R SYSTEMS INTERNATIONAL LIMITED

SEI CMMI Level 5, PCMM Level 5, ISO 9001:2008 & ISO 27001:2005 Company
C-40, SECTOR-59, NOIDA - 201 307, DISTT. GAUTAM BUDH NAGAR, U.P. (INDIA)
PHONES : 0120-4303500 FAX : 0120-2587123
EMAIL : rsystems.india@rsystems.com, URL : www.rsystems.com
REGD. OFF. : B-104 A, GREATER KAILASH-I, NEW DELHI - 110 048

KIND ATTN: MR. HARI .K / MR. ANEESH KUMAR

REF: SECT/12/2013/28

DECEMBER 11, 2013

To,
The Managing Director
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra – (E),
Mumbai – 400 051

Dear Sir,

Sub: Abstract And Memorandum To The Shareholders Pursuant To Section 302 Of The Companies Act, 1956

This is with reference to the listing agreement entered into by R Systems International Limited. We wish to inform you that the Board of Directors of R Systems International Limited on the approval and recommendation of the Remuneration Committee and subject to the approval of the Shareholders, Central Government and other authorities, if applicable at its meeting held on November 29, 2013 unanimously approved the reappointment of and remuneration payable to Mr. Satinder Singh Rekhi as Chairman & Managing Director of the Company.

We are circulating to the shareholders an abstract and memorandum of the said reappointment and remuneration of Mr. Satinder Singh Rekhi in accordance with the provisions of Section 302 of the Companies Act, 1956, three copies (one copy as certified true copy) of the same are enclosed for your reference.

This is for your information and records.

Thanking you.

Yours faithfully,
For R Systems International Limited

R SYSTEMS INTERNATIONAL LTD.

Vikash Kumar Tiwari
(Company Secretary & Compliance Officer)
Encl : a/a

R SYSTEMS INTERNATIONAL LIMITED

Registered Office : B - 104A, Greater Kailash - I, New Delhi - 110 048
Corporate Office : C - 40, Sector - 59, Noida - 201 307
Website : www.rsystems.com Email : investors@rsystems.com

TO THE MEMBERS OF
R SYSTEMS INTERNATIONAL LIMITED

ABSTRACT AND MEMORANDUM UNDER SECTION 302 OF THE COMPANIES ACT, 1956

The Board of Directors (the "Board") of R Systems International Limited (the "Company" or "R Systems") on the approval and recommendation of the Remuneration Committee and subject to the approval of the Shareholders, Central Government and other authorities, if applicable at its meeting held on November 29, 2013 unanimously approved (in supersession of earlier approval granted on October 25, 2013) the reappointment of Mr. Satinder Singh Rekhi as Chairman and Managing Director of the Company for a term of five years i.e. from January 01, 2014 to December 31, 2018 and also remuneration payable to Mr. Satinder Singh Rekhi as Chairman and Managing Director of the Company for a term of three years i.e. from January 01, 2014 to December 31, 2016. The abstract of the terms and conditions of his reappointment, memorandum of concern or interest in accordance with the provisions of Section 302 of the Companies Act, 1956 and other applicable provisions is as follows:

TERMS AND CONDITIONS OF REAPPOINTMENT & REMUNERATION OF MR. SATINDER SINGH REKHI AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY

Mr. Satinder Singh Rekhi founded R Systems in 1993. Mr. Rekhi is a technocrat with over 30 years of experience in the information technology industry. Prior to R Systems, Mr. Rekhi held senior management positions with HCL Technologies and DISC (now Synergex) in the United States, Singapore and India. Mr. Rekhi received a Bachelor of Technology degree from IIT, Kharagpur, India and a Masters in Business Administration from California State University, Sacramento. He has also attended several senior management programs from University of Berkeley and Harvard Business School. At the time of his previous appointment, Mr. Satinder Singh Rekhi was reappointed as Chairman and Managing Director of the Company up to December 31, 2013. The present term of his appointment is about to be completed and considering his continued contributions and efforts towards the success of the Company, he has been reappointed as the Chairman and Managing Director of the Company for a term of five years i.e. from January 01, 2014 to December 31, 2018 and also his remuneration has been approved for a period three years i.e. from January 01, 2014 to December 31, 2016. As a Chairman and Managing Director, Mr. Rekhi is responsible for overall business development and working of the Company.

Mr. Satinder Singh Rekhi is holding the office of director in the following ten bodies corporate, which are incorporated and based outside India i.e. R Systems, Inc., R Systems (Singapore) Pte Ltd, RightMatch Holdings Ltd., Indus Software, Inc., ECnet Systems (Thailand) Co. Ltd., ECnet, Inc., R Systems Solutions, Inc., R Systems Europe B. V., Computaris International Limited and Systémes R. International Ltée.

As on the date of this notice, Mr. Rekhi holds 130,920 equity shares (being 1.03% of the total paid up share capital) of the Company in his own name and 1,834,718 equity shares (being 14.49% of the total paid up share capital) of the Company as a trustee of Satinder & Harpreet Rekhi Family Trust.

Mr. Satinder Singh Rekhi is reappointed as Chairman and Managing Director of the Company for a period of 5 years w.e.f. January 01, 2014 to December 31, 2018 in accordance with the provisions of the Companies Act, 1956 and applicable R Systems policies and also his remuneration is approved for a period 3 years on the following terms and conditions:

1. Compensation: He will be paid at the rate of USD 400,000 (USD Four lakhs only) per annum as base salary. This will be payable semi-monthly on the 15th of each month and again on the last day of the month. Applicable taxes will be deducted from his gross earnings;
2. Automobile: The Company will furnish him with an automobile including maintenance and fuel expenses, comparable to his position, while employed with the Company;
3. Health Insurance: He and his qualified dependents will be eligible to receive health insurance coverage through the Company or its subsidiaries insurance carriers. The terms, conditions and eligibility requirements for such insurance coverage are set forth in the summary plan description(s) describing the coverage;
4. Other benefits: He will be eligible to participate in the Company's or R Systems, Inc.'s retirement plans in accordance with the prevalent policies;
5. Bonus: He will also be entitled for an annual bonus of 2% of the consolidated net profits subject to a maximum of USD 150,000;
6. Annual Increment: He will be entitled for an annual increment of 15% on his base salary of the immediate previous year on January 01, 2015 and January 01, 2016.

MEMORANDUM OF CONCERN OR INTEREST

None of the Directors except Lt. Gen. Baldev Singh (Retd.), President and Senior Executive Director being the relative of Mr. Satinder Singh Rekhi and Mr. Satinder Singh Rekhi so far as it relates to his own reappointment and remuneration, is concerned or interested in the aforesaid terms and conditions.

The aforementioned terms and conditions of reappointment and remuneration were duly considered, approved and recommended by the Remuneration Committee at its meeting held on November 29, 2013. Following the approval and recommendations of the Remuneration Committee, the Board unanimously approved the reappointment and remuneration of Mr. Satinder Singh Rekhi as Chairman and Managing Director of the Company at its meeting held on November 29, 2013.

The above statement is issued in accordance with the requirements of Section 302 of the Companies Act, 1956 and other applicable provisions and the remuneration (including minimum remuneration in case of absence or inadequacy of profits) stipulated herein above is subject to the approval of the Shareholders, Central Government and other authorities, wherever applicable.

In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Satinder Singh Rekhi as Chairman and Managing Director, the Company shall pay him the remuneration as specified above as minimum remuneration.

The copy of the resolutions approved by the Remuneration Committee and the Board at their respective meetings held on November 29, 2013, in respect of the above, may be inspected at the Registered Office / Corporate Office of your Company between 10.30 A.M. and 12.30 P.M. on all working days except Saturday and holiday.

Place : Noida
Date : November 29, 2013

CERTIFIED TRUE COPY

For R SYSTEMS INTERNATIONAL LTD.

Company Secretary

BY ORDER OF THE BOARD
R SYSTEMS INTERNATIONAL LIMITED
SD/-
VIKASH KUMAR TIWARI
(COMPANY SECRETARY & COMPLIANCE OFFICER)