

R SYSTEMS INTERNATIONAL LIMITED

(CIN: L74899DL1993PLC053579)

Registered Office: GF-1-A, 6, Devika Tower, Nehru Place, New Delhi 110019; Tel: +91-120-4303500; Email: rsil@rsystems.com; Website: www.rsystems.com

Offer for acquisition of up to 5,71,73,476 (Five Crore Seventy One Lakh Seventy Three Thousand Four Hundred Seventy Six) fully paid-up equity shares of face value of INR 1/- (Indian Rupee One only) each (“Equity Share”) representing 48.33% (Forty Eight decimal Three Three percent) of the Voting Share Capital (*defined below*) of R Systems International Limited (“Target Company”), from all the Public Shareholders (*defined below*) of the Target Company by BCP Asia II Topco II Pte. Ltd. (“Acquirer”) along with Blackstone Capital Partners Asia II L.P. (“PAC”) (“Offer”).

This detailed public statement (“DPS”) is being issued by, Kotak Mahindra Capital Company Limited, the manager to the Offer (“Manager” or “Manager to the Offer”), for and on behalf of the Acquirer and PAC, in compliance with Regulations 3(1), 4, 5A read with Regulations 13(4), 14(3), 15(2), 19, 23 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“SEBI (SAST) Regulations”), and applicable provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and subsequent amendments thereto (“SEBI Delisting Regulations”) to the Public Shareholders following the public announcement dated November 16, 2022 issued in terms of Regulations 3(1), 4 and 5A read with Regulations 13, 14, 15(1), 19, 23 and other applicable provisions of the SEBI (SAST) Regulations and Regulation 8 and other applicable provisions of the SEBI Delisting Regulations (“PA” or “Public Announcement”).

The Public Announcement was filed with the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”), collectively “Stock Exchanges”), and sent to the Target Company, and the Securities and Exchange Board of India (“SEBI”) on November 16, 2022, in accordance with the SEBI (SAST) Regulations and the SEBI Delisting Regulations.

In accordance with Regulation 5A(1) of the SEBI (SAST) Regulations, the Acquirer and PAC express their intention in the Public Announcement and this DPS to delist the Target Company pursuant to this Offer. The delisting of the Target Company is proposed to be in accordance with Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.

The Offer is conditional: (i) under Regulation 23 of the SEBI (SAST) Regulations, on (a) no Termination Event (*defined below*) having occurred; (b) Required Approvals (*defined below*) or any other statutory approvals which become applicable prior to completion of the Offer being received, the details of which are set out in Section VI (*Statutory and Other Approvals*) of this DPS; and (c) the conditions precedent under the SPA being fulfilled by the Long Stop Date (*defined in the SPA*), the details of which are set out in paragraph 5.2 of Section II (*Background to the Offer*) of this DPS; and (ii) under Regulation 19 of the SEBI (SAST) Regulations, on at least 4,53,43,132 (Four Crore Fifty Three Lakh Forty Three Thousand One Hundred Thirty Two) Equity Shares, representing 38.33% (Thirty Eight decimal Three Three percent) of the Voting Share Capital (*defined below*) being validly tendered in the Offer (“Minimum Tender Condition”).

The Acquirer may, at its sole discretion, waive the Minimum Tender Condition in which case the Acquirer shall complete the Open Offer (*defined below*) by acquiring up to 3,07,58,896 (Three Crore Seven Lakh Fifty Eight Thousand Eight Hundred Ninety Six) Equity Shares representing 26.00% (Twenty Six percent) of the Voting Share Capital of the Target Company tendered in the Offer in accordance with Regulation 7(1) and other applicable provisions of the SEBI (SAST) Regulations and any completion of the Underlying Transaction shall be in accordance with the provisions of the SEBI (SAST) Regulations. It is clarified that if the Acquirer has waived the Minimum Tender Condition, and if the Equity Shares tendered in the Open Offer are less than 26.00% (Twenty Six percent) of the Voting Share Capital then the Acquirer will acquire all the Equity Shares validly tendered and if the Equity Shares tendered in the Open Offer exceed 26.00% (Twenty Six percent) of the Voting Share Capital of the Target Company then the Acquirer shall acquire those Equity Shares validly tendered by the Public Shareholders on a proportionate basis representing 26.00% (Twenty Six percent) of the Voting Share Capital of the Target Company.

For the purpose of this DPS, the following capitalised terms shall have the meaning assigned to them below:

- (a) “**Base Price**” means the minimum price at which open offer is required to be made which is determined in accordance with Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations read with Regulation 8(7) of the SEBI (SAST) Regulations;
- (b) “**Delisting Offer**” means the delisting offer pursuant to Regulation 5A of the SEBI (SAST) Regulations and applicable provisions of the SEBI Delisting Regulations;
- (c) “**Equity Shares**” means fully paid up equity shares of face value of INR 1/- (Indian Rupee One only) each of the Target Company;
- (d) “**Offer Period**” means the open offer period as defined under the SEBI (SAST) Regulations;
- (e) “**Open Offer**” means the open offer pursuant to Regulations 3(1) and 4 and other applicable provisions of the SEBI (SAST) Regulations;
- (f) “**Public Shareholders**” means all the equity shareholders of the Target Company, but excluding: (i) the Acquirer and the PAC; (ii) the Sellers; and (iii) the persons acting in concert with the persons set out in (i) - (ii) (if any);
- (g) “**Required Approvals**” means approvals including the following:
- (i) the unconditional approval of the following anti-trust related governmental authorities for the Underlying Transaction: (1) the Competition Commission of India; (2) the Commission for the Protection of Competition of the Republic of Cyprus; and (3) Austrian Federal Competition Authority (collectively, “**Anti-Trust Approvals**”);
- (ii) the unconditional approval of the Romanian Commission for the examination of direct foreign investment (CEISD) for the transactions contemplated by the SPA (“**Romanian FDI Approval**”);
- (iii) the grant of no-action and/or exemptive relief from U.S. Securities and Exchange Commission in order to allow the Offer to be made to U.S. holders of Equity Shares in compliance with the rules and regulations under the U.S. Securities Exchange Act of 1934 (as amended), if applicable;
- (iv) a valid shareholders resolution approving the delisting of the Target Company through the Offer is passed in accordance with all the requirements of Regulation 11 of the SEBI Delisting Regulations; and
- (v) the Stock Exchanges have granted their in-principle approval to the delisting of the Target Company in accordance with Regulation 12 of the SEBI Delisting Regulations.
- (h) “**SEBI**” means the Securities and Exchange Board of India;
- (i) “**Sellers**” means collectively, (i) Dr. Satinder Singh Rekhi; (ii) Harpreet Rekhi; (iii) The Satinder and Harpreet Rekhi Family Trust (Trustee: Satinder Singh Rekhi and Harpreet Rekhi); (iv) Sartaj Singh Rekhi; (v) Ramneet Singh Rekhi; (vi) Jagmohan Singh Walla; (vii) Anita Behl; (viii) Kuldeep Baldev Singh; and (ix) Amrita Rekhi;
- (j) “**SPA**” means the share purchase agreement dated November 16, 2022 executed between the Acquirer and the Sellers. The details of the SPA are set out in Section II (*Background to the Offer*) of this DPS;
- (k) “**Stock Exchanges**” means collectively, BSE and NSE;
- (l) “**Tendering Period**” means the tendering period as defined under the SEBI (SAST) Regulations;
- (m) “**Termination Event**” means that:
- (i) within 60 (sixty) days of the date on which the SPA is signed or such longer period as the Acquirer may accept in its sole discretion, a valid shareholders’ resolution approving the delisting of the Target Company through the Offer is not passed in accordance with all the requirements of Regulation 11 of the SEBI Delisting Regulations, for any reason whatsoever; or
- (ii) within 90 (ninety) days of the date on which the SPA is signed or such longer period as the Acquirer may accept in its sole discretion, the Stock Exchanges have not granted their in-principle approval to the delisting of the Company in accordance with Regulation 12 of the SEBI Delisting Regulations, for any reason whatsoever;
- (n) “**Underlying Transaction**” has the meaning given to the term in paragraph 3 of Section II (*Background to the Offer*) of this DPS;
- (o) “**Voting Share Capital**” means the total voting equity share capital of the Target Company on a fully diluted basis as of the tenth (10th) Working Day from the closure of the Tendering Period of this Offer; and
- (p) “**Working Day**” means any working day of SEBI.

1. ACQUIRER, PAC, TARGET COMPANY AND OFFER

1. Details of the Acquirer

- 1.1. The Acquirer, i.e., BCP Asia II Topco II Pte. Ltd., is a company incorporated under the laws of Singapore on November 24, 2021. There has been no change in the name of the Acquirer since its incorporation. The contact details of the Acquirer are as follows: telephone number: +65 6500 6400, fax number: +65 6438 6221 and email: privateequityasianotices@blackstone.com. The registered office of the Acquirer is located at 77, Robinson Road, #13-00, Robinson 77, Singapore (068896).
- 1.2. The Acquirer is engaged in the business of investment holding and related activities.
- 1.3. The Acquirer is part of BCP Asia II.
- 1.4. The issued and paid share capital of the Acquirer is USD 1 comprising of 1 equity share. BCP Asia II Holdco II holds 100% of the issued share capital of the Acquirer. PAC is an indirect shareholder of and controls BCP Asia II Holdco II and the Acquirer.
- 1.5. The securities of the Acquirer are not listed on any stock exchange in India or abroad.
- 1.6. The Acquirer does not hold any Equity Shares or voting rights in the Target Company. The Acquirer has not acquired any Equity Shares of the Target Company between the date of the PA, i.e., November 16, 2022 and the date of this DPS.
- 1.7. Other than the transactions detailed in Section II (*Background to the Offer*) below, pursuant to which the Acquirer shall acquire Equity Shares, as on the date of the DPS, neither the Acquirer nor its directors or key employees have any relationship or interest in the Target Company. As on the date of the DPS, there are no directors on the board of the Target Company representing the Acquirer. There are also no common directors on the board of directors of Acquirer and the board of directors of the Target Company.
- 1.8. The Acquirer has not been prohibited by the SEBI, from dealing in securities, in terms of directions issued by SEBI under Section 11B of the Securities and Exchange Board of India

Act, 1992, as amended (the “SEBI Act”) or any other regulations made under the SEBI Act.

- 1.9. As of June 30, 2022, the Acquirer had not commenced business and therefore the Acquirer was exempt from the audit requirements pursuant to the Companies Act, Chapter 50 of Singapore. Therefore, the key financial information of the Acquirer as of and for the period ended June, 30, 2022 since incorporation date i.e. November 24, 2021, based on the unaudited financial information provided by the Acquirer, is set out below.

Particulars	For the period November 24, 2021 to June 30, 2022	
	(USD)	(INR)
Total Revenue	-	-
Net Income	-	-
Earning per shares (EPS)	-	-
Net worth/ Shareholders' Funds	1.00	81.65

Note: Since the financial statements of Acquirer are presented in USD, the financial information has been converted to INR for the purpose of convenience. The conversion has been done at the rate USD 1 = INR 81.6475 as on November 17, 2022. (Source: Bloomberg)

- 1.10. No person is acting in concert with the Acquirer for the purposes of this Offer except the PAC. While persons may be deemed to be acting in concert with the Acquirer in terms of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations (“**Deemed PACs**”), however, such Deemed PACs are not acting in concert with the Acquirer for the purposes of this Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulation.
2. **Details of the PAC**
- 2.1. The PAC, i.e., Blackstone Capital Partners Asia II L.P., is an exempted limited partnership, registered under the laws of Cayman Islands (Registration No. OG-108373) on September 9, 2020 and commenced business from September 6, 2021. There has been no change in the name of the PAC since its incorporation. The contact details of PAC are as follows: telephone number: + 1(212) 583-5000 and fax number: +1 (212) 583-5050 and email: privateequityasianotices@blackstone.com.
- 2.2. The registered office of the PAC is located at One Nexus Way, Camana Bay, Grand Cayman KY1- 9005, Cayman Islands.
- 2.3. The PAC is engaged in the business of investment holding and related activities. The PAC is part of BCP Asia II.
- 2.4. The PAC is an indirect shareholder of and controls the Acquirer. The PAC is an exempted limited partnership controlled by its general partner, Blackstone Management Associates Asia II L.P. Further, BMA Asia II L.L.C is the general partner of Blackstone Management Associates Asia II L.P.
- 2.5. The securities of the PAC are not listed on any stock exchange in India or abroad.
- 2.6. The PAC, its general partner and key employees do not have any relationship with or interest in the Target Company except for the Underlying Transaction, as detailed in Section II (*Background to the Offer*) of this DPS, that has triggered this Offer.
- 2.7. The PAC does not hold any Equity Shares in the Target Company. The PAC has not acquired any Equity Shares of the Target Company between the date of the PA, i.e., November 16, 2022 and the date of this DPS.
- 2.8. Since the PAC is an exempted limited partnership, the PAC does not have any directors. Hence, there are no common directors on the board of the PAC and the Target Company.
- 2.9. The PAC has not been prohibited by the SEBI, from dealing in securities, in terms of directions issued by SEBI under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 2.10. The PAC’s key financial information based on its unaudited financial statements for the six months ended June 30, 2022 and audited financial statements as of and for the period from September 6, 2021 (commencement date) to December 31, 2021 are set out below.

Particulars	For the six months ended June 30, 2022		For the period September 6, 2021 to December 31, 2021	
	(USD million)	(INR crore)	(USD million)	(INR crore)
Total Revenue	-	-	-	-
Net Income	(52.62)	(429.64)	(13.17)	(107.51)
Net increase/(decrease) in partners' capital resulting from operations*	(83.34)	(680.45)	(11.17)	(91.20)
Earning per shares (EPS)	NA	NA	NA	NA
Net worth/ Shareholders' Funds	(94.51)	(771.64)	(11.17)	(91.20)

**Includes net change in unrealized gain/(loss) on investments*

Notes: Since the financial statements of Acquirer are presented in USD, the financial information has been converted to INR for the purpose of convenience. The conversion has been done at the rate USD 1 = INR 81.6475 as on November 17, 2022. (Source: Bloomberg)

3. Details of the Sellers

- 3.1. The details of the Sellers under the SPA are set out below:

Name of the Sellers	Nature of the Entity / Individual	Address	Part of the Promoter and Promoter Group of the Target Company	Shareholding/ Voting Rights in the Target Company prior to the Public Announcement	Number of Equity Shares	% of fully paid-up equity share capital
Dr. Satinder Singh Rekhi	Individual	2051, Last Chance Court, Gold River, CA 95670 (USA)	Yes		74,03,456	6.26
Harpreet Rekhi	Individual	2051, Last Chance Court, Gold River, CA 95670 (USA)	Yes		50,99,389	4.31
The Satinder and Harpreet Rekhi Family Trust (Trustee: Satinder Singh Rekhi and Harpreet Rekhi)	Foreign Trust	2051, Last Chance Court, Gold River, CA 95670 (USA)	Yes		1,17,02,623	9.89
Sartaj Singh Rekhi	Individual	11-02, 99 Meyer Road, Singapore-437920	Yes		1,86,76,248	15.79
Ramneet Singh Rekhi	Individual	2051, Last Chance Court, Gold River, CA 95670 (USA)	Yes		1,62,36,331	13.72
Jagmohan Singh Walla	Individual	C-92, Ground Floor, Anand Niketan, Delhi-110021 (India)	Yes		12,72,389	1.08
Anita Behl	Individual	1704, Sector-29, NOIDA, Gautam Budh Nagar-201301, Uttar Pradesh (India)	Yes		3,67,525	0.31
Kuldeep Baldev Singh	Individual	A-8, Sector-23, NOIDA, Gautam Budh Nagar-201301, Uttar Pradesh (India)	Yes		3,71,908	0.31
Amrita Rekhi	Individual	11-02, 99 Meyer Road, Singapore-437920	Yes		100	0.00
Total					6,11,29,969	51.67

- 3.2. The Sellers do not belong to any group.
- 3.3. The Sellers have not been prohibited by SEBI from dealing in securities under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
4. **Details of the Target Company: R Systems International Limited**
- 4.1. The Target Company is a public limited company incorporated on May 14, 1993 vide certificate of incorporation dated May 14, 1993. The Target Company was initially incorporated under the name of R Systems (India) Private Limited under the Companies Act, 1956. On April 13, 2000, the name of the Company was changed to R Systems (India) Limited. Subsequently, on August 7, 2000, the name of Target Company was changed to its present name i.e., R Systems International Limited.
- 4.2. The registered office of the Target Company is located at GF-1-A, 6, Devika Tower, Nehru Place, New Delhi 110019 and Corporate Office is located at C-40, Sector-59, NOIDA-201307, Tel: +91-120-4303500; Email: rsil@rsystems.com; Website: www.rsystems.com. The corporate identity number (CIN) of the Target Company is L74899DL1993PLC053579.
- 4.3. The Target Company is primarily engaged in the business of IT and BPO services including digital and product engineering services.
- 4.4. The Equity Shares of the Target Company are listed on the BSE (Scrip ID: RSYSTEMINT, Scrip Code: 532735) and NSE (Symbol: RSYSTEMS). The ISIN of the Target Company is INE411H01032.
- 4.5. The Equity Shares of the Target Company are frequently traded on NSE within the meaning of the explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.

- 4.6. The board of directors of the Target Company, as of the date of this DPS, is comprised as under:

Name of Director	Designation
Dr. Satinder Singh Rekhi	Managing Director & Chief Executive Officer
Mr. Baldev Singh	President & Senior Executive Director
Mr. Avirag Jain	Director & Chief Technology Officer
Mrs. Ruchika Gupta	Non-Executive & Independent Director
Mr. Kapil Dhameja	Non-Executive & Independent Director
Mr. Aditya Wadhwa	Non-Executive & Independent Director

- 4.7. As of the date of this DPS, the authorized share capital of the Target Company is INR 20,60,00,000 (India Rupees Twenty Crores Sixty Lakhs only) divided into 20,60,00,000 (Twenty Crores Sixty Lakhs) Equity Shares. The issued, subscribed and fully paid-up equity share capital of the Target Company is INR 11,83,03,445 (India Rupees Eleven Crores Eighty Three Lakhs Three Thousand Four Hundred and Forty Five only) comprising 11,83,03,445 (Eleven Crores Eighty Three Lakhs Three Thousand Four Hundred and Forty Five) fully paid up Equity Shares.
- 4.8. As on the date of the DPS, there are no: (a) partly paid-up Equity Shares; or (b) outstanding convertible securities which are convertible into Equity Shares (such as depository receipts, fully convertible debentures, warrants, or employee stock options) issued by the Target Company.
- 4.9. The key financial information of the Target Company based on its unaudited limited reviewed consolidated financial results as of and for the 9 (nine) months period ended September 30, 2022, as of and for the 6 (six) months period ended June 30, 2022 and audited consolidated financial statements as of and for the financial years ended December 31, 2021, December 31, 2020 and December 31, 2019, are set out below.

Particulars	As of and for 9 months period ended September 30, 2022	As of and for 6 months period ended June 30, 2022	As of and for the financial years ended		
			December 31, 2021	December 31, 2020 ⁽³⁾	December 31, 2019
Total Revenue (INR crore) ⁽¹⁾	1,124.50	725.00	1,197.54	893.49	824.76
Net Income (INR crore)	98.30	61.51	141.44	81.80	58.12
Earnings per share (INR)	8.31 ⁽²⁾	5.20 ⁽²⁾	11.85	6.84	4.82
Net worth/ Shareholders' Funds (INR crore)	NA	452.36	460.30	426.83	338.23

Notes:

⁽¹⁾ Total Revenue includes revenue from operations and other income.

⁽²⁾ Not annualized.

⁽³⁾ After considering the impact of amalgamation of Right Match Holdings Limited with the Target Company.

5. Details of the Offer

- 5.1. This Offer is an open offer cum delisting offer being made in accordance with provisions of Regulations 3(1), 4, and 5A read with 19 and 23 of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations to all the Public Shareholders of the Target Company. The open offer under Regulation 3(1) and 4 was triggered pursuant to the proposed acquisition of more than 25% (Twenty Five percent) of the Voting Share Capital of the Target Company and control over the Target Company, detailed further in Section II (*Background to the Offer*) below. Pursuant to this Offer, the Acquirer and PAC propose to delist the Target Company pursuant to Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations. This Offer is subject to the terms and conditions set out in this DPS and the letter of offer (“LOF”) that will be sent to all Public Shareholders of the Target Company, and subject to terms and conditions including fulfillment of customary conditions precedent provided in the SPA, detailed further in Section II (*Background to the Offer*) below.
- 5.2. **Composite Offer:** This Offer is being made by the Acquirer and PAC to the Public Shareholders of the Target to acquire up to 5,71,73,476 (Five Crore Seventy One Lakh Seventy Three Thousand Four Hundred Seventy Six) Equity Shares of the Target Company representing up to 48.33% (Forty Eight decimal three three percent) of the Voting Share Capital (“**Offer Shares**”) at the price of INR 246/- (Indian Rupees Two Hundred Forty Six only) per Offer Share (“**Offer Price**”). Assuming full acceptance of the Offer, the total consideration payable by the Acquirer, in accordance with the SEBI (SAST) Regulations and the SEBI Delisting Regulations will be up to INR 1406,46,75,096/- (Indian Rupees One Thousand Four Hundred and Six Crore Forty Six Lakh Seventy Five Thousand Ninety Six only) (“**Composite Offer Consideration**”).
- 5.3. **Open Offer:** The Acquirer may, at its sole discretion, waive the Minimum Tender Condition and in which case the Acquirer shall complete the Open Offer by acquiring up to 3,07,58,896 (Three Crore Seven Lakh Fifty Eight Thousand Eight Hundred Ninety Six) Equity Shares representing 26.00% (Twenty Six percent) of the Voting Share Capital of the Target Company in accordance with Regulation 7(1) and other applicable provisions of the SEBI (SAST) Regulations (“**Open Offer**”). The total consideration payable by the Acquirer to the Public Shareholders (assuming full acceptance) of the Open Offer at the Base Price, i.e. INR 245/- (Indian Rupees Two Hundred Forty Five only) per Equity Share, will be up to INR 753,59,29,520/- (Indian Rupees Seven Hundred Fifty Three Crore Fifty Nine Lakh Twenty Nine Thousand Five Hundred Twenty only) (“**Open Offer Consideration**”).
- 5.4. The minimum price at which open offer is required to be made is INR 245/- (Indian Rupees Two Hundred Forty Five only) (“**Base Price**”), which has been determined in accordance with Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations read with Regulation 8(7) of the SEBI (SAST) Regulations, detailed further in Section IV (*Offer Price*). In accordance with Regulation 5A(2) and other applicable provisions of the SEBI (SAST) Regulations and applicable provisions of the SEBI Delisting Regulations, the Offer is being made at the Offer Price, which is the indicative price and includes a premium of INR 1/- (Indian Rupee One only) over the Base Price and reflects the price that the Acquirer and PAC are willing to pay for the delisting of the Target Company pursuant to this Offer. The rationale for the Offer Price is set out in paragraph 5 under Section IV (*Offer Price*) below.
- 5.5. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.
- 5.6. Minimum number of Equity Shares to be acquired for a successful delisting: The Delisting Offer shall be deemed to be successful if the post Offer shareholding of the Acquirer, which comprises of the Equity Shares validly tendered / offered by the Public Shareholders in the Offer and the Equity Shares agreed to be acquired under the SPA from the Sellers, reaches 90% (ninety percent) of the Voting Share Capital excluding such Equity Shares as may be determined under Regulation 21 of SEBI Delisting Regulations.
- 5.7. If the Delisting Offer is successful, the Target Company will be delisted from the Stock Exchanges in accordance with the SEBI Delisting Regulations.
- 5.8. In accordance with Regulation 19(1) and other applicable provisions of the SEBI (SAST) Regulations, this Offer is a conditional offer and is subject to a minimum level of acceptance of at least 4,53,43,132 (Four Crore Fifty Three Lakh Forty Three Thousand One Hundred Thirty Two) Equity Shares, representing 38.33% (Thirty Eight decimal Three Three percent) of the Voting Share Capital, i.e. the Minimum Tender Condition. If the number of Equity Shares (which can be validly accepted as per the terms and conditions to be set out in the LOF) tendered in terms of this Offer is less than 4,53,43,132 (Four Crore Fifty Three Lakh Forty Three Thousand One Hundred Thirty Two) Equity Shares representing 38.33% (Thirty Eight decimal Three Three percent) of the Voting Share Capital, i.e. the Minimum Tender Condition is not met, then either (i) the Acquirer and PAC shall not accept any Equity Shares tendered and shall not acquire any shares under the SPA and rescind the SPA and the Underlying Transaction and withdraw this Offer; or (ii) the Acquirer may, at its sole discretion, waive the Minimum Tender Condition and in which case the Acquirer shall complete the Open Offer by acquiring up to 3,07,58,896 (Three Crore Seven Lakh Fifty Eight Thousand Eight Hundred Ninety Six) Equity Shares representing 26.00% (Twenty Six percent) of the Voting Share Capital of the Target Company in accordance with Regulation 7(1) and other applicable provisions of the SEBI (SAST) Regulations and any completion of the Underlying Transaction shall be in accordance with the provisions of the SEBI (SAST) Regulations. It is clarified that if the Acquirer has waived the Minimum Tender Condition, and if the Equity Shares tendered in the Open Offer are less than 26.00% (Twenty Six percent) of the Voting Share Capital then the Acquirer will acquire all the Equity Shares validly tendered and if the Equity Shares tendered in the Open Offer exceed 26.00% (Twenty Six percent) of the Voting Share Capital of the Target Company then the Acquirer shall acquire those Equity Shares validly tendered by the Public Shareholders on a proportionate basis representing 26.00% (Twenty Six percent) of the Voting Share Capital.
- 5.9. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 5.10. The Voting Share Capital of the Target Company as of the as on the date of this DPS is as per the table below:

Particulars	Number of Equity Shares	% of the Voting Share Capital
Fully paid-up Equity Shares as of the date of this DPS	11,83,03,445	100.00
Partly paid-up equity shares as of the date of this DPS	Nil	Nil
Outstanding vested employee stock options	Nil	Nil
Warrants convertible into equity share(s) each	Nil	Nil
Total Voting Share Capital	11,83,03,445	100.00

- 5.11. As on the date of this DPS there are no (i) partly paid-up Equity Shares; or (ii) outstanding convertible instruments (warrants, fully convertible debentures, partially convertible debentures including employee stock options) issued by the Target Company.
- 5.12. The Public Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges, equitable interests and encumbrances and shall have obtained all necessary consents for them to sell the Equity Shares on the foregoing basis. The Acquirer shall acquire the Equity Shares from the Public Shareholders

Use have validly tendered their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

5.13. Other than as specified in paragraph 5 of Section II (*Background to the Offer*) and Section VI (*Statutory and Other Approvals*) of this DPS, as on the date of this DPS, to the best of the knowledge of the Acquirer and PAC, there are no: (i) other statutory approvals required, or (ii) other conditions precedent under the SPA required to be fulfilled, by the Acquirer to complete the acquisition of the Offer Shares under this Offer. However, in case any statutory approvals are required by the Acquirer and PAC prior to completion of the Offer, this Offer shall be subject to such approvals being obtained. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received, or the conditions precedent under the SPA are not fulfilled for reasons outside the reasonable control of the Acquirer or the Termination Event occurs, the Acquirer and PAC may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations.

5.14. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.

5.15. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that (i) approvals as set out in Section VI (*Statutory and Other Approvals*) or any other statutory approvals which become applicable prior to completion of the Offer, are not received, or; (ii) a Termination Event has occurred; or (iii) the conditions precedent under the SPA are not fulfilled by the Long Stop Date (*as defined in the SPA*) for reasons outside the reasonable control of the Acquirer, the details of which are set out in paragraph 5 of Section II (*Background to the Offer*) then the Acquirer shall have the right to terminate the SPA and the Acquirer shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirer (through the Manager to the Offer) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

5.16. Non-resident Indians (“**NRIs**”), overseas corporate bodies (“**OCB**”) and other non-resident holders of the Equity Shares, if any, must obtain all requisite approvals/exemptions required to tender the Equity Shares held by them, in this Offer, and submit such approvals/exemptions along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and foreign portfolio investors (“**FPIs**”) had required any approvals/exemptions (including from the Reserve Bank of India (“**RBI**”) or any other regulatory body, if applicable) in respect of the Equity Shares held by them, they will be required to submit such previous approvals/exemptions that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals/exemptions are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.

5.17. Subsequent to completion of the Offer, the Acquirer and PAC reserve the right to streamline/ restructure the operations, assets, liabilities and/or businesses of the Target Company through arrangement/reconstruction, restructuring, buybacks, merger, demerger of the Target Company and/or sale of assets or undertakings, at a later date. The Acquirer may also consider disposal of or otherwise encumbering any assets or investments of the Target Company or any of its subsidiaries, through sale, lease, reconstruction, restructuring and/or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalising the assets, investments or liabilities of the Target Company and/or its subsidiaries, whether within or outside the ordinary course of business, to improve operational efficiencies and for other commercial reasons. The board of directors of the Target Company will take decisions on these matters in accordance with the requirements of the business of the Target Company and in accordance with and as permitted by applicable law.

5.18. Pursuant to the consummation of the Underlying Transaction (contemplated under the SPA) and subject to compliance with the SEBI (SAST) Regulations, the Acquirer will acquire sole control over the Target Company. If the Offer is successful, the Sellers will cease to own any shares in the Target Company and Target Company will be delisted from the Stock Exchanges in accordance with the SEBI Delisting Regulations. Therefore, once the Target Company is delisted, reclassification of the Sellers from promoters to public shareholders, or classification of the Acquirer as the promoter of the Target Company will not be applicable. If the Minimum Tender Condition is waived by the Acquirer and the Open Offer completed and if the Acquirer acquires Sale Shares under the SPA, then the Acquirer shall become the promoter of the Target Company including in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations**”) and the Sellers will cease to be the promoters of the Target Company. Accordingly, the Sellers will be re-classified from promoter or promoter group to public category, subject to receipt of necessary approvals required in terms of the SEBI (LODR) Regulations and conditions prescribed therein.

5.19. If the Minimum Tender Condition is waived by the Acquirer and the Open Offer is completed, then as per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended or modified (“**SCRR**”), the Target Company is required to maintain at least 25% (Twenty Five per cent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If the public shareholding in the Target Company falls below the minimum prescribed level required for continued listing as a result of the Open Offer and/or the Underlying Transaction, then, the Acquirer may take appropriate actions in compliance with applicable laws to ensure continued compliance with the conditions of the SCRR and the SEBI (LODR) Regulations.

5.20. The Manager does not hold any Equity Shares in the Target Company as on the date of this DPS. The Manager further declares and undertakes, not to deal on their own account in the Equity Shares of the Target Company during the Offer Period.

II. BACKGROUND TO THE OFFER

1. This Offer is an open offer cum delisting offer being made in accordance with provisions of Regulations 3(1), 4, and 5A read with 19 and 23 of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations to all the Public Shareholders of the Target Company. The open offer under Regulation 3(1) and 4 was triggered pursuant to the proposed acquisition of more than 25% (twenty five percent) of the Voting Share Capital of the Target Company and control over the Target Company, detailed further in this Section II (*Background to the Offer*) below. Pursuant to this Offer, the Acquirer and PAC express their intent to delist the Target Company pursuant to Regulation 5A of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.

2. The Acquirer has entered into a share purchase agreement dated November 16, 2022 with the Sellers (“**SPA**”) pursuant to which the Acquirer has agreed to purchase up to 6,11,29,969 (Six Crore Eleven Lakh Twenty Nine Thousand Nine Hundred Sixty Nine) Equity Shares, representing 51.67% (Fifty One decimal Six Seven percent) of the Voting Share Capital, at a price of INR 245/- (Indian Rupees Two Hundred Forty Five only) per Equity Share from the Sellers, subject to the terms and conditions set out in the SPA, including fulfilment of customary closing conditions. The actual number of shares to be acquired by the Acquirer from the Sellers under the SPA (“**Sale Shares**”) shall be a function of the responses in the Offer as follows:

- 2.1. if the Minimum Tender Condition is met, then all the Equity Shares held by the Sellers shall be considered Sale Shares;
- 2.2. if the Acquirer waives the Minimum Tender Condition for the purposes of the SPA and issues a MTC Waiver Notice (*as defined in the SPA*), then the Acquirer will determine the number of Sale Shares, provided that the shareholding of the Sellers in the Target Company will in all events be 9.99% (Nine decimal Nine Nine per cent) or less of the total Voting Share Capital of the Target Company; and
- 2.3. if the Minimum Tender Condition is not satisfied and the MTC Waiver Notice is not issued in accordance with the SPA, then the Sale Shares shall be zero.

3. The proposed sale and purchase of Equity Shares under the SPA (as explained in paragraph 2 of this Section II (*Background to the Offer*) of this DPS) is referred to as the “**Underlying Transaction**”.

4. A tabular summary of the Underlying Transaction is set out below:

Details of Underlying Transactions					
Type of trans- action (direct/ indi- rect)	Mode of transac- tion (agreement/ allotment/ market purchase)	Shares / voting rights acquired / proposed to be acquired	Total consid- eration for shares/ voting rights ac- quired (INR)	Mode of pay- ment (cash/ secu- rities)	Regu- lation which has trig- gered
		Number	% vis-à- vis total equity / voting capital ⁽¹⁾		
Direct	Share Purchase Agreement: The Acquirer has entered into the SPA with the Sellers pursuant to which the Acquirer has agreed to acquire up to a maximum of 6,11,29,969 Equity Shares of the Target Com- pany from the Sellers, subject to the terms and conditions set out in the SPA includ- ing fulfilment of the conditions set out in paragraph 5.2 of Section II (<i>Background to the Offer</i>).	Acquisition of up to a maxi- mum of 6,11,29,969 Equity Shares	Up to a maximum of 51.67%	Maximum of INR 1497,68,42,405/-	Cash
					Regulations 3 ⁽¹⁾ and 4 of the SEBI (SAST) Regula- tions

Notes:

(1) Calculated as a percentage of the Voting Share Capital.

5. The salient features of the SPA are set out below:

5.1. The SPA sets forth the terms and conditions agreed between the Sellers and the Acquirer and their respective rights and obligations.

5.2. The consummation of the Underlying Transaction is subject to the fulfilment of the conditions precedent as specified under the SPA, including the following key conditions precedent (unless waived by the Acquirer):

- a. A Termination Event shall not have occurred.
- b. The Anti-Trust Approvals and the Romanian FDI Approval having been obtained or deemed by applicable laws to have been obtained (e.g., as a result of the lapse, expiration or termination of the applicable waiting periods or because jurisdiction has

been declined) by the Acquirer in accordance with the relevant laws and the Underlying Transaction.

c. The Fundamental Warranties (*as defined in the SPA*) having been true, correct and not misleading on the date of the SPA and remaining being true, correct and not misleading at the time of completion of the sale and purchase of the Equity Shares. The Business Warranties (*as defined in the SPA*) being true and correct at the time of completion of the sale and purchase of the Equity Shares in all material respects.

d. at least 4,53,43,132 (Four Crore Fifty Three Lakh Forty Three Thousand One Hundred Thirty Two) Equity Shares representing 38.33% (Thirty Eight decimal Three Three percent) of the Voting Share Capital being validly tendered by the Public Shareholders in the Offer, i.e. the Minimum Tender Condition.

e. The Sellers having obtained an independent valuation of the Target Company from any chartered accountant certifying that the sale consideration per sale share under the SPA is determined in accordance with the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and such valuation certificate shall not be older than 90 (ninety) days at the time of completion of the sale and purchase of the Equity Shares.

f. The group companies (as listed in Schedule IV of the SPA) shall have obtained consents or approvals from the third parties which are listed and identified in the SPA and the disclosure letter for the Underlying Transaction.

g. No group company (as listed in Schedule IV of the SPA) having been admitted to a corporate insolvency, liquidation or a similar process pursuant to an order of a governmental authority under applicable law.

h. Each Seller (where applicable) shall have provided to the Acquirer, in an agreed form: (i) signed consent letters providing the Seller's consent to sell the sale shares to the Acquirer; and (ii) any information and documents required for the purposes of completing the RBI Reporting (*as defined in the SPA*).

i. Active promoters (as identified in the SPA) having provided an unconditional certificate from the tax authorities under Section 281 of the (Indian) Income-tax Act, 1961 for the sale of their Equity Shares.

j. The Sellers (other than the active promoters) shall have delivered to the Acquirer the original certificates issued by a big four accounting firm, in form and substance reasonably satisfactory to the Acquirer.

k. The Sellers shall have delivered to the Acquirer the original certificate issue by a big four accounting firm setting out the amount of tax to be withheld from the sale consideration payable to each Seller.

l. The Sellers shall provide to the Acquirer, a certified true copy of a chartered accountant certificate in Form 15CB, obtained in accordance with the Income Tax Rules, 1962, in agreed form acceptable to the Acquirer.

m. Each Seller having delivered to the Acquirer a certified true copy of his/ her/ its permanent account number.

n. There being no breach by the Sellers of its obligations under the SPA.

o. No governmental authority shall have enacted, issued, promulgated, enforced or entered any applicable law or issued any governmental order (whether temporary, preliminary or permanent) after the execution of the SPA that has the effect of making the transactions contemplated by the SPA illegal or otherwise restraining or prohibiting the consummation of such transactions. The consummation of the transactions contemplated by the SPA shall not have become (whether pursuant to any change in applicable law or pursuant to any change in the interpretation of any governmental authority or of licensed/regulated intermediaries such as authorised dealers) unlawful or subject to any material approval from any governmental authority.

p. The Target Company having kept all documents and other arrangements ready for revoking all authorities in respect of the operation of each group company's bank accounts (including net banking) and for giving authority in favour of such persons as the Acquirer may nominate to operate such accounts (including net banking).

In the event any of the conditions for completion set out in the SPA are not completed for reasons outside the reasonable control of the Acquirer or not waived by the Acquirer in its sole discretion, the SPA and the Underlying Transaction shall be terminated and this Offer shall be withdrawn.

5.3. During the Interim Period (*as defined in the SPA*), the Sellers are subject to customary standstill covenants.

5.4. The completion of the transactions under the SPA, i.e., the sale and purchase of the Equity Shares, shall take place on the 2nd day following the last of the occurrence of (i) the service of the Conditions Precedent Acceptance Notice (*defined in the SPA*); (ii) the satisfaction of the Minimum Tender Condition or the issuance of the MTC Waiver Notice (*defined in the SPA*); and (iii) the completion of the Tendering Period of the Offer.

5.5. Under the SPA, the parties have agreed that, in certain scenarios subject to the satisfaction of the conditions precedent specified under the SPA and the Minimum Tender Condition being met or waived, the Sellers shall transfer control of the Target Company (and of every other group company) to the Acquirer without necessarily purchasing any Equity Shares under the SPA *inter alia* as follows: (a) the Sellers shall become obliged, without any further act of any party, to vote all their Sale Shares as directed by the Acquirer; (b) the Acquirer shall have the right, and the Sellers shall use all rights, powers, and facilities available to them to ensure that the Acquirer shall have the right, to direct the appointment or removal of any key employee of any group company; (c) to the fullest extent permitted under Applicable Law, the Acquirer shall have the right, and the Sellers shall use all rights, powers, and facilities available to them to ensure that the Acquirer shall have the right, to direct the appointment or removal of any person as a director of any and all group companies; and (d) the Acquirer's consent will be required for approval or amendment of any business plan / budget by the group companies.

5.6. The Acquirer and the Sellers have agreed that, subject to the terms and conditions of the SPA, the consummation of the Underlying Transaction (i.e the sale and purchase of the Equity Shares) may happen either as an off-market transaction or as an on-market transaction.

5.7. The SPA may be terminated by the Acquirer on occurrence of certain events which *inter alia* include:

- a. there was on the Execution Date, or there occurs at or before the sale and purchase of the Equity Shares, a breach or inaccuracy in any Fundamental Warranty of the Sellers;
- b. a Termination Event occurs; or
- c. the sale and purchase of the Equity Shares under the SPA is not completed or the Control Grant Date (*defined in the SPA*) does not occur by the Long Stop Date.

5.8. The Sellers have agreed to certain non-compete and non-solicit obligations set out in the SPA. It is clarified that no separate consideration is payable for undertaking such obligation.

6. **Object of the Offer:** The prime object of the Acquirer for this Offer is substantial acquisition of Equity Shares and voting rights accompanied by control over the management of the Target Company and delisting of the Target Company from the Stock Exchanges. The Acquirer intends to support the management of the Target Company in their efforts towards the sustained growth of the Target Company. The Acquirer proposes to continue with the existing business activities of the Target Company.

7. **Rationale for the Delisting Offer:** In terms of the SEBI Delisting Regulations, the rationale for the Delisting Offer is as follows:

7.1. The Delisting Offer is in the interest of the Public Shareholders as it will provide all the Public Shareholders an opportunity to exit from the Target Company and providing immediate liquidity;

7.2. Delisting of the Target Company will enable the Acquirer to obtain full ownership of the Target Company, which will provide enhanced operational and financial flexibility;

7.3. As the Target Company will no longer remain listed, there will be reduction in dedicated management time to comply with the requirements associated with the continued listing, which can be focused on the business of the Target Company; and

7.4. The delisting of the Target Company will enhance the Target Company's operational, financial and strategic flexibility including but not limited to corporate restructurings, acquisitions, exploring new financing structures including financial support from Acquirer and PAC.

III. SHAREHOLDING AND ACQUISITION DETAILS

1. The current and proposed shareholding of the Acquirer and PAC in the Target Company and details of their acquisition, are as follows:

Particulars	Acquirer		PAC	
	No. of Equity Shares	Percentage (%)	No. of Equity Shares	Percentage (%)
Shareholding as on the PA date	Nil	Nil	Nil	Nil
Equity Shares acquired between the date of the PA and the date of this DPS	Nil	Nil	Nil	Nil
Post offer shareholding (assuming: (a) full acceptance of the Offer; and (b) all Equity Shares mentioned in SPA are acquired)	11,83,03,445	100.00	Nil	Nil

IV. OFFER PRICE

1. The Equity Shares of the Target Company are listed on the BSE (Scrip Code: 532735) and NSE (Symbol: RSYSTEMS). The ISIN of the Equity Shares is INE411H01032.

2. The trading turnover of the Equity Shares, on the Stock Exchanges during the 12 (twelve) calendar months preceding the calendar month in which the PA was required to be made, i.e., from November 1, 2021 to October 31, 2022 (“**Twelve Months Period**”), is as set out below:

Stock Exchange	Traded turnover of the Equity Shares during the Twelve Months Period (A)	Weighted average number of Equity Shares during the Twelve Months Period (B)	Traded turnover
NSE	33,26,523	11,83,03,445	2.81%
BSE	2,58,23,639	11,83,03,445	21.83%

(Source: www.nseindia.com, www.bseindia.com)

3. Based on the above, the Equity Shares of the Target Company are frequently traded on NSE as per Regulation 2(1)(j) of the SEBI (SAST) Regulations.

4. The Offer Price is INR 246/- (Indian Rupees Two Hundred Forty Six only) per Equity Share which is higher than the Base Price. The Base Price of INR 245/- (Indian Rupees Two Hundred Forty Five only) per Equity Share has been determined in terms of Regulations 8(1)

and 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

S. No.	Details	Price in INR (per share)
(a)	The highest negotiated price per Equity Share of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer i.e. the price per Equity Share under the SPA.	245.00
(b)	The volume-weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer or by any person acting in concert with him, during the 52 weeks immediately preceding the date of the PA.	NA
(c)	The highest price paid or payable per Equity Share for any acquisition, whether by the Acquirer or by any person acting in concert with him, during 26 weeks immediately preceding the date of the PA.	NA
(d)	The volume-weighted average market price per Equity Share for a period of 60 trading days immediately preceding the date of the PA as traded on NSE, being the stock exchange where the maximum volume of trading in the shares of the Target Company is recorded during such period, provided such shares are frequently traded.	237.97
(e)	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.	NA
(f)	The per share value computed under Regulation 8(5) of SEBI (SAST) Regulations, if applicable.	NA ⁽¹⁾

Note: ⁽¹⁾ Not applicable since the acquisition is not an indirect acquisition.

Source: Certificate issued by S.V. Shah & Associates, (FRN: 139517W) dated November 16, 2022.

5. In accordance with Regulation 5A(2) and other applicable provisions of the SEBI (SAST) Regulations and applicable provisions of the SEBI Delisting Regulations, the Offer is being made at an indicative price of INR 246/- (Indian Rupees Two Hundred Forty Six only) per Offer Share. The Offer Price includes a premium of INR 1/- (Indian Rupee One only) per Equity Share over the Base Price and reflects the price that the Acquirer is willing to pay for the delisting of the Company pursuant to this Offer. The rationale and justification for the Offer Price is as follows:

5.1. The Offer Price represents premium of 5.39% (Five decimal Three Nine percent) to the average of the closing price of the Equity Shares on NSE during the 6 (six) months period preceding the date of the Public Announcement. Further, the Offer Price represents a premium of 3.37% (Three decimal Three Seven percent) to the volume-weighted average market price per Equity Share for a period of 60 (sixty) trading days on NSE, immediately preceding the date of the Public Announcement as required under the SEBI (SAST) Regulations as one of the price parameters for determining the minimum open offer price. According to the Acquirer, the Offer Price of the Equity Shares of the Target Company factors the appropriate and suitable control premium reflecting the price that the Acquirer is willing to pay for the delisting of the Target Company pursuant to this Offer.

5.2. The Offer Price is higher than the price determined in accordance with Regulation 8(2) read with Regulation 8(7) of the SEBI SAST Regulations.

5.3. The Offer Price is not less than the book value of the Equity Shares of the Target Company as computed in accordance with the explanation to Regulation 22(5) of the SEBI Delisting Regulations.

(Source: Certificate issued by S.V. Shah & Associates, (FRN: 139517W) dated November 16, 2022)

6. In view of the parameters considered and presented in paragraphs 4 and 5 above, the table above and the certificate dated November 16, 2022 issued by S.V. Shah & Associates, (FRN: 139517W), in the opinion of the Acquirer and the Manager, the Offer Price of INR 246/- (Indian Rupees Two Hundred Forty Six Only) per Equity Share is justified in terms of Regulations 5A and 8 of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.

7. As on the date of this DPS, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters, under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls between the date of this DPS up to 3 (three) Working Days prior to the commencement of the Tendering Period of the Offer, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.

8. As on date of this DPS, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations, which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

9. In the case of the acquisition of the Equity Shares by the Acquirer during the Offer Period if permitted by applicable law, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period of this Offer and until the expiry of the Tendering Period of this Offer. The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer at any time prior to 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, (i) Acquirer is required to make corresponding increases to the amount kept in the Escrow Account (*defined below*), as set out in Section V (*Financial Arrangements*) of this DPS; (ii) the Acquirer is required to make a public announcement in the newspapers where this DPS is published; and (iii) the Acquirer is required to simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations.

10. In the event that the Acquirer, at its sole discretion, waives the Minimum Tender Condition and completes the Open Offer, then, the Acquirer undertakes that if the Acquirer acquires Equity Shares of the Target Company during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price or the Base Price (as the case may be), then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price or the Base Price (as applicable), to all shareholders whose shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another offer under the SEBI (SAST) Regulations, as amended from time to time or SEBI Delisting Regulations, as amended from time to time (including any acquisitions pursuant to the exit offer in accordance with the SEBI Delisting Regulations) or open market purchases made in the ordinary course on the Stock Exchanges, not being a negotiated acquisition of the Equity Shares in any form.

V. FINANCIAL ARRANGEMENTS

1. The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 5,71,73,476 (Five Crore Seventy One Lakh Seventy Three Thousand Four Hundred Seventy Six) Offer Shares at a price of INR 246/- (Indian Rupees Two Hundred Forty Six only) per Offer Share will be INR 1406,46,75,096/- (Indian Rupees One Thousand Four Hundred and Six Crore Forty Six Lakh Seventy Five Thousand Ninety Six only), i.e. the Composite Offer Consideration.

2. The Acquirer had received an equity commitment letter dated November 16, 2022, pursuant to which the PAC had undertaken to provide the Acquirer with the necessary finances to meet the payment obligations under the Offer. The PAC had confirmed that it had available capital resources for the purpose of provide such commitment. The Acquirer has also by way of letter dated November 16, 2022 confirmed that, based on the aforementioned, it has sufficient means and capability for the purpose of fulfilling its obligations under the Offer and that it has firm arrangements for funds to fulfil the payment obligations under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations and applicable provisions of SEBI Delisting Regulations.

3. After considering the aforementioned, Ms. Sheetal Shah (Membership No.: 102140), partner of S.V. Shah & Associates, Chartered Accountants (Firm Registration No.: 1395174W), having office at 208, Regent Chambers, 2nd Floor, Jammalal Bajaj Road, 208, Nariman Point, Mumbai – 400021; Tel. No.: 022 4344 0123, *vide* her certificate dated November 16, 2022 had certified that the Acquirer, jointly with PAC, have adequate financial resources for fulfilling their obligations under the Offer.

4. The Acquirer has by way of security for performance of its obligations and in accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an escrow account under the name and style of 'Escrow Account - BCP Asia II Topco II - Offer Account' (“**Escrow Account**”) with Kotak Mahindra Bank Limited having its registered office at 2nd Floor, 27BKG, Plot No. C-27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 (“**Escrow Agent**”) and, in accordance with the Regulation 17 of the SEBI (SAST) Regulations and Regulation 14 of the SEBI Delisting Regulations, made therein a cash deposit of INR 1406,46,75,096/- (Indian Rupees One Thousand Four Hundred and Six Crore Forty Six Lakh Seventy Five Thousand Ninety Six only) in the Escrow Account in cash, being 100% (one hundred per cent) of the total consideration payable to the Public Shareholders under the Offer, assuming full acceptance. The cash deposit has been confirmed by the Escrow Agent.

5. The Acquirer has authorised the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations and the applicable provisions of the SEBI Delisting Regulations.

6. The source of the funds for the Offer is the cash deposited in the Escrow Account being 100% (one hundred per cent) of the total consideration payable to the Public Shareholders under the Offer, assuming full acceptance.

7. In case of any upward revision in the Offer Price or the Offer Size, the value in cash of the escrow amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size, and any additional amounts required, shall be funded by Acquirer in the Escrow Account, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

8. Based on the above, the Manager is satisfied that firm arrangements for payment through verifiable means have been put in place by the Acquirer and PAC to fulfill their obligations under the Offer.

VI. STATUTORY AND OTHER APPROVALS

1. The consummation of the Underlying Transaction and the Offer is subject to the receipt (or waiver by the Acquirer in certain cases) of the Required Approvals namely:

- (i) Anti-Trust Approvals;
- (ii) Romanian FDI Approval;
- (iii) the grant of no-action and/or exemptive relief from U.S. Securities and Exchange

- Commission in order to make the Offer to be made to holders of Equity Shares in compliance with the rules and regulations under the U.S. Securities Exchange Act of 1934 (as amended), if applicable;
- (iv) a valid shareholders resolution approving the delisting of the Target Company through the Offer is passed in accordance with all the requirements of Regulation 11 of the SEBI Delisting Regulations; and
- (v) the Stock Exchanges have granted their in-principle approval to the delisting of the Target Company in accordance with Regulation 12 of the SEBI Delisting Regulations.
- To the best of the knowledge of the Acquirer, there are no other statutory or governmental approvals required for the consummation of the Underlying Transaction and the Offer. However, if any other statutory or governmental approval(s) are required or become applicable at a later date before closure of the Tendering Period, this Offer shall be subject to such statutory approvals and the Acquirer shall make the necessary applications for such statutory approvals and the Underlying Transaction and the Offer would also be subject to such other statutory or other governmental approval(s). The Acquirer shall make the necessary applications for such other approvals. The applications for the required statutory approvals (as currently deemed necessary) are in the process of being filed.
2. In the event that any statutory or other approvals required are not obtained or are finally refused or are otherwise not received, or the conditions precedent under the SPA not fulfilled (unless waived by the Acquirer) within the time period set out in the SPA (or such other later date as the Acquirer and Sellers may mutually agree in writing under the SPA) for reasons outside the reasonable control of the Acquirer and PAC or the Termination Event happens, the Acquirer and PAC may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal, a public announcement will be made within 2 (two) working days of such withdrawal in the same newspapers in which this DPS has appeared.
3. In case of delay in receipt of any statutory approval, or any other approval that may be required by the Acquirer or PAC, SEBI may, if satisfied, grant an extension of time to the Acquirer for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(1) of the SEBI (SAST) Regulations. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
4. All Public Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.
- VII. TENTATIVE SCHEDULE OF ACTIVITY**
1. This Offer is a composite offer being made under Regulations 3(1), 4 and 5A of the SEBI (SAST) Regulations. The Acquirer will comply with provisions of SEBI (SAST) Regulations and SEBI Delisting Regulations as applicable:
- | S. No. | Activity | Schedule of activities (Day & Date) ⁽¹⁾ |
|--------|--|--|
| 1. | Date of making the PA | Wednesday, November 16, 2022 |
| 2. | Date of publication of the DPS | Wednesday, November 23, 2022 |
| 3. | Last date for filing of the draft LOF with SEBI | Wednesday, November 30, 2022 |
| 4. | Last date for board of directors of the Target Company approving the delisting of the Target Company through the Offer | Wednesday, December 07, 2022 |
| 5. | Last date for public announcement for competing offer(s) | Wednesday, December 14, 2022 |
| 6. | Last date for receipt of comments from SEBI on the draft LOF (in the event SEBI has not sought clarification or additional information from the Manager to the Offer) | Wednesday, December 21, 2022 |
| 7. | Identified Date / Specified Date ⁽²⁾ for determining the names of the Public Shareholders to whom the LOF is sent (“ Specified Date ” or “ Identified Date ”) | Friday, December 23, 2022 |
| 8. | Last date of dispatch of the LOF to the Public Shareholders as on Specified Date / Identified Date | Friday, December 30, 2022 |
| 9. | Last date of publication of recommendation by independent directors of the Target Company | Wednesday, January 04, 2023 |
| 10. | Last date for upward revision of the Offer Price and/or the Offer Size | Wednesday, January 04, 2023 |
| 11. | Date of publication of Offer opening public announcement, in the newspapers in which this DPS has been published | Thursday, January 05, 2023 |
| 12. | Date of commencement of the Tendering Period | Friday, January 06, 2023 |
| 13. | Date of closure of the Tendering Period | Thursday, January 19, 2023 |
| 14. | Public announcement in case of failure of Delisting Offer | Monday, January 23, 2023 |
| 15. | Last date for shareholders to withdraw the Equity Shares tendered under the Offer, in case of failure of Delisting Offer | Tuesday, January 31, 2023 |
| 16. | Final date of payment of consideration/ Return of unaccepted Equity Shares to Public Shareholders | Friday, February 03, 2023 |

- Notes:**
1. The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations and the SEBI Delisting Regulations) and are subject to receipt of relevant approvals from various statutory/regulatory authorities and may have to be revised accordingly.
2. The Specified Date / Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be posted. However, all Public Shareholders of the Target Company are eligible to participate in the Offer any time before the closure of the Tendering Period.
- VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER**
1. For the purpose of this Offer, details of the escrow depository account (“**Offer Escrow Demat Account**”) or buying broker, as applicable, will be included in the LOF.
2. The Acquirer intends to complete the Offer through the stock exchange mechanism made available by the stock exchanges, and consequently, if and upon acquiring control over the Target Company in accordance with the SEBI (SAST) Regulations, the Acquirer will implement this Offer through the stock exchange mechanism made available by the stock exchanges in the form of a separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and the applicable SEBI circulars including in particular SEBI circular bearing number CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015, as amended from time to time, read with the SEBI circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended from time to time, and SEBI Circular bearing number SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021. As per SEBI Circular bearing number SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, a lien shall be marked against the shares of the shareholders participating in the Offer. Upon finalisation of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares and the details of the designated stock exchange for the Offer will be set out in the LOF. In this regard, the Acquirer will appoint a registered broker as a buying broker through whom the purchases and settlements on account of the Offer Shares tendered under the Offer shall be made. All Public Shareholders who desire to tender their Equity Shares under the Offer will have to intimate their respective stock brokers (“**Selling Broker**”) within the normal trading hours of the secondary market, during the Tendering Period. The Acquisition Window will be provided to facilitate placing of sell orders. The Selling Broker can enter orders for Equity Shares in dematerialized form.
3. If the Acquirer has not acquired control over the Target Company, the Acquirer will acquire Equity Shares tendered by the Public Shareholders through the ‘off-market’ route. Public Shareholders who wish to accept the Offer and tender their Equity Shares can send/deliver the form of acceptance-cum-acknowledgment (which will be annexed to the LOF) duly signed along with all the relevant documents (envelope should be super-scribed “R Systems International Limited - Composite Offer”) at any of the collection centres of the Registrar to the Offer mentioned in the LOF on or before the date of closure of the Tendering Period in accordance with the procedure as set out in the LOF.
4. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Specified Date / Identified Date, or those who have acquired Equity Shares after the Identified Date, or those who have not received the LOF, may also participate in this Offer by submitting an application on a plain paper giving details set out below and in the LOF. In the alternate, such holders of the Equity Shares of the Target Company may apply in the form of acceptance-cum-acknowledgement in relation to this Offer that will be annexed to the LOF, which may also be obtained from the SEBI website (www.sebi.gov.in) and from the Registrar to the Offer. The application is to be sent to the Registrar to the Offer at any of the collection centers that shall be mentioned in the LOF, so as to reach the Registrar to the Offer during business hours on or before 4:00 p.m. on the date of closure of the Tendering Period of this Offer, together with the depository participant (“**DP**”) name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in “off-market” mode duly acknowledged by the DP for transferring the Equity Shares of the Target Company to the Offer Escrow Demat Account. The envelope should be super-scribed “R Systems International Limited - Composite Offer”. Public Shareholders holding shares in demat form are not required to submit the Form of Acceptance-cum-Acknowledgment to the Registrar. In case of non-receipt of the required documents, but receipt of the equity shares in the Escrow Demat Account, the Offer may be deemed to have been accepted by the Public Shareholder.
5. Subject to Section VI (*Statutory and Other Approvals*) of this DPS, all the Public Shareholders (*registered or unregistered*) of the Target Company, holding Equity Shares in dematerialised form, are eligible to participate in this Offer at any time during the Tendering Period for this Offer.
6. In accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Offer as per the provisions of the SEBI (SAST) Regulations.
7. Accidental omission to dispatch the LOF to any person to whom the Offer is made or the non-receipt or delayed receipt of the LOF by any such person will not invalidate the Offer in any way.
8. The Public Shareholders who tender their Equity Shares in the Offer shall ensure that the Equity Shares are fully paid-up and are free from all liens, charges and encumbrances. The Acquirer shall acquire the Offer Shares that are validly tendered and accepted in the Offer, together with all rights attached thereto, including the right to dividends, bonuses and rights offers declared thereof in accordance with the applicable law and the terms set out in the PA, this DPS and the LOF.
9. In case the Delisting Offer is not successful, the Public Shareholders of the Target Company shall have a right to withdraw any Equity Shares tendered under the Offer within 5 (five) working days from the date of announcement of failure of Delisting Offer in terms of Regulation 5A(5) of the SEBI (SAST) Regulations.
10. The detailed procedure for tendering the Equity Shares in the Offer will be available in the LOF.

11. Eligible Public Shareholders may also: (a) download the LOF from the SEBI website (www.sebi.gov.in), when available; or (b) download the LOF from the website of the Registrar to the Offer (https://web.linkintime.co.in/client-downloads.html), when available or (c) obtain a copy of the LOF by writing to the Registrar superscribing the envelope with: (1) suitable documentary evidence of ownership of the Equity Shares of the Target Company; and (2) their folio number, DP identity - client identity, current address and contact details.
- IX. OTHER INFORMATION**
1. In terms of Regulation 8(3)(b) of the SEBI Delisting Regulations, the Acquirer and PAC, jointly and severally, undertake and confirm that the Acquirer and PAC:
- (a) have not sold any Equity Shares during the period of 6 (six) months prior to the date of the PA; and
- (b) shall not, directly or indirectly:
- (i) employ any device, scheme or artifice to defraud any shareholder of the Target Company or other person;
- (ii) engage in any transaction or practice that operates as a fraud or deceit upon any shareholder of the Target Company or other person; or
- (iii) engage in any act or practice that is fraudulent, deceptive or manipulative.
- in connection with the Delisting Offer of the Equity Shares sought or permitted or exit opportunity given or other acquisition of Equity Shares made under the SEBI Delisting Regulations.
2. The Acquirer, PAC and their directors accept full responsibility for the information contained in the PA and this DPS (other than such information as has been obtained from public sources or provided by or relating to and confirmed by the Target Company or the Sellers).
3. The information pertaining to the Target Company in the PA, this DPS or the LOF or any other advertisement/publications made in connection with the Offer has been compiled from public sources or provided by or relating to and confirmed by the Target Company which has not been independently verified by the Acquirer or the Manager. The information pertaining to the Sellers contained in the PA, this DPS or the LOF or any other advertisement/ publications made in connection with the Offer has been obtained from the Sellers. The Acquirer, the PAC and the Manager do not accept any responsibility with respect to such information relating to the Target Company or the Sellers.
4. The Acquirer and PAC also accept full responsibility for their obligations under the Offer.
5. In this DPS, all references to “INR” are references to Indian Rupees and all references to “USD” are reference to United States Dollar.
6. Unless otherwise stated, the information set out in this DPS reflects the position as of the date hereof.
7. In this DPS, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and/or regrouping.
8. The PA is available and this DPS is expected to be available on SEBI’s website (www.sebi.gov.in).
9. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer and PAC have appointed Kotak Mahindra Capital Company Limited as the Manager to the Offer.
10. The Acquirer and PAC have appointed Link Intime India Private Limited as the Registrar to the Offer. The details of the Registrar to the Offer are:

LINKIntime

Link Intime India Private Limited

CIN: U67190MH1999PTC118368

Address: C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083

Tel: +91 810 811 4949 | Fax: +91 22 4918 6195

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

Email ID: rsystems.offer@linkintime.co.in

Investor grievance email ID: rsystems.offer@linkintime.co.in

kotak®

Investment Banking

Kotak Mahindra Capital Company Limited

27 BKC, 1st Floor, Plot No. C-27, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

Contact Person: Mr. Ganesh Rane

Phone: +91 22 4336 0128 | Fax: +91 22 6713 2447

Email: rsystemsoffer@kotak.com

SEBI Registration Number: INM000008704

Validity Period: Permanent Registration

For and on behalf of the Acquirer

Sd/-

For and on behalf of the PAC

Sd/-

Date: November 22, 2022

Place: Singapore / New York