, India
- 📍 Assessed at SEI-CMMi Level 5

2002

- 📍 Acquired Indus Software, Pune and Chennai (India)

TRANSFORMING

2000

- 📍 Opened Offshore Development Centre at Noida

RESHAPING

1998

- 📍 ISO 9001: 1994 certified

1997

- 📍 India operations started

1993

- 📍 Started as Software Engineering firm in Sacramento, CA

2011

- 📍 Acquired Computaris, UK
- 📍 Appraised at SEI-CMMi Level 5 (ver. 1.2)

2010

- 📍 ISO 9001: 2008 Certified

ENABLING

SHARPENING

GROWING

2009

- 📍 Assessed at PCMM Level 5

2006

- 📍 IPO launched
- 📍 R Systems listed on BSE and NSE
- 📍 Acquired Web Converse, Salt Lake City (USA)
- 📍 Assessed at SEI-CMMi Level 5 (ver. 1.1)

2014

- 📍 Successfully appraised for CMMi Level 5 (ver. 1.3)
- 📍 Received Special Commendation for "Golden Peacock Award for Excellence in Corporate Governance"
- 📍 Sale of Europe BPO (Netherlands and France centre)

2013

- 📍 Joined Elite Group of USD 100 mn + by Revenue
- 📍 Won the Rajiv Gandhi National Quality Award in "Large Scale Service Industry" category
- 📍 Financial Express "IT Solution of the Year" Award for Indus' Product
- 📍 Acquired ERP Business of Nikko Computer Systems (S) Pte Ltd.
- 📍 PCI-DSS (ver. 2.0) Certification for BPO

2012

- 📍 Assessed at PCMM Level 5 (ver. 2.0)
- 📍 Ranked 5th Best IT Employer by DataQuest

VALUE ENGINEERING OUR USP IN THE INDUSTRY

Our journey so far has been like an untold tale of unstinted dedication, diligence and hard work – just like the ‘Oyster delivering the Pearl’. Just as the oyster embraces the irritant grain of sand and nurtures it with warmth and patience instead of getting rid of it, our attitude of perceiving problems as challenges, has pushed us to the position we stand today.

Overcoming all the odds, we strive to deliver exceptional value to our employees, customers and all those who are associated with us through our robust value engineering framework. Our zeal to move beyond conventional boundaries has helped us explore uninhabited territories that represent real value innovation.

Illustrating uncompromising focus on delivering significant value to our clients, our growth strategy has differentiated us from the rest of the pack. By addressing their concerns and encouraging their enthusiasm, our efficient growth engines have harnessed new opportunities, enabling us to grow consistently over the years.

Our innovation curve and our ability to offer cutting-edge services and solutions to our global clients positions us a tall leader in “Value Engineering”. We measure ourselves as a value creator for a diverse group of stakeholders – customers, employees, investors and the society. Over the past two decades of existence we have continuously ramped up our people, processes and technological capabilities through innovative steps. Our existence is founded with the singular focus of delivering Value, which can be best expressed through our core values of Caring, Innovating and Transforming.





OUR LEADERSHIP...

Caring . Innovating . Transforming

...WE ARE CARING

At R Systems, we are powered by our stakeholders including our employees, customers, shareholders, industry, society and all those who are connected with us. We aim for a better world where we treat our employees the way we want them to treat and serve our clients i.e. with perfection and a sense of security.





At R Systems, we consider our employees to be our greatest assets. We care for our employees, their individual growth and their overall well-being by rendering world class infrastructure, extra-ordinary work culture, extensive mentoring and global onsite work opportunities. We promote a culture where employees are motivated to achieve excellence in their performance by learning new skills and knowledge.

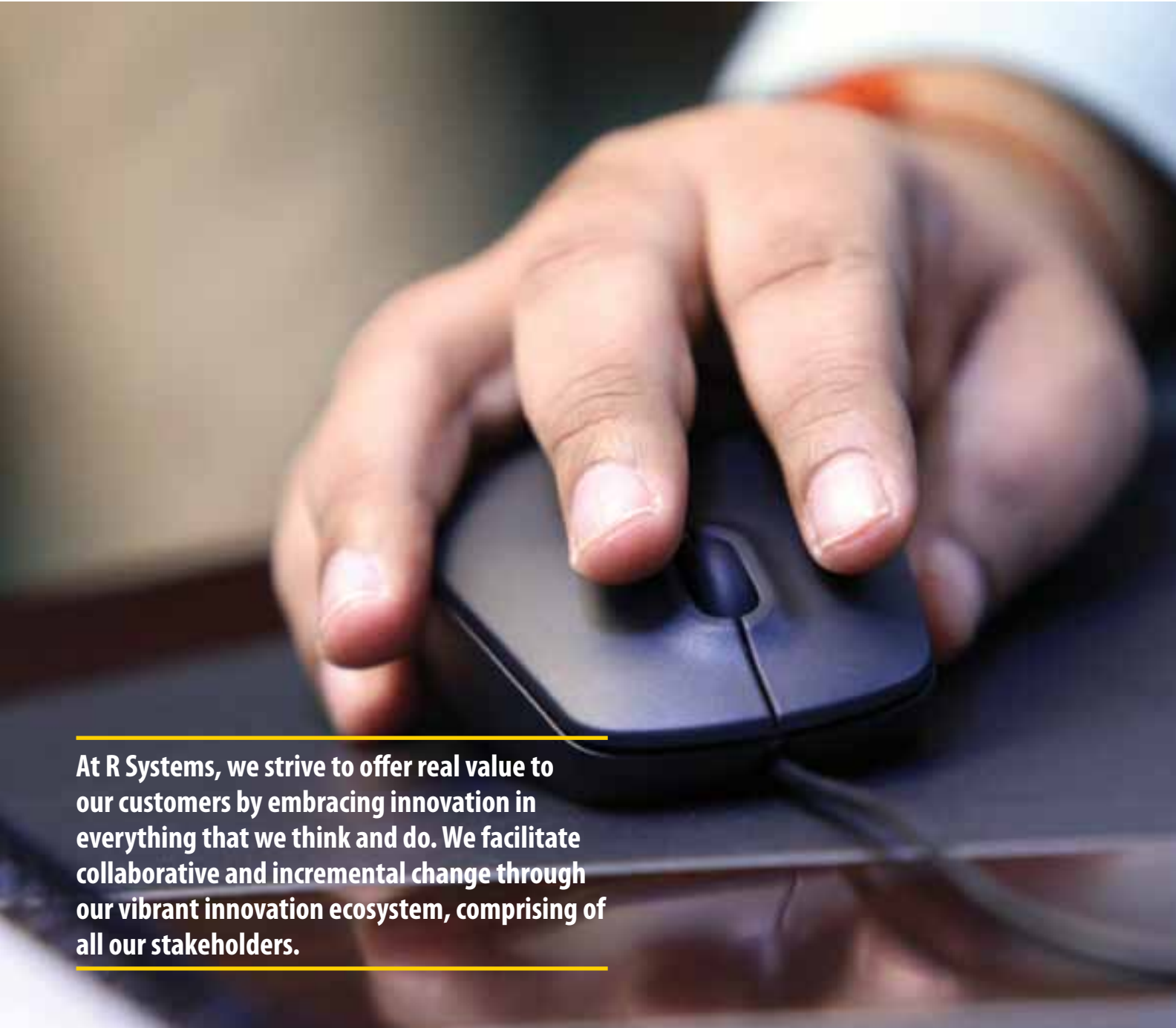
Year-on-year, we are expanding our services portfolio to meet the increasing demands of our customers. Since, the time of our inception, we have been consistently delivering quality excellence in our services. We listen, we care and we solve every concern of our customers by providing them a real time visibility of their projects. We are system-level thinkers who have demonstrated remarkable ability to design and deliver technically elegant, practical solutions that have often exceeded our clients' expectations. We walk an extra mile to strengthen our relationship with our esteemed customers while ensuring necessary measures to sustain it.

We care for our shareholders – who serve as the financial backbone of R systems' success – and place confidence in our vision. Our investments strengthen us with unique capabilities that differentiate us from our competitors. Our processes and funds are well managed by seasoned professionals, who help in maximizing the returns on our investments and further help us in providing long term loyalty to our investors. The byproduct of our investments has been rapid innovation across the entire technology ecosystem.

We owe our success to the community we live and work in. We have delivered solutions which have changed how people live, businesses run and economies grow. Also, our global strategies and numerous initiatives perfectly complement our vision to provide good health and social welfare for each and everyone around us. Our society plays a vital role in our growth and evolution, and we put in every possible effort to ensure its social and ecological development.



...WE ARE INNOVATING



At R Systems, we strive to offer real value to our customers by embracing innovation in everything that we think and do. We facilitate collaborative and incremental change through our vibrant innovation ecosystem, comprising of all our stakeholders.