



## R SYSTEMS INTERNATIONAL LIMITED

Corporate Identity Number : L74899DL1993PLC053579

[CMMI Level 5, PCMM Level 5, ISO 9001:2015 & ISO 27001:2013 Company]

C-40, Sector-59, NOIDA, Distt. Gautam Budh Nagar, U.P., India – 201 307

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Regd. Off.: GF-1-A, 6, Devika Tower,  
Nehru Place, New Delhi- 110019

REF: SECT/08/2022/04

AUGUST 05, 2022

To, The Managing Director <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra – East, Mumbai – 400 051  NSE Symbol - RSYSTEMS	To, The General Manager <b>BSE Limited</b> Department of Corporate Services, Rotunda Building, 1 <sup>st</sup> Floor, Mumbai Samachar Marg, Fort, Mumbai - 400 001  BSE Scrip Code – 532735
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Dear Sir,

**SUB: CORPORATE DISCLOSURE UNDER SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FOR BUSINESS APPROVED AT THE BOARD MEETING**

We wish to inform you as required in terms of Regulation 30, 33 and other applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors of R Systems International Limited (the “Company”) at its meeting held on August 05, 2022 commenced at 12:33 P.M. and concluded at 01:33 P.M. has inter alia transacted and approved the following businesses:

1. Unaudited consolidated financial results of the Company for the quarter and six months ended June 30, 2022.
2. Audited standalone financial results of the Company for the quarter and six months ended June 30, 2022.
3. Appointment of M/s. Sanjay Grover & Associates, Company Secretaries (Firm Registration No. P2001DE052900) as Secretarial Auditor for the financial year ending December 31, 2022.

Please find attached herewith the following:

1. Unaudited consolidated financial results for the quarter and six months ended June 30, 2022 in the format prescribed under Regulations 33 of Listing Regulations along with the Limited Review Report of the auditors thereon.
2. Audited standalone financial results for the quarter and six months ended June 30, 2022 in the format prescribed under Regulations 33 of Listing Regulations along with the report of the auditors thereon.



3. Copy of the press release issued for declaration of the financial results for the quarter and six months ended June 30, 2022.
4. Extract of the financial results which will be published in the newspapers as per the applicable provisions of the Listing Regulations.

This is for your information and record.

Thanking you.

Yours faithfully,

**For R Systems International Limited**



**Bhasker Dubey**  
**(Company Secretary & Compliance Officer)**



## R SYSTEMS INTERNATIONAL LIMITED

CIN : L74899DL1993PLC053579

Registered Office : GF-1-A, 6, Devika Tower, Nehru Place, New Delhi- 110019

Tel : +91 120 4303500; Website : www.rsystems.com; Email : rsl@rsystems.com

Statement of Consolidated Unaudited Financial Results for the Quarter and Six Months Ended June 30, 2022

		(Rs. in million, except per share data)					
S.No.	Particulars	Three months ended			Six months ended		Year ended
		30.06.2022	31.03.2022	30.06.2021	30.06.2022	30.06.2021	31.12.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>						
(a)	Revenue from operations	3,749.78	3,431.09	2,735.67	7,180.87	5,212.20	11,556.39
(b)	Other income (refer to Note 4)	25.87	43.22	251.21	69.09	303.31	418.96
	<b>Total Income</b>	<b>3,775.65</b>	<b>3,474.31</b>	<b>2,986.88</b>	<b>7,249.96</b>	<b>5,515.51</b>	<b>11,975.35</b>
<b>2</b>	<b>Expenses</b>						
(a)	Employee benefits expense	2,495.77	2,392.73	1,881.63	4,888.50	3,652.79	7,798.25
(b)	Finance costs	10.29	11.17	10.80	21.46	23.45	49.12
(c)	Depreciation and amortisation expense	82.30	82.38	63.31	164.68	126.00	276.93
(d)	Other expenses	794.69	613.62	489.91	1,408.31	887.52	2,150.33
	<b>Total expenses</b>	<b>3,383.05</b>	<b>3,099.90</b>	<b>2,445.65</b>	<b>6,482.95</b>	<b>4,689.76</b>	<b>10,274.63</b>
<b>3</b>	<b>Profit before tax</b>	<b>392.60</b>	<b>374.41</b>	<b>541.23</b>	<b>767.01</b>	<b>825.75</b>	<b>1,700.72</b>
<b>4</b>	<b>Tax expense</b>						
(a)	Current tax	106.92	73.53	91.85	180.45	146.50	327.63
(b)	Deferred tax charge / (credit)	(32.52)	3.98	(12.26)	(28.54)	(31.23)	(41.27)
	<b>Total tax expense</b>	<b>74.40</b>	<b>77.51</b>	<b>79.59</b>	<b>151.91</b>	<b>115.27</b>	<b>286.36</b>
<b>5</b>	<b>Net profit for the period / year</b>	<b>318.20</b>	<b>296.90</b>	<b>461.64</b>	<b>615.10</b>	<b>710.48</b>	<b>1,414.36</b>
<b>6</b>	<b>Other comprehensive income / (loss)</b>						
	<i>Items that will not be reclassified to profit or loss</i>						
(a)	Re-measurements of the defined benefit plans	14.57	(4.42)	3.57	10.15	4.24	1.31
(b)	Deferred tax relating to re-measurements of the defined benefit plans	(5.09)	1.54	(1.25)	(3.55)	(1.44)	(0.42)
	<i>Items that will be reclassified to profit or loss</i>						
(a)	Foreign Currency Translation reserve	38.60	29.32	44.66	67.92	3.40	(33.08)
	<b>Total Other comprehensive income / (loss)</b>	<b>48.08</b>	<b>26.44</b>	<b>46.98</b>	<b>74.52</b>	<b>6.20</b>	<b>(32.19)</b>
<b>7</b>	<b>Total comprehensive income for the period / year (5+6)</b>	<b>366.28</b>	<b>323.34</b>	<b>508.62</b>	<b>689.62</b>	<b>716.68</b>	<b>1,382.17</b>
<b>8</b>	<b>Profit attributable to</b>						
	Equity shareholders to the company	318.20	296.90	461.64	615.10	710.48	1,414.36
	Non controlling interest	-	-	-	-	-	-
		<b>318.20</b>	<b>296.90</b>	<b>461.64</b>	<b>615.10</b>	<b>710.48</b>	<b>1,414.36</b>
<b>9</b>	<b>Total comprehensive income attributable to</b>						
	Equity shareholders to the company	366.28	323.34	508.62	689.62	716.68	1,382.17
	Non controlling interest	-	-	-	-	-	-
		<b>366.28</b>	<b>323.34</b>	<b>508.62</b>	<b>689.62</b>	<b>716.68</b>	<b>1,382.17</b>
<b>10</b>	<b>Earnings per share</b>						
	(Face value of Re. 1/- each) (not annualised)						
	Basic and diluted	2.69	2.51	3.86	5.20	5.94	11.85

See accompanying notes to the financial results

For R Systems International Limited

*Baldev Singh*  
 Lt. Gen. Baldev Singh (Retd.)  
 President & Senior Executive Director  
 Director Identification No. 00006966

For IDENTIFICATION ONLY  
*Jr*  
 DELLOITTE HASKINS & SELLS LLP

**Notes:**

- 1 The financial results for the quarter and six months ended June 30, 2022 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'). The above results were reviewed by the Audit Committee and have been approved by the Board of Directors at their meetings held on August 05, 2022.
- 2 The Limited Review as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Statutory Auditors for the quarter and six months ended June 30, 2022 and June 30, 2021, quarter ended March 31, 2022 and audit for the year ended December 31, 2021. The audit / review reports for the aforementioned results are not modified.
- 3 The Board of Directors at its meeting held on June 01, 2022 has declared an interim dividend of Rs. 6.50/- per equity share of face value of Re. 1/- each. The aforesaid interim dividend has been paid on June 30, 2022.
- 4 During the year ended December 31, 2020, the Company and its USA subsidiaries had obtained a forgivable loan of Rs. 224.04 million (USD 3.04 million) under Paycheck Protection Program (PPP) by Small Business Administration, United States of America ("SBA").


During the quarter ended June 30, 2021, the Company and its USA subsidiaries received the approval for forgiveness of the entire loan amount upon satisfaction of the underlying conditions. Consequently to the approval, the amount of forgivable loan was recognised as income and presented under the head "Other income".

- 5 The Group has assessed the possible effects of uncertainties relating to the global health pandemic from COVID-19 on recoverability of receivables including unbilled receivables, contract assets, intangible assets, and certain investments.

In assessment of the recoverability, the Group has considered internal and external information including economic forecasts upto the date of approval of these consolidated financial results. The Group has performed sensitivity analysis on the assumption used and based on certain indicators of future economic conditions, the Group expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial results and the Group will continue to closely monitor any material changes to future economic conditions.

- 6 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and was published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 7 The consolidated balance sheet, consolidated statement of cash flows and consolidated segment information is set out in Annexure A, Annexure B and Annexure C, respectively.

For and on behalf of the Board of Directors of  
R SYSTEMS INTERNATIONAL LIMITED

  
Lt. Gen. Baldev Singh (Retd.)  
President & Senior Executive Director  
DIN: 00006966

Place : NOIDA  
Date : August 05, 2022

For IDENTIFICATION ONLY  
  
DELOITTE HASKINS & SELLS LLP

**R SYSTEMS INTERNATIONAL LIMITED**  
Consolidated Balance Sheet as at June 30, 2022

Annexure A

(Rs. in million)

Particulars	As at June 30, 2022	As at December 31, 2021
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>A. Non-current assets</b>		
(a) Property, plant and equipment	573.02	583.58
(b) Right-of-use assets	476.89	528.30
(c) Capital work in progress	12.56	-
(d) Investment property	18.16	18.90
(e) Goodwill	100.10	97.54
(f) Other Intangible assets	30.75	39.19
(g) Financial assets		
(i) Investments	0.03	0.03
(ii) Other financial assets	72.48	88.64
(h) Deferred tax assets (net)	177.05	174.08
(i) Non-current tax assets (net)	44.59	22.59
(j) Other non-current assets	127.24	12.78
<b>Total non-current assets (A)</b>	<b>1,632.87</b>	<b>1,565.63</b>
<b>B. Current assets</b>		
(a) Financial assets		
(i) Investments	134.74	132.25
(ii) Trade receivables	2,326.02	1,779.76
(iii) Cash and cash equivalents	1,870.14	2,043.68
(iv) Other bank balances	58.55	235.99
(v) Other financial assets	711.88	899.89
(b) Other current assets	336.10	266.12
<b>Total current assets (B)</b>	<b>5,437.43</b>	<b>5,357.69</b>
<b>Total assets (A+B)</b>	<b>7,070.30</b>	<b>6,923.32</b>
<b>EQUITY AND LIABILITIES</b>		
<b>A. Equity</b>		
(a) Equity share capital	118.31	118.31
(b) Other equity	4,405.31	4,484.65
(c) Non controlling interest	-	-
<b>Total equity (A)</b>	<b>4,523.62</b>	<b>4,602.96</b>
<b>Liabilities</b>		
<b>B. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	9.11	6.46
(ii) Lease liabilities	439.55	480.83
(iii) Other financial liabilities	5.42	3.45
(b) Provisions	194.02	193.98
<b>Total non-current liabilities (B)</b>	<b>648.10</b>	<b>684.72</b>
<b>C. Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	4.91	4.15
(ii) Lease liabilities	83.65	85.87
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	488.76	360.82
(iv) Other financial liabilities	384.91	413.95
(b) Provisions	310.74	253.95
(c) Current tax liability (net)	64.90	65.45
(d) Other current liabilities	560.71	451.45
<b>Total current liabilities (C)</b>	<b>1,898.58</b>	<b>1,635.64</b>
<b>Total liabilities (B+C)</b>	<b>2,546.68</b>	<b>2,320.36</b>
<b>Total equity and liabilities (A+B+C)</b>	<b>7,070.30</b>	<b>6,923.32</b>

For R Systems International Limited

*(Signature)*  
Lt. Gen. Baldev Singh (Retd.)  
President & Senior Executive Director  
Director Identification No. 00006966

For IDENTIFICATION ONLY  
*(Signature)*  
DELOITTE HASKINS & SELLS L.L.P.


**R Systems International Limited**  
**Consolidated Statement of Cash flows for the six months ended June 30, 2022**

(Rs. in million)

Particulars	Six months ended	
	30.06.2022	30.06.2021
	(Unaudited)	(Unaudited)
<b>A. Cash flows from operating activities</b>		
<b>Profit for the period</b>	615.10	710.48
<b>Adjustments for:</b>		
Tax expense	151.91	115.27
Depreciation and amortisation expense	164.68	126.00
Provision / (Reversal) for doubtful debts (net)	24.93	(1.18)
Provision for doubtful advance (net)	3.02	-
Unrealised foreign exchange loss / (gain)	(22.73)	(13.82)
Unrealised loss / (gain) on derivative instruments	98.61	25.75
Interest income	(19.66)	(35.23)
Rental income from investment property	(3.36)	(3.36)
Loss / (Profit) on sale of property, plant and equipment (net)	(1.00)	0.07
Forgiveness of PPP Loan (refer to Note 4)	-	(222.59)
Lease rent concession	(7.51)	(6.90)
Net gain arising on financial assets measured at FVTPL	(2.49)	(2.02)
Other fair value gain on contingent consideration	(25.00)	-
Interest under income tax	0.16	-
Interest expenses on fair value of contingent consideration	0.75	2.25
Interest expenses other	20.55	21.20
<b>Operating profit before working capital changes</b>	<b>997.96</b>	<b>715.92</b>
Movements in working capital :		
(Increase) / Decrease in trade receivables	(526.65)	(133.45)
(Increase) / Decrease in other assets	(192.85)	(243.77)
Increase / (Decrease) in provisions	63.81	41.46
Increase / (Decrease) in trade payables and other liabilities	194.07	227.83
Cash generated from operations	<b>536.34</b>	<b>607.99</b>
Direct taxes paid, net of refunds	(179.11)	(73.34)
Interest on income-tax refund	-	1.49
<b>Net cash from operating activities (A)</b>	<b>357.23</b>	<b>536.14</b>
<b>B. Cash flows from / (used in) investing activities</b>		
Purchase of property, plant and equipment	(196.94)	(60.78)
Purchase of intangible assets	(0.84)	(0.50)
Proceeds from sale of property, plant and equipment	2.08	2.29
Payment of contingent consideration to erstwhile shareholders of subsidiary	(26.61)	-
Amount paid for business acquisition in Thailand	-	(7.00)
Proceeds from / (Investment in) fixed deposits (net)	431.09	(39.73)
Interest received	6.13	38.68
Rental income from investment property	3.36	3.36
<b>Net cash from / (used in) investing activities (B)</b>	<b>218.27</b>	<b>(63.68)</b>
<b>C. Cash flows used in financing activities</b>		
Proceeds from long-term borrowings	5.80	1.47
Repayment of long-term borrowings - current maturities	(2.39)	(3.07)
Proceeds from / (investment in) margin money deposits	19.34	(1.02)
Payment of lease liabilities	(56.70)	(51.90)
Interest paid	(0.49)	(0.37)
Interim dividend paid (refer to Note 3)	(768.97)	-
Amount set aside for payment of interim dividend	-	(299.09)
<b>Net cash used in financing activities (C)</b>	<b>(803.41)</b>	<b>(353.98)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(227.91)</b>	<b>118.48</b>
Add: Cash and cash equivalents at the beginning of the period	2,043.68	2,135.84
Add : Effect of exchange rate changes on cash and cash equivalents held in foreign currency	54.37	7.47
<b>Cash and cash equivalents at the end of the period</b>	<b>1,870.14</b>	<b>2,261.79</b>

For R Systems International Limited

  
 Lt Gen. Baldev Singh (Retd.)  
 President & Senior Executive Director  
 Director Identification No. 00006966

For IDENTIFICATION ONLY  
  
 DELOITTE HASKINS & SELLS L.L.P.

**R SYSTEMS INTERNATIONAL LIMITED**  
**Consolidated Segment Information**

S.No.	Particulars	Three months ended			Six months ended		(Rs. in million)
		30.06.2022	31.03.2022	30.06.2021	30.06.2022	30.06.2021	Year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.12.2021 (Audited)
<b>1</b>	<b>Segment revenue</b>						
	- Information technology services	3,484.57	3,206.69	2,544.19	6,691.26	4,842.30	10,753.43
	- Business process outsourcing services	278.17	230.79	197.71	508.96	382.33	827.97
	<b>Total</b>	<b>3,762.74</b>	<b>3,437.48</b>	<b>2,741.90</b>	<b>7,200.22</b>	<b>5,224.63</b>	<b>11,581.40</b>
	Less: Elimination of intersegment sales	12.96	6.39	6.23	19.35	12.43	25.01
	<b>Revenue from operations</b>	<b>3,749.78</b>	<b>3,431.09</b>	<b>2,735.67</b>	<b>7,180.87</b>	<b>5,212.20</b>	<b>11,556.39</b>
<b>2</b>	<b>Segment results before tax, interest and exceptional items</b>						
	- Information technology services	354.79	331.14	282.27	685.93	540.57	1,357.85
	- Business process outsourcing services	76.48	46.06	54.26	122.54	98.54	200.96
	<b>Total</b>	<b>431.27</b>	<b>377.20</b>	<b>336.53</b>	<b>808.47</b>	<b>639.11</b>	<b>1,558.81</b>
	(i) Finance costs	(10.29)	(11.17)	(10.80)	(21.46)	(23.45)	(49.12)
	(ii) Interest income	8.88	10.78	17.81	19.66	35.23	66.85
	(iii) Other unallocable income (refer to Note 4)	3.32	27.53	225.30	30.85	227.97	234.98
	(iv) Other unallocable expenses	(40.58)	(29.93)	(27.61)	(70.51)	(53.11)	(110.80)
	<b>Profit before tax</b>	<b>392.60</b>	<b>374.41</b>	<b>541.23</b>	<b>767.01</b>	<b>825.75</b>	<b>1,700.72</b>

**Note:** Assets and liabilities of the Company are used interchangeably between segments and the Chief Operating Decision Maker (CODM) does not review assets and liabilities at reportable segment level. Accordingly, segment disclosure relating to assets and liabilities has not been provided as per Ind AS 108.

For R Systems International Limited

*(Signature)*  
 Lt. Gen. Baldev Singh (Retd.)  
 President & Senior Executive Director  
 Director Identification No. 00006966

For IDENTIFICATION ONLY  
*(Signature)*  
 DELOITTE HASKINS & SELLS LLP

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF R SYSTEMS INTERNATIONAL LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **R SYSTEMS INTERNATIONAL LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and six months ended June 30, 2022 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 for "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure A.
5. Based on our review conducted and procedures performed as stated paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.





## **Deloitte Haskins & Sells LLP**

6. We did not review the interim financial information of 21 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total assets of Rs. 2,060.10 million as at June 30, 2022, total revenues of Rs. 1,025.31 million and Rs. 2,014.48 million for the quarter and six months ended June 30, 2022, total net profit after tax of Rs. 38.64 million and Rs. 86.33 million for the quarter and six months ended June 30, 2021 and total comprehensive income of Rs. 43.28 million and Rs. 104.99 million for the quarter and six months ended June 30, 2021 and net cash flows of Rs. 28.54 million for the six months ended June 30, 2021 as considered in the Statement. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Parent's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter
  
7. The interim financial information of 24 subsidiaries have been prepared under accounting principles generally accepted in their respective countries. The Parent's Management has converted the financial information of these subsidiaries, from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We reviewed the adjustments that were applied to prepare the unaudited consolidated financial results for the quarter and six month ended June 30, 2022 made by the Parent's Management to convert the financials information of these subsidiaries, from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our report is not modified in respect of this matter.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Jitendra Agarwal**  
Partner  
(Membership No. 87104)  
(UDIN: 22087104AOIADN2907)

Place : New Delhi  
Date : August 5, 2022

**Annexure A**

**List of Entities Consolidated**

1. R Systems International Limited (the Parent)
2. R Systems, Inc. ("RSI") (wholly owned subsidiary of the Parent)
3. R Systems Technologies Limited (wholly owned subsidiary of the Parent)
4. RSYS Technologies Ltd. (wholly owned subsidiary of the Parent)
5. R Systems Computaris International Limited (formerly known as Computaris International Limited) ("RCIL") (wholly owned subsidiary of the Parent) and results of its subsidiaries :
  - i. R Systems Computaris S.R.L.(formerly known as ICS Computaris International Srl (wholly owned subsidiary of RCIL)
  - ii. R Systems Computaris Sdn. Bhd. (formerly known as Computaris Malaysia Sdn. Bhd.) (wholly owned subsidiary of RCIL)
  - iii. R Systems Computaris Poland Sp. Z O.O.(formerly known as Computaris Polska sp z o.o).(wholly owned subsidiary of RCIL)
  - iv. R Systems Computaris Europe S.R.L. (formerly known as Computaris Romania SRL) (wholly owned subsidiary of RCIL)
  - v. R Systems Computaris Philippines Pte. Ltd. Inc. (formerly known as Computaris Philippines Pte. Ltd. Inc.) (wholly owned subsidiary of RCIL)
  - vi. R Systems Computaris Suisse Sàrl (formerly known as Computaris Suisse Sarl) (wholly owned subsidiary of RCIL)
6. R Systems (Singapore) Pte Limited ("RSS") (wholly owned subsidiary of the Parent) and results of its subsidiaries :
  - i. R Systems IBIZCS Pte. Ltd. (formerly known as IBIZ Consulting Pte. Ltd.) ("IBIZCS") (wholly owned subsidiary of RSS) and results of its subsidiaries :
    - a. IBIZ Consulting Services Pte Ltd (wholly owned subsidiary of IBIZCS)
    - b. R Systems IBIZCS Sdn. Bhd. (formerly known as IBIZ Consulting Services Sdn. Bhd.) (wholly owned subsidiary of IBIZCS)
    - c. PT. R Systems IBIZCS International (formerly known as PT. IBIZCS Indonesia) (wholly owned subsidiary of IBIZCS)
    - d. IBIZ Consulting Services Limited ("IBIZ HK") (wholly owned subsidiary of IBIZCS) and results of its subsidiary :
      - o IBIZ Consulting Services Shanghai Co., Ltd (wholly owned subsidiary of IBIZ HK)
    - e. IBIZ Consulting (Thailand) Co. Ltd. (wholly owned subsidiary of IBIZCS)
7. R Systems Consulting Services Limited (formerly known as ECnet Limited) ("RSCSL") (subsidiary of the Parent) and results of its subsidiaries:
  - i. R Systems Consulting Services (M) Sdn. Bhd. (formerly known as ECnet (M) Sdn. Bhd.) (wholly owned subsidiary of RSCSL)
  - ii. R Systems Consulting Services (HongKong) Limited (formerly known as ECnet (Hong Kong) Ltd.) (wholly owned subsidiary of RSCSL)
  - iii. R Systems Consulting Services (Thailand) Co. Ltd. (formerly known as ECnet Systems (Thailand) Co. Ltd.) (wholly owned subsidiary of RSCSL)
  - iv. R Systems Consulting Services Kabushiki Kaisha (formerly known as ECnet Kabushiki Kaisha) (wholly owned subsidiary of RSCSL)
  - v. R Systems Consulting Services (Shanghai) Co., Ltd. (formerly known as ECnet (Shanghai) Co. Ltd.) (wholly owned subsidiary of RSCSL)
8. IBIZ Consulting Services India Private Limited (wholly owned subsidiary of the Parent)



**R SYSTEMS INTERNATIONAL LIMITED**

CIN : L74899DL1993PLC053579

Registered Office : GF-1-A, 6, Devika Tower, Nehru Place, New Delhi- 110019

Tel : +91 120 4303500; Website : www.rsystems.com; Email : rsil@rsystems.com

**Statement of Standalone Audited Financial Results for the Quarter and Six Months Ended June 30, 2022**

S.No.	Particulars	(Rs. in million, except per share data)					
		Three months ended			Six months ended		
		30.06.2022	31.03.2022	30.06.2021	30.06.2022	30.06.2021	Year ended
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	
<b>1</b>	<b>Income</b>						
(a)	Revenue from operations	2,019.47	1,768.52	1,335.28	3,787.99	2,550.64	5,775.01
(b)	Other income (refer to Note 4 and 5)	24.19	21.33	64.09	45.52	112.49	467.27
	<b>Total income</b>	<b>2,043.66</b>	<b>1,789.85</b>	<b>1,399.37</b>	<b>3,833.51</b>	<b>2,663.13</b>	<b>6,242.28</b>
<b>2</b>	<b>Expenses</b>						
(a)	Employee benefits expense	1,337.18	1,275.24	929.34	2,612.42	1,794.18	3,969.88
(b)	Finance costs	8.87	8.87	8.97	17.74	18.26	38.26
(c)	Depreciation and amortisation expense	45.44	45.01	33.77	90.45	67.63	146.49
(d)	Other expenses	319.74	194.45	166.73	514.19	311.54	728.72
	<b>Total expenses</b>	<b>1,711.23</b>	<b>1,523.57</b>	<b>1,138.81</b>	<b>3,234.80</b>	<b>2,191.61</b>	<b>4,883.35</b>
<b>3</b>	<b>Profit before tax</b>	<b>332.43</b>	<b>266.28</b>	<b>260.56</b>	<b>598.71</b>	<b>471.52</b>	<b>1,358.93</b>
<b>4</b>	<b>Tax expense</b>						
(a)	Current tax	90.58	58.21	72.46	148.79	111.56	245.27
(b)	Deferred tax credit	(33.59)	(7.44)	(12.59)	(41.03)	(31.40)	(43.81)
	<b>Total tax expense</b>	<b>56.99</b>	<b>50.77</b>	<b>59.87</b>	<b>107.76</b>	<b>80.16</b>	<b>201.46</b>
<b>5</b>	<b>Net profit for the period / year</b>	<b>275.44</b>	<b>215.51</b>	<b>200.69</b>	<b>490.95</b>	<b>391.36</b>	<b>1,157.47</b>
<b>6</b>	<b>Other comprehensive income / (loss)</b>						
	<i>Items that will not be reclassified to profit or loss</i>						
(a)	Re-measurements of the defined benefit plans	14.57	(4.42)	3.57	10.15	4.24	1.31
(b)	Deferred tax relating to re-measurements of the defined benefit plans	(5.09)	1.54	(1.25)	(3.55)	(1.44)	(0.42)
	<i>Items that will be reclassified to profit or loss</i>						
(a)	Foreign currency translation reserve	-	-	-	-	(0.18)	(0.18)
	<b>Total Other comprehensive income / (loss)</b>	<b>9.48</b>	<b>(2.88)</b>	<b>2.32</b>	<b>6.60</b>	<b>2.62</b>	<b>0.71</b>
<b>7</b>	<b>Total comprehensive income for the period / year (5+6)</b>	<b>284.92</b>	<b>212.63</b>	<b>203.01</b>	<b>497.55</b>	<b>393.98</b>	<b>1,158.18</b>
<b>8</b>	<b>Earnings per share (Face value of Re. 1/- each) (not annualised)</b>						
	Basic and diluted	2.33	1.82	1.68	4.15	3.27	9.70

See accompanying notes to the financial results

For R Systems International Limited

*(Signature)*  
 Lt Gen. Baldev Singh (Retd.)  
 President & Senior Executive Director  
 Director Identification No. 00006966

For IDENTIFICATION ONLY  
  
 DELOITTE HASKINS & SELLS LLP

**Notes:**

- 1 The financial results for the quarter and six months ended June 30, 2022 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'). The above results were reviewed by the Audit Committee and have been approved by the Board of Directors at their meetings held on August 05, 2022.
- 2 The Statutory Auditors have carried out an audit for the quarter and six months ended June 30, 2022 and June 30, 2021, quarter ended March 31, 2022 and year ended December 31, 2021. The audit reports for the aforementioned results are not modified.
- 3 The Board of Directors at its meeting held on June 01, 2022 has declared an interim dividend of Rs. 6.50/- per equity share of face value of Re. 1/- each. The aforesaid interim dividend has been paid on June 30, 2022.
- 4 The Company has received dividend from its wholly owned subsidiary amounting to Rs. 3.40 million during the quarter ended March 31, 2022. The Company has also received dividend from its wholly owned subsidiaries amounting to Rs. 238.88 million during the year ended December 31, 2021.

The aforesaid dividend is recorded under "Other Income".

- 5 During the year ended December 31, 2020, the Company had obtained a forgivable loan of Rs. 31.76 million (USD 431,700) under Paycheck Protection Program (PPP) by Small Business Administration, United States of America ("SBA").

During the quarter ended June 30, 2021, the Company received the approval for forgiveness of the entire loan amount upon satisfaction of the underlying conditions. Consequently to the approval, the amount of forgivable loan was recognised as income and presented under the head "Other income".

- 6 The Company has assessed the possible effects of uncertainties relating to the global health pandemic from COVID-19 on recoverability of receivables including unbilled receivables, contract assets, intangible assets, and certain investments.

In assessment of the recoverability, the company has considered internal and external information including economic forecasts upto the date of approval of these standalone financial results. The Company has performed sensitivity analysis on the assumption used and based on certain indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions.

- 7 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and was published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 8 The standalone balance sheet, standalone statement of cash flows and standalone segment information is set out in Annexure A, Annexure B and Annexure C, respectively.

For and on behalf of the Board of Directors of  
R SYSTEMS INTERNATIONAL LIMITED



Lt. Gen. Baldev Singh (Retd.)  
President & Senior Executive Director  
DIN: 00006966

Place : NOIDA  
Date : August 05, 2022



<b>R SYSTEMS INTERNATIONAL LIMITED</b>		<b>Annexure A</b>
<b>Standalone Balance Sheet as at June 30, 2022</b>		
<b>Particulars</b>	<b>As at June 30, 2022</b>	<b>As at December 31, 2021</b>
	<b>(Audited)</b>	<b>(Audited)</b>
<b>ASSETS</b>		
<b>A. Non-current assets</b>		
(a) Property, plant and equipment	429.17	433.72
(b) Right-of-use assets	313.71	329.74
(c) Capital work in progress	10.82	-
(d) Investment property	18.17	18.90
(e) Intangible assets	1.20	2.08
(f) Financial assets		
(i) Investments	1,034.31	1,034.31
(ii) Other financial assets	42.25	48.95
(g) Deferred tax assets (net)	146.46	132.46
(h) Non-current tax assets (net)	30.03	10.57
(i) Other non-current assets	115.74	10.32
<b>Total non-current assets (A)</b>	<b>2,141.86</b>	<b>2,021.05</b>
<b>B. Current assets</b>		
(a) Financial assets		
(i) Investments	134.74	132.25
(ii) Trade receivables	1,200.21	839.18
(iii) Cash and cash equivalents	532.78	622.09
(iv) Other bank balances	1.69	235.99
(v) Other financial assets	551.60	755.94
(b) Other current assets	183.44	146.86
<b>Total current assets (B)</b>	<b>2,604.46</b>	<b>2,732.31</b>
<b>Total assets (A+B)</b>	<b>4,746.32</b>	<b>4,753.36</b>
<b>EQUITY AND LIABILITIES</b>		
<b>A. Equity</b>		
(a) Equity share capital	118.31	118.31
(b) Other equity	3,149.91	3,421.33
<b>Total equity (A)</b>	<b>3,268.22</b>	<b>3,539.64</b>
<b>Liabilities</b>		
<b>B. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	9.11	6.46
(ii) Lease liabilities	339.17	345.51
(iii) Other financial liabilities	5.42	3.45
(b) Provisions	194.02	193.98
<b>Total non-current liabilities (B)</b>	<b>547.72</b>	<b>549.40</b>
<b>C. Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	4.91	4.15
(ii) Lease liabilities	13.45	14.40
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	173.21	69.78
(iv) Other financial liabilities	279.28	255.27
(b) Provisions	207.40	135.04
(c) Current tax liability (net)	198.84	157.72
(d) Other current liabilities	53.29	27.96
<b>Total current liabilities (C)</b>	<b>930.38</b>	<b>664.32</b>
<b>Total liabilities (B+C)</b>	<b>1,478.10</b>	<b>1,213.72</b>
<b>Total equity and liabilities (A+B+C)</b>	<b>4,746.32</b>	<b>4,753.36</b>

For R Systems International Limited

*Singh*  
Lt. Gen. Baldev Singh (Retd.)  
President & Senior Executive Director  
Director Identification No. 00006966

For IDENTIFICATION ONLY

*J*  
DELOITTE HASKINS & SELLS LLP

**R SYSTEMS INTERNATIONAL LIMITED**  
**Standalone Statement of Cash Flows for the six months ended June 30, 2022**

(Rs. in million)

Particulars	Six months ended	
	30.06.2022	30.06.2021
	(Audited)	(Audited)
<b>A. Cash flows from operating activities</b>		
<b>Profit for the period</b>	490.95	391.36
<b>Adjustments for:</b>		
Tax expense	107.76	80.16
Depreciation and amortisation expense	90.45	67.63
Provision / (Reversal) for doubtful debts (net)	23.67	(0.46)
Unrealised foreign exchange loss / (gain)	(29.75)	(10.58)
Unrealised loss / (gain) on derivative instruments	98.61	25.75
Interest income	(19.03)	(33.77)
Rental income from investment property	(3.36)	(3.36)
Net gain arising on financial assets measured at FVTPL	(2.49)	(2.02)
Loss / (Profit) on sale of property, plant and equipment (net)	(0.62)	0.07
Forgiveness of PPP Loan (refer to Note 5)	-	(31.76)
Dividend received from subsidiaries (refer to Note 4)	(3.40)	-
Lease rent concession	(7.10)	(6.54)
Interest expenses	17.74	18.26
<b>Operating profit before working capital changes</b>	<b>763.43</b>	<b>494.74</b>
Movements in working capital :		
(Increase) / Decrease in trade receivables	(362.27)	85.83
(Increase) / Decrease in other assets	(148.51)	(213.89)
Increase / (Decrease) in provisions	51.31	24.42
Increase / (Decrease) in trade payables and other liabilities	154.36	171.81
Cash generated from operations	458.32	562.91
Direct taxes paid, net of refunds	(119.44)	(63.53)
Interest on income-tax refund	-	1.49
<b>Net cash from operating activities (A)</b>	<b>338.88</b>	<b>500.87</b>
<b>B. Cash flows from / (used in) investing activities</b>		
Purchase of property, plant and equipment	(173.88)	(33.93)
Proceeds from sale of property, plant and equipment	0.96	1.87
Proceeds from / (Investment in) fixed deposits with scheduled banks (net)	485.85	(125.09)
Interest received	5.63	36.16
Rental income from investment property	3.36	3.36
Dividend received from subsidiaries (refer to Note 4)	3.40	-
<b>Net cash from / (used in) investing activities (B)</b>	<b>325.32</b>	<b>(117.63)</b>
<b>C. Cash flows used in financing activities</b>		
Proceeds from long-term borrowings	5.80	1.47
Repayment of long-term borrowings - current maturities	(2.39)	(3.07)
Proceeds from / (Investment in) margin money deposits	19.40	(0.51)
Payment of lease liabilities	(17.47)	(19.23)
Interest paid	(0.49)	(0.37)
Interim dividend paid (refer to Note 3)	(768.97)	-
Amount set aside for payment of interim dividend	-	(299.09)
<b>Net cash used in financing activities (C)</b>	<b>(764.12)</b>	<b>(320.80)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(99.92)</b>	<b>62.44</b>
Add: Cash and cash equivalents at the beginning of the period	622.09	715.48
Add : Effect of exchange rate changes on cash and cash equivalents held in foreign currency	10.61	3.25
<b>Cash and cash equivalents at the end of the period</b>	<b>532.78</b>	<b>781.17</b>

For R Systems International Limited

*(Signature)*  
 Lt. Gen. Baldev Singh (Retd.)  
 President & Senior Executive Director  
 Director Identification No. 00006966

For IDENTIFICATION ONLY

DELOITTE HASKINS &amp; SELLS LLP

**R SYSTEMS INTERNATIONAL LIMITED**  
**Standalone Segment Information**

(Rs. in million)

S.No.	Particulars	Three months ended			Six months ended		Year ended
		30.06.2022	31.03.2022	30.06.2021	30.06.2022	30.06.2021	31.12.2021
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>1</b>	<b>Segment revenue</b>						
	- Information technology services	1,741.30	1,537.73	1,137.57	3,279.03	2,168.31	4,947.04
	- Business process outsourcing services	278.17	230.79	197.71	508.96	382.33	827.97
	<b>Revenue from operations</b>	<b>2,019.47</b>	<b>1,768.52</b>	<b>1,335.28</b>	<b>3,787.99</b>	<b>2,550.64</b>	<b>5,775.01</b>
<b>2</b>	<b>Segment results before tax, interest and exceptional items</b>						
	- Information technology services	289.72	239.36	187.35	529.08	368.37	934.93
	- Business process outsourcing services	76.48	46.06	54.26	122.54	98.54	200.96
	<b>Total</b>	<b>366.20</b>	<b>285.42</b>	<b>241.61</b>	<b>651.62</b>	<b>466.91</b>	<b>1,135.89</b>
	(i) Finance costs	(8.87)	(8.87)	(8.97)	(17.74)	(18.26)	(38.26)
	(ii) Interest income	8.49	10.54	17.11	19.03	33.77	64.29
	(iii) Other unallocable income (refer to Note 4 and 5)	3.00	6.25	34.47	9.25	37.14	292.37
	(iv) Other unallocable expenses	(36.39)	(27.06)	(23.66)	(63.45)	(48.04)	(95.36)
	<b>Profit before tax</b>	<b>332.43</b>	<b>266.28</b>	<b>260.56</b>	<b>598.71</b>	<b>471.52</b>	<b>1,358.93</b>

**Note:** Assets and liabilities of the Company are used interchangeably between segments and the Chief Operating Decision Maker (CODM) does not review assets and liabilities at reportable segment level. Accordingly, segment disclosure relating to assets and liabilities has not been provided as per Ind AS 108.

For R Systems International Limited

  
 Lt. Gen. Baldev Singh (Retd.)  
 President & Senior Executive Director  
 Director Identification No. 00006966

  
**For IDENTIFICATION ONLY**  
**DELOITTE HASKINS & SELLS LLP**

## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF R SYSTEMS INTERNATIONAL LIMITED

#### Opinion

We have audited the accompanying Standalone Financial Results of **R SYSTEMS INTERNATIONAL LIMITED** ("the Company"), for the quarter and six month ended June 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act") read with rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and six month ended June 30, 2022.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

#### Management's Responsibilities for the Standalone Financial Results

This Statement is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited interim condensed standalone financial statements for the quarter and six months ended June 30, 2022. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Ind AS 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.





This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



## **Deloitte Haskins & Sells LLP**

- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the standalone financial results of the Company and its branch to express an opinion on the Standalone Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of the branch included in the Standalone Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Jitendra Agarwal**  
Partner  
(Membership No. 87104)  
(UDIN: 22087104AOIALV1781)

Place: New Delhi  
Date: August 5, 2022



R Systems International Limited

Press Release Q2 2022

# NEXT-GEN DIGITAL EVOLUTION



## **R Systems Continues High Growth Journey Reports 38% Revenue Growth in H1 2022**

Noida, India – August 5, 2022

### **Highlights**

#### **Consolidated results for the quarter ended June 30, 2022**

- Revenue Rs. 374.98 crores (US\$ 48.74 mn); YoY Growth 37.07%.
- EBITDA Rs. 49.07 crores (US\$ 6.38 mn) i.e.13.09% as against 13.39% for Q2 2021.
- Net profit after taxes Rs. 31.82 crores (US\$ 4.14 mn)
- 10 key clients added during the quarter.
- Net addition of 100+ associates during the quarter.

#### **Consolidated results for the half year ended June 30, 2022**

- Revenue at Rs. 718.09 crores (US\$ 94.43 mn); YoY Growth 37.77%.
- EBITDA at Rs. 90.73 crores (US\$ 11.93 mn) i.e.12.63% as against 12.95% for H1 2021.
- Net profit after taxes at Rs. 61.51 crores (US\$ 8.09 mn)

Dr. Rekhi Singh, Managing Director and CEO stated, “R Systems reported robust revenue growth of 38% during H1 2022. However, EBITDA margins were impacted by higher attrition and increased average salaries. We are committed for improvement in margins during H2 2022 through billing rate hike and improved utilization. Present exchange rate is also favouring us.”

He added, "We continue to witness positive demand environment which is aiding large deal closures and traction towards digital and product engineering services.”

Avirag Jain, CTO said, “We had modest utilization during H1 2022 amid higher attrition as we have maintained higher talent pool to keep growth momentum.” He added, “Our revenue growth has been remarkable this year specially in delivering large digital transformation projects. We now serve 47 million dollar plus customers as against 33 a year before.”



## **Key Operational Highlights**

Established in 1993, R Systems is a leading provider of technology, artificial intelligence, analytics and knowledge services. We partner with customers to enable or elevate their digital transformation with our diversified digital offerings. Our technology offerings include product engineering, cloud enablement, QA testing, Internet of Things (IoT), and digital platforms and solutions. This includes solution offerings i.e. Microsoft, Infor, Blue Yonder and QlikView through our subsidiaries in South East Asia.

AI / Analytics services include advanced analytics, data monetization and modernization, machine learning / artificial intelligence, business analytics, intelligent automation and modern data management. R Systems' design services include UX engineering, visual design, mobile user experience and experience re-engineering. Our knowledge service offerings cover revenue cycle management, back office service, technical support, and customer care using multi-lingual capabilities and global delivery platform.

Our services and solutions span over five major business verticals i.e. Technology, Telecom, Healthcare & Life Science, Finance & Insurance and Retail & e-commerce. R Systems maintains eighteen development and service centres to serve customers in North America, Europe, and APAC.

The brief of few wins is listed below:

A US based leading mortgage insurance company has engaged R Systems to revamp its legacy platform to deliver operational efficiency and enhanced user experiences.

A US Based solution provider for energy industry has chosen R Systems to provide software development, automation testing, data engineering, and support services for its existing products.

A leading digital experience agency has mandated R Systems to provide digital transformation solution and cloudification for its legacy applications.

A leader in electricity production in Eastern Europe has engaged R Systems Europe to digitalize their customer onboarding process for the household customers. In this respect, R Systems is integrating the customer onboarding portal with SAP IS-U and Salesforce along with automating their interaction with other stakeholders in energy sector through UiPath Automations.

One of the largest footwear and leading lifestyle retailers in South East Asia has awarded R Systems to upgrade their current Microsoft NAV application to Microsoft Dynamics Business Central and LS Central to optimize and digitalize its end-to-end retail business processes yielding financial visibility and operational excellence across the enterprise.



### **Liquidity and Shareholder Funds**

Free cash balances as of June 30, 2022, were Rs. 217.73 crores compared to Rs. 277.45 crores as of December 31, 2021. Total shareholder funds as of June 30, 2022, were Rs. 452.36 crores compared to Rs. 460.30 crores as of December 31, 2021.

### **Corporate Matters**

#### **Interim Dividend**

The Board of Directors at its meeting held on June 01, 2022 has declared an interim dividend of Rs. 6.50/- per equity share of face value of Re. 1/- each aggregating to Rs. 76.90 crores. The aforesaid interim dividend has been paid on June 30, 2022.

## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended June 30, 2022

(As per Ind AS)

(Rs. in mn, except per share data)

Sr. No.	Particulars	Quarter Ended June 30,		Quarter Ended March 31, 2022
		2022	2021	
<b>1</b>	<b>Income</b>			
(a)	Revenue from operations	3,749.78	2,735.67	3,431.09
(b)	Other income	25.87	251.21	43.22
	<b>Total income</b>	<b>3,775.65</b>	<b>2,986.88</b>	<b>3,474.31</b>
<b>2</b>	<b>Expenses</b>			
(a)	Employee benefits expense	2,495.77	1,881.63	2,392.73
(b)	Finance costs	10.29	10.80	11.17
(c)	Depreciation and amortisation expense	82.30	63.31	82.38
(d)	Other expenses	794.69	489.91	613.62
	<b>Total expenses</b>	<b>3,383.05</b>	<b>2,445.65</b>	<b>3,099.90</b>
<b>3</b>	<b>Profit before tax</b>	<b>392.60</b>	<b>541.23</b>	<b>374.41</b>
<b>4</b>	<b>Tax expense</b>			
(a)	Current tax	106.92	91.85	73.53
(b)	Deferred tax charge / (credit)	(32.52)	(12.26)	3.98
	<b>Total tax expense</b>	<b>74.40</b>	<b>79.59</b>	<b>77.51</b>
<b>5</b>	<b>Net profit for the period</b>	<b>318.20</b>	<b>461.64</b>	<b>296.90</b>
<b>6</b>	<b>Earnings per share (Face value of Re. 1/- each) (not annualized)</b>			
	Basic and diluted	2.69	3.86	2.51

## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Six Months Ended June 30, 2022

*(As per Ind AS)*

(Rs. in mn, except per share data)

Sr. No.	Particulars	Six Months Ended June 30,	
		2022	2021
<b>1</b>	<b>Income</b>		
(a)	Revenue from operations	7,180.87	5,212.20
(b)	Other income	69.09	303.31
	<b>Total income</b>	<b>7,249.96</b>	<b>5,515.51</b>
<b>2</b>	<b>Expenses</b>		
(a)	Employee benefits expense	4,888.50	3,652.79
(b)	Finance costs	21.46	23.45
(c)	Depreciation and amortisation expense	164.68	126.00
(d)	Other expenses	1,408.31	887.52
	<b>Total expenses</b>	<b>6,482.95</b>	<b>4,689.76</b>
<b>3</b>	<b>Profit before tax</b>	<b>767.01</b>	<b>825.75</b>
<b>4</b>	<b>Tax expense</b>		
(a)	Current tax	180.45	146.50
(b)	Deferred tax credit	(28.54)	(31.23)
	<b>Total tax expense</b>	<b>151.91</b>	<b>115.27</b>
<b>5</b>	<b>Net profit for the period</b>	<b>615.10</b>	<b>710.48</b>
<b>6</b>	<b>Earnings per share (Face value of Re. 1/- each) (not annualized)</b>		
	Basic and diluted	5.20	5.94



## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Quarter Ended June 30, 2022 (Contribution Analysis Format)

(Figures in mn)

Particulars	Q2 2022		Q2 2021		Q1 2022	
	INR	US\$	INR	US\$	INR	US\$
<b>Revenues</b>	<b>3,749.78</b>	<b>48.74</b>	<b>2,735.67</b>	<b>37.14</b>	<b>3,431.09</b>	<b>45.69</b>
Cost of revenues	2,424.90	31.51	1,762.56	23.92	2,293.56	30.54
<b>Gross margin</b>	<b>1,324.88</b>	<b>17.23</b>	<b>973.11</b>	<b>13.22</b>	<b>1,137.53</b>	<b>15.15</b>
	35.33%		35.57%		33.15%	
SG & A Expenses	834.14	10.85	606.67	8.24	720.98	9.60
	22.24%		22.18%		21.01%	
<b>EBITDA</b>	<b>490.74</b>	<b>6.38</b>	<b>366.44</b>	<b>4.98</b>	<b>416.55</b>	<b>5.55</b>
	13.09%		13.39%		12.14%	
Depreciation and amortization	82.30	1.06	63.31	0.86	82.38	1.10
<b>EBIT</b>	<b>408.44</b>	<b>5.32</b>	<b>303.13</b>	<b>4.12</b>	<b>334.17</b>	<b>4.45</b>
Interest expense	(10.29)	(0.13)	(10.80)	(0.15)	(11.17)	(0.15)
Other income (net)	(5.55)	(0.08)	248.90	3.39	51.41	0.68
<b>Income before income tax</b>	<b>392.60</b>	<b>5.11</b>	<b>541.23</b>	<b>7.36</b>	<b>374.41</b>	<b>4.98</b>
Income tax provision	74.40	0.97	79.59	1.08	77.51	1.03
<b>Net earnings</b>	<b>318.20</b>	<b>4.14</b>	<b>461.64</b>	<b>6.28</b>	<b>296.90</b>	<b>3.95</b>

## Financial Performance

### Consolidated Profit & Loss Statement (Un-audited) for the Six Months Ended June 30, 2022 (Contribution Analysis Format)

(Figures in mn)

Particulars	Jan to Jun 2022		Jan to Jun 2021	
	INR	US\$	INR	US\$
<b>Revenues</b>	<b>7,180.87</b>	<b>94.43</b>	<b>5,212.20</b>	<b>71.13</b>
Cost of revenues	4,718.46	62.05	3,380.72	46.13
<b>Gross margin</b>	<b>2,462.41</b>	<b>32.38</b>	<b>1,831.48</b>	<b>25.00</b>
	34.29%		35.14%	
SG & A Expenses	1,555.12	20.45	1,156.47	15.79
	21.66%		22.19%	
<b>EBITDA</b>	<b>907.29</b>	<b>11.93</b>	<b>675.01</b>	<b>9.21</b>
	12.63%		12.95%	
Depreciation and amortization	164.68	2.16	126.00	1.72
<b>Income from operations</b>	<b>742.61</b>	<b>9.77</b>	<b>549.01</b>	<b>7.49</b>
Interest expense	(21.46)	(0.28)	(23.45)	(0.32)
Other income (net)	45.86	0.60	300.19	4.09
<b>Income before income tax</b>	<b>767.01</b>	<b>10.09</b>	<b>825.75</b>	<b>11.26</b>
Income tax expense	151.91	2.00	115.27	1.57
<b>Net earnings</b>	<b>615.10</b>	<b>8.09</b>	<b>710.48</b>	<b>9.69</b>

## Financial Performance

### Consolidated Balance Sheet as at June 30, 2022 (As per Ind AS)

(Rs. in mn)

	Particulars	As at	
		June 30, 2022	December 31, 2021
	<b>ASSETS</b>		
<b>A.</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	573.02	583.58
	(b) Right-to-use assets	476.89	528.30
	(c) Capital work in progress	12.56	-
	(d) Investment property	18.16	18.90
	(e) Goodwill	100.10	97.54
	(f) Other Intangible assets	30.75	39.19
	(g) Financial assets		
	(i) Investment	0.03	0.03
	(ii) Other financial assets	72.48	88.64
	(h) Deferred tax assets (net)	177.05	174.08
	(i) Non-current tax assets (net)	44.59	22.59
	(j) Other non-current assets	127.24	12.78
	<b>Total non-current assets (A)</b>	<b>1,632.87</b>	<b>1,565.63</b>
<b>B.</b>	<b>Current assets</b>		
	(a) Financial assets		
	(i) Investments	134.74	132.25
	(ii) Trade receivables	2,326.02	1,779.76
	(iii) Cash and cash equivalents	1,870.14	2,043.68
	(iv) Other bank balances	58.55	235.99
	(v) Other financial assets	711.88	899.89
	(b) Other current assets	336.10	266.12
	<b>Total current assets (B)</b>	<b>5,437.43</b>	<b>5,357.69</b>
	<b>Total assets (A+B)</b>	<b>7,070.30</b>	<b>6,923.32</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>A.</b>	<b>Equity</b>		
	(a) Equity share capital	118.31	118.31
	(b) Other equity	4,405.31	4,484.65
	(c) Non controlling interest	-	-
	<b>Total equity (A)</b>	<b>4,523.62</b>	<b>4,602.96</b>
<b>B.</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	9.11	6.46
	(ii) Lease liabilities	439.55	480.83
	(iii) Other financial liabilities	5.42	3.45
	(b) Provisions	194.02	193.98
	<b>Total non-current liabilities (B)</b>	<b>648.10</b>	<b>684.72</b>
<b>C.</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	4.91	4.15
	(ii) Lease liabilities	83.65	85.87
	(iii) Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	488.76	360.82
	(iv) Other financial liabilities	384.91	413.95
	(b) Provisions	310.74	253.95
	(c) Current tax liability (net)	64.90	65.45
	(d) Other current liabilities	560.71	451.45
	<b>Total current liabilities (C)</b>	<b>1,898.58</b>	<b>1,635.64</b>
	<b>Total liabilities (B+C)</b>	<b>2,546.68</b>	<b>2,320.36</b>
	<b>Total equity and liabilities (A+B+C)</b>	<b>7,070.30</b>	<b>6,923.32</b>



## Consolidated Operational Data (Un-audited)

Profitability in Percentage	Quarter ended		
	Jun 30, 2022	Jun 30, 2021	Mar 31, 2022
Revenues	100.00	100.00	100.00
Gross margin	35.33	35.57	33.15
SG & A	22.24	22.18	21.01
EBITDA	13.09	13.39	12.14
EBIT	10.89	11.08	9.74
EAT	8.49	16.87	8.65

Revenue from Top 10 Clients	Quarter ended		
	Jun 30, 2022	Jun 30, 2021	Mar 31, 2022
Top 10 Clients	23.09%	25.23%	22.69%
Top 5 Clients	15.40%	17.39%	14.65%
Top 3 Clients	11.41%	13.02%	11.02%
Largest Client	6.71%	7.16%	6.62%

Revenues by Geographies	Quarter ended		
	Jun 30, 2022	Jun 30, 2021	Mar 31, 2022
North America	74.18%	67.58%	71.47%
Europe	10.79%	14.32%	12.83%
South East Asia	12.06%	15.28%	12.27%
India	2.24%	2.04%	2.49%
Others	0.73%	0.78%	0.94%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Utilization (excluding trainees)	Quarter ended		
	Jun 30, 2022	Jun 30, 2021	Mar 31, 2022
Onsite	98.02%	95.71%	96.53%
Offshore	74.18%	74.53%	72.17%
Blended	77.75%	76.72%	75.75%

Utilization (including trainees)	Quarter ended		
	Jun 30, 2022	Jun 30, 2021	Mar 31, 2022
Onsite	98.02%	95.71%	96.53%
Offshore	73.27%	73.98%	71.50%
Blended	76.94%	76.21%	75.14%

## Consolidated Operational Data (Un-audited)

Human resources	As at		
	Jun 30, 2022	Jun 30, 2021	Mar 31, 2022
<b>Technical</b>	<b>3,718</b>	<b>3,030</b>	<b>3,632</b>
<b>Software services</b>			
Onsite	553	480	550
Offshore	2,441	1,962	2,394
<b>BPO</b>			
Offshore	687	569	661
Trainees	37	19	27
<b>Support</b>	<b>549</b>	<b>446</b>	<b>529</b>
<b>Total count</b>	<b>4,267</b>	<b>3,476</b>	<b>4,161</b>

(Rs. in mn, except DSO)

Key Balance Sheet Data	As at	
	Jun 30, 2022	Dec 31, 2021
Receivable including unbilled	2,967.82	2,308.34
Receivable in days (“DSO”)	58	52
Cash and bank balance #	2,177.31	2,774.47
Shareholders’ funds	4,523.62	4,602.96

# excluding debt and like items.

Development/Service Centres Location	As on Jun 30, 2022	
	Covered areas in sq ft.	No. of seats
<b>India</b>		
Noida	153,900	2,567
Chennai	5,905	65
	159,805	2,632
<b>North America</b>		
Sacramento, CA	9,500	60
Chicago, IL	3,003	15
San Jose, CA	1,275	5
Mississauga, Ontario	600	10
	14,378	90
<b>APAC</b>		
Singapore	8,054	91
Malaysia	6,434	81
Thailand	1,534	13
Indonesia	2,151	53
China	1,675	13
	19,848	251
<b>Europe</b>		
Romania	23,660	177
Poland	9,006	81
Moldova	4,499	60
	37,165	318
<b>Total</b>	<b>231,196</b>	<b>3,291</b>



**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 figures have been regrouped 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 providers of software product engineering and ITeS services and solutions. We partner with software product companies and businesses for their digital transformation by building scalable, configurable and secure products and applications using next-gen technologies 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 Independent Software Vendors, Telecom, Healthcare & Life Science, Finance & Insurance and Retail & e-commerce. R Systems maintains eighteen development and service centres to serve customers in North America, Europe, and APAC.

**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.

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**R SYSTEMS INTERNATIONAL LIMITED**

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**Extract of Standalone and Consolidated Financial Results for the Quarter and Six months Ended June 30, 2022**

(Rs. in million, except per share data)

Particulars	Standalone Financial Results			Consolidated Financial Results		
	Three months ended		Six months ended	Three months ended		Six months ended
	30.06.2022	30.06.2021	30.06.2022	30.06.2022	30.06.2021	30.06.2022
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	(unaudited)
Revenue from operations	2,019.47	1,335.28	3,787.99	3,749.78	2,735.67	7,180.87
Profit before tax for the period*	332.43	260.56	598.71	392.60	541.23	767.01
Net profit after tax for the period*	275.44	200.69	490.95	318.20	461.64	615.10
Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)]	284.92	203.01	497.55	366.28	508.62	689.62
Paid - up equity share capital (Face value Re. 1/- each)	118.31	119.64	118.31	118.31	119.64	118.31
Reserves excluding Revaluation Reserve as at December 31, 2021			3,421.33			4,484.65
Earnings per share (Face value of Re. 1/- each) (not annualised)*						
Basic and diluted	2.33	1.68	4.15	2.69	3.86	5.20

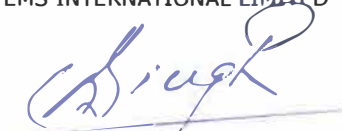
\* The Company does not have any exceptional and extraordinary item to report for the above periods.

**Notes:**

1. The financial results for the quarter and six months ended June 30, 2022 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'). The above results were reviewed by the Audit Committee and have been approved by the Board of Directors at their meetings held on August 05, 2022.

2. The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The full format of the Quarterly Financial Results are available on the Stock Exchange websites i.e. www.bseindia.com, www.nseindia.com and Company's website at www.rsystems.com.

For and on behalf of the Board of Directors of  
R SYSTEMS INTERNATIONAL LIMITED



Lt. Gen. Baldev Singh (Retd.)  
President & Senior Executive Director  
DIN: 00006966

Place : NOIDA  
Date : August 05, 2022