



# 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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Nehru Place, New Delhi- 110019

REF: SECT/02/2024/12

DATE: FEBRUARY 15, 2024

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> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  BSE Scrip Code - 532735
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Dear Sir/ Madam,

**SUB: SUBMISSION OF PRESENTATION MADE TO ANALYSTS/ INVESTORS**

This is with reference to our letter reference No. SECT/02/2024/05 dated February 12, 2024 regarding Investors/ Analysts call of R Systems International Limited (“the Company”) on Thursday, February 15, 2024.

In this regard, as per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed presentation made to Analysts/ Investors on February 15, 2024 on the financial results for the quarter and year ended on December 31, 2023.

The audio recording of the Investors/ Analysts call held on February 15, 2024 is available on the website of the Company at the following link:

<https://www.rsystems.com/investors-analysts-call/>

This is for your information and records.

Thanking you,

Yours faithfully,

**For R Systems International Limited**

Bhasker Dubey  
(Company Secretary & Compliance Officer)



# Q4 & CY 2023 Investor Presentation

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By : Nitesh Bansal (CEO & MD)

# Disclaimer

“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.”

# Agenda

We plan to discuss...



Key Highlights



Building for the Future



Financial Results



Summing Up Looking Ahead



Operating Metrics



Awards & Recognitions

# Key Highlights

**₹ 1,600+ CR**

We crossed \$ 200 Mn in Revenues for 2023

**₹ 240+ CR**

EBITDA% upwards full year at 14.7%\*

**₹ 145 CR**

(Adjusted PAT YoY growth of 4.2%)



Certified as a Great Place To Work® in countries where we have a full-time workforce

\* 15.7% (INR 265 Cr) including one time BOT Fee for a Knowledge Service Customer

# Key Highlights Q4 2023



Revenue\*

₹ 4,163M

(US\$ 50.0M)



YoY Revenue\*  
Growth

4.2%

YoY EBITDA\*  
Growth

7.7%



Net Profit

₹ 459M

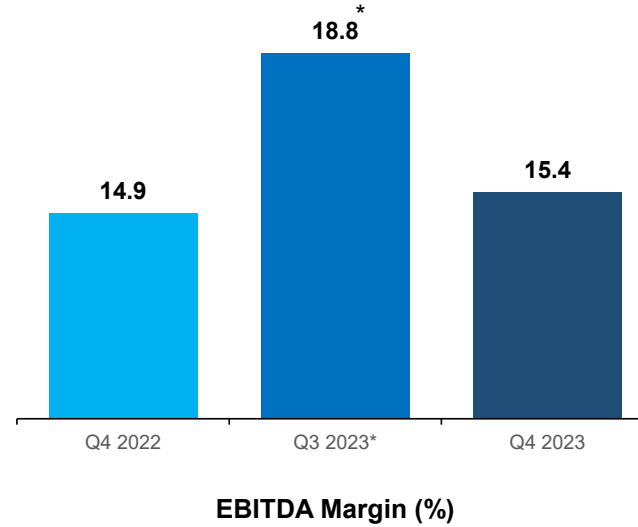
(US\$ 5.5M)



Earnings  
Per Share

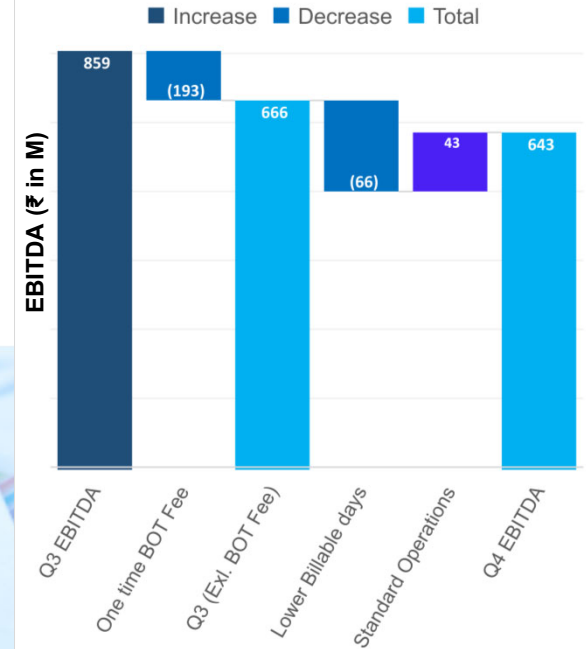
₹ 3.88

EBITDA : ₹643M (US\$ 7.7M)



\* 15.2% excluding one time BOT Fee of ₹ 193 mn from a Knowledge Service Customer.

EBITDA Bridge



Note: Adjusted EPS before non-recurring and one time tax reversal is ₹ 3.01

# Key Highlights FY 2023



Revenue\*

₹ 16,845M

(US\$ 204.0M)



YoY Revenue\*  
Growth

11.1%

YoY EBITDA\*  
Growth

27.0%



Net Profit

₹ 1,401M

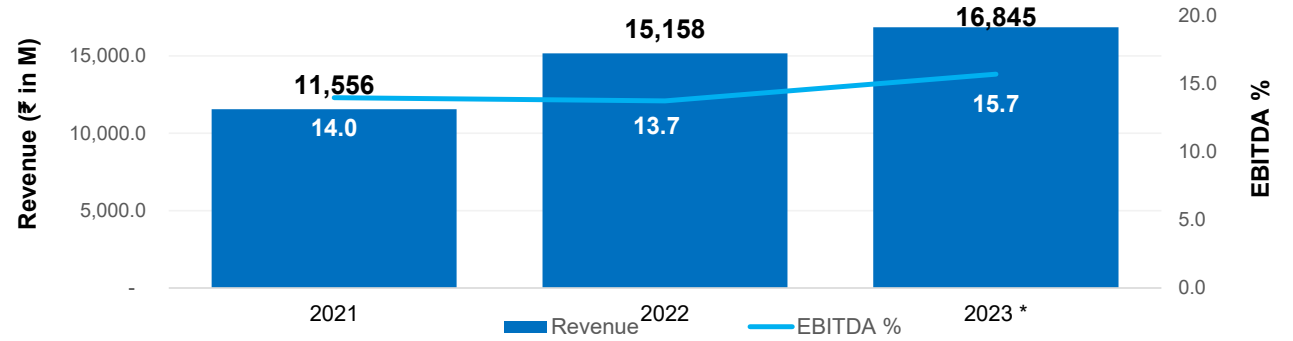
(US\$ 17.0M)



Earnings  
Per Share

₹ 11.84

EBITDA : ₹2,645M (US\$ 32.0M)



\* Excluding one time BOT Fee for a Knowledge Service Customer, Revenue will be ₹ 16,652 mn (US\$ 201.7 mn) with 14.7% EBITDA

## Key Balance Sheet

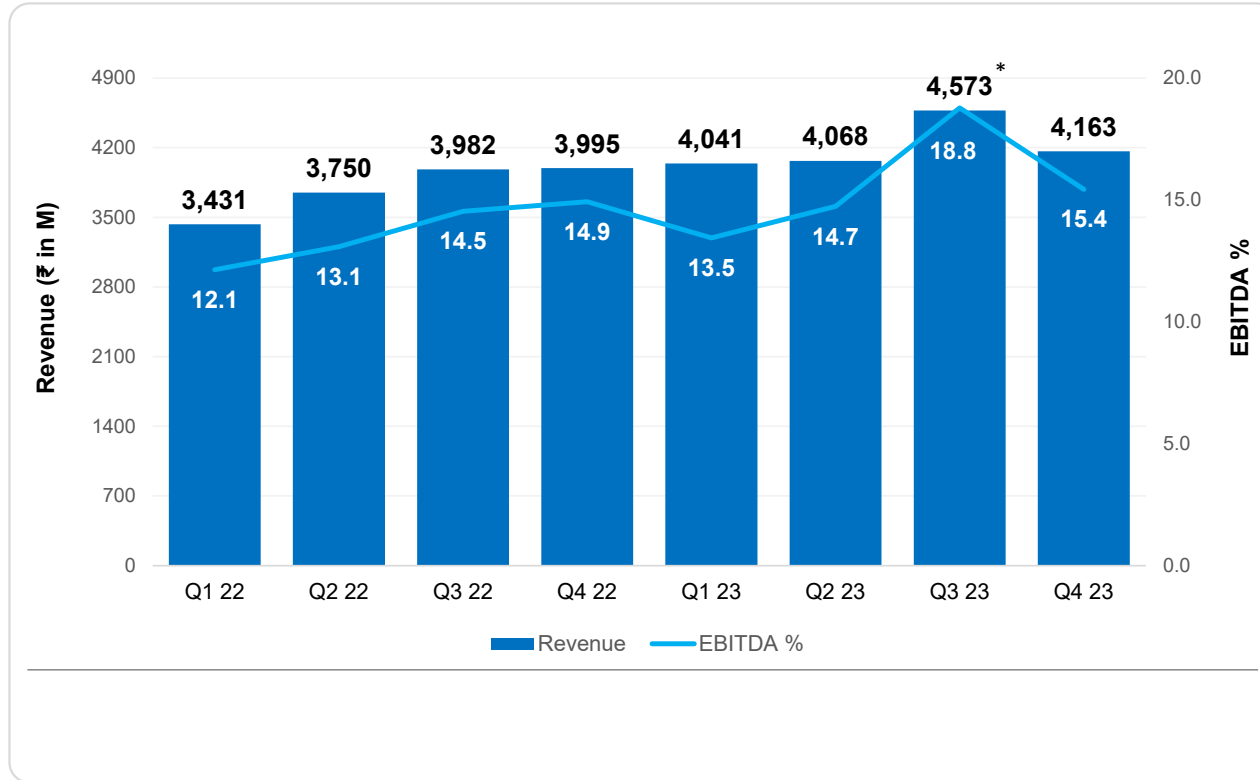
As of Dec 31, 2023	In ₹	In US\$
Equity attributable to shareholders	₹ 6,114M	US\$ 73.5M
Cash Balance #	₹ 1,338M	US\$ 16.1M

# Net of short-term borrowings and amount set-aside for dividend payment

Note: Adjusted EPS before non-recurring, one time tax provisions & BOT fee is ₹ 12.30

# Revenue & EBITDA %age – 8 Qtr.

The 8 Quarter trend of of Revenue build up in INR and corresponding EBITDA percentage



## Revenue CQGR 2.4%

The Company crossed quarterly run rate of ₹ 4,000 M and has grown at a CQGR Of 2.4% over last 8 quarters

₹ 4,163 M



₹ 3,431 M

## EBITDA CQGR 5.6%

The Company has consistently delivered to Its margin expansion program leading to CQGR of 5.6% EBITDA growth over last 8 quarters as compared to 2.4% revenue CQGR over the same period

₹ 643 M



₹ 416 M

## Quality of Revenue

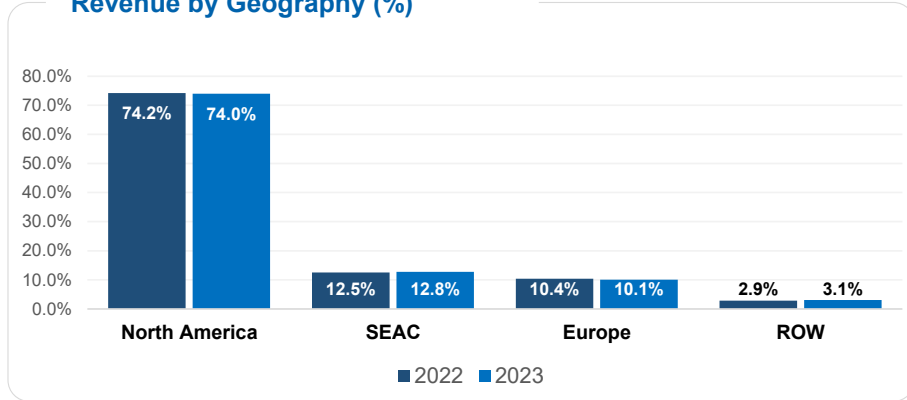
Focused approach begins to bear fruits with green shoots in form of winning deals focused on Cloud, Data & AI

\* Excluding one time BOT Fee for a Knowledge Service Customer, Revenue will be ₹ 4,380 mn (US\$ 53.0 mn) with 15.2% EBITDA

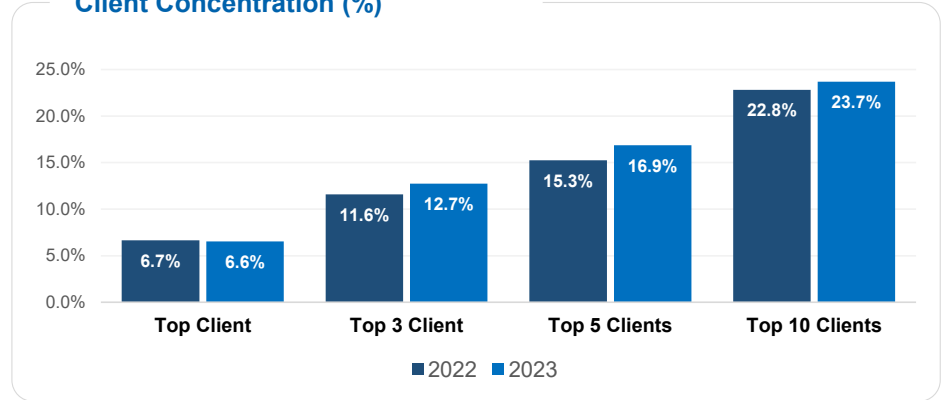


# Operations Metrics

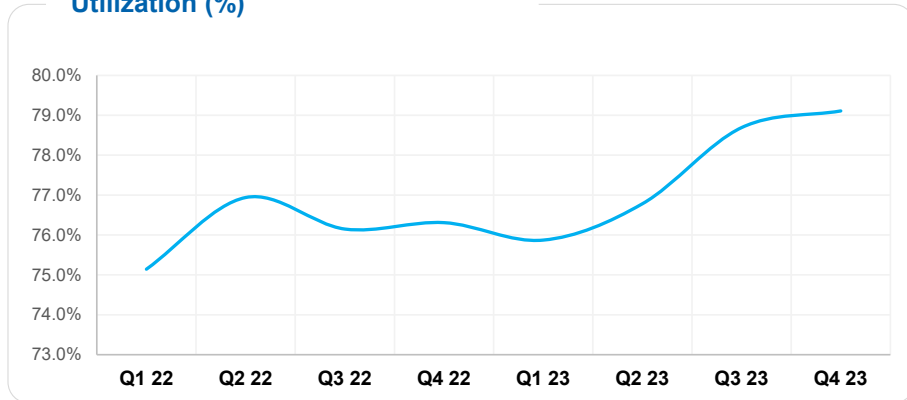
## Revenue by Geography (%)



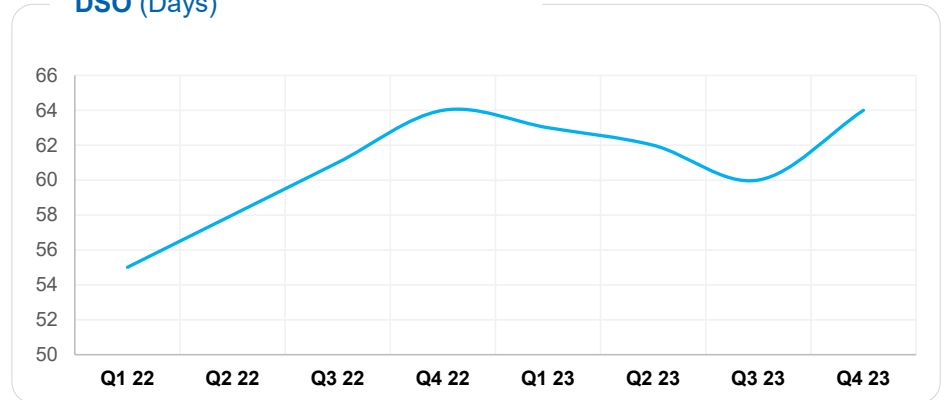
## Client Concentration (%)



## Utilization (%)



## DSO (Days)



# Building for the future



## Go to Market

- Sales and delivery organization has been reorganized on vertical lines to create a sharper focus on target industries where we have developed differentiated capabilities over the years
- Increased investments in sales across North America & Europe regions



## Offerings & Positioning

- Cloud & DevOps COE to build focused cloud migration, optimization solutions
- Data and AI COE to build AI and Gen AI solutions – also leveraging partnership with IIT D
- Revamped corporate website launched in December serving as a gate way to our global customer base to get better positioning for our service offerings



## Partnerships

- Dedicated focus on developing partnerships with ecosystem players such as hyper scalers, automation & AI technology providers and global Enterprise software providers



## Leadership

- Chief Customer Officer (CCO) onboarded – responsible for existing business growth and developing the channel sales partnerships & offerings
- Client Partner / Engagement leaders onboarded for top customers to focus on farming

# Summing Up And Looking Head



Market headwinds may remain for first 2 quarters.

Entering FY 24 with strong pipeline and maturing GTM motion



Become more relevant for clients: Sharper offerings, focused farming and cross selling efforts

Open more relevant clients: Focus on opening larger customers with larger deal size



## Trends that will shape 2024

- Cost will remain a strategic focus thus opening new opportunities for cost led value propositions
- Software component of both products and services will continue to increase with greater movement towards end-to-end customer journey and platform play
- AI and specifically Generative AI will remain talk of the town
- Prolonged war in Ukraine & Middle East will further deepen talent focus towards India & LATAM



# Annexure

# Awards & Recognition



Certified as a **Great Place To Work®** in 10 countries where it has a full-time workforce



R Systems profiled in **Business Connect** international magazine



Honored as '**India's Top 500 Value Creators 2023**' by Dun & Bradstreet



Recognized as **one of the Most Preferred Workplaces in IT & ITES** for the year 2023-24'



2023 Clutch Global Award winner for **Product Engineering, Cloud & DevOps, and Data Engineering services**



2023 Clutch Champion award for being **top-rated leader based on clients' satisfaction and high-quality service ratings**

# Financial Performance – Contribution Analysis – Q4 2023

Q4 2023

Q4 2022

Q3 2023

Particulars	₹ in M	US\$ in M	₹ in M	US\$ in M	₹ in M	US\$ in M
<b>Revenues*</b>	4,163.20	50.00	3,995.05	48.66	4,573.47	55.34
<b>Cost of revenues</b>	2,749.39	33.03	2,582.59	31.45	2,822.41	34.14
<b>Gross margin</b>	1,413.81	16.97	1,412.46	17.21	1,751.06	21.20
<i>% of Revenue</i>	33.96%		35.36%		38.29%	
<b>SG&amp;A Expenses</b>	771.08	9.25	815.84	9.91	891.99	10.80
<i>% of Revenue</i>	18.52%		20.42%		19.50%	
<b>EBITDA</b>	642.73	7.72	596.62	7.30	859.07	10.40
<i>% of Revenue</i>	15.44%		14.93%		18.78%	
<b>Depreciation and amortization</b>	169.20	2.04	97.89	1.20	172.44	2.09
<b>EBIT before non-recurring cost</b>	473.53	5.68	498.73	6.10	686.63	8.31
<b>Non-recurring Cost #</b>	11.93	0.14	-	-	36.46	0.44
<b>EBIT</b>	461.60	5.54	498.73	6.10	650.17	7.87
<b>Interest expense</b>	(28.94)	(0.35)	(16.04)	(0.20)	(27.65)	(0.33)
<b>Other income (net)</b>	15.29	0.18	(2.75)	(0.04)	1.66	0.02
<b>Income before income tax and share of profit / (loss) in associates</b>	447.95	5.37	479.94	5.86	624.18	7.56
<b>Share of net profit/ (loss) of associates accounted for using the equity method</b>	(3.03)	(0.04)	-	-	(2.01)	(0.03)
<b>Income before income tax</b>	444.92	5.33	479.94	5.86	622.17	7.53
<b>Tax expense ^</b>	(13.79)	(0.19)	66.13	0.79	182.42	2.21
<b>Net Earnings</b>	<b>458.71</b>	<b>5.52</b>	<b>413.81</b>	<b>5.07</b>	<b>439.75</b>	<b>5.32</b>

\* Including One-time build-operate-transfer (BOT) fee of Rs. 193 mn (US\$ 2.3 mn) from Knowledge Service (KS) Client augmented the growth for Q3 2023

# Non-recurring cost represents:

For Q4 2023, professional fee paid w.r.t. acquisition of ScaleWorx and charges paid to Noida Authority due to change in constitution of the Company.

For Q3 2023, professional fee paid w.r.t. acquisition of Velotio and charges paid to Noida Authority due to change in shareholding of the Company.

^ Q4 2023 includes Rs. 114.46 million reversal of tax provisions related to dividend received from subsidiary, pursuant to declaration of the interim dividend by the Company.



# Financial Performance - Contribution Analysis – FY 2023

2023

2022

Particulars	₹ in M	US\$ in M	₹ in M	US\$ in M
<b>Revenues*</b>	16,845.18	204.01	15,158.31	193.17
<b>Cost of revenues</b>	10,904.40	132.06	9,834.81	125.33
<b>Gross margin</b>	5,940.78	71.95	5,323.50	67.84
<i>% of Revenue</i>	35.27%		35.12%	
<b>SG&amp;A Expenses</b>	3,295.79	39.91	3,240.55	41.30
<i>% of Revenue</i>	19.57%		21.38%	
<b>EBITDA</b>	2,644.99	32.04	2,082.95	26.54
<i>% of Revenue</i>	15.70%		13.74%	
<b>Depreciation and amortization</b>	544.04	6.59	349.78	4.46
<b>EBIT before non-recurring cost</b>	2,100.95	25.45	1,733.17	22.08
<b>Non-recurring Cost #</b>	118.73	1.44	-	-
<b>EBIT</b>	1,982.22	24.01	1,733.17	22.08
<b>Interest expense</b>	(89.50)	(1.08)	(48.98)	(0.62)
<b>Other income (net)</b>	112.54	1.36	17.38	0.22
<b>Income before income tax and share of profit / (loss) in associates</b>	2,005.26	24.29	1,701.57	21.68
<b>Share of net profit/ (loss) of associates accounted for using the equity method</b>	(5.04)	(0.06)	-	-
<b>Income before income tax</b>	2,000.22	24.23	1,701.57	21.68
<b>Tax expense ^</b>	599.16	7.26	304.76	3.88
<b>Net Earnings</b>	<b>1,401.06</b>	<b>16.97</b>	<b>1,396.81</b>	<b>17.80</b>

\* Including One-time build-operate-transfer (BOT) fee of Rs. 193 mn (US\$ 2.3 mn) from Knowledge Service (KS) Client augmented the growth for CY23

# Non-recurring Cost for year 2023 represents professional fee paid w.r.t. acquisition of Velotio, acquisition of Scaleworx, charges paid to Noida Authority for change in shareholding and constitution of the Company, recruitment fee paid for hiring of new CEO and one time joining fee paid to CEO.

^ Tax expense includes Rs. 86.09 million during year 2023 provision for tax on dividend received from wholly owned subsidiary



**THANK**  
YOU