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/01/2013/02

JANUARY 01, 2013

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

Dear Sir/Madam,

SUB: RECOMMENDATIONS OF THE COMMITTEE OF INDEPENDENT DIRECTORS (IDC) ON THE OPEN OFFER TO THE SHAREHOLDERS OF THE TARGET COMPANY (R SYSTEMS INTERNATIONAL LIMITED) UNDER REGULATION 26(7) OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

This is with reference to Open Offer to acquire 26% of the equity share & voting capital of R Systems International Limited ("Target Company") by Mr. Bhavook Tripathi ("Acquirer") to the shareholders of Target Company (the "Offer") pursuant to the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereof (the "SEBI (SAST) Regulations").

As required in terms of Regulation 26(7) of the SEBI (SAST) Regulations, please find attached here a copy of the recommendations of Committee of Independent Directors on the Open Offer to the shareholders of R Systems International Limited given by Mr. Bhavook Tripathi (the acquirer). A copy of the said recommendations is simultaneously being released for publication in the newspapers where the public announcement of the open offer was published.

This is for your information and record.

Yours faithfully,
For R Systems International Limited

Vikash Kumar Tiwari
(Company Secretary & Compliance Officer)

R SYSTEMS INTERNATIONAL LIMITED

Registered Office: B -104A, Greater Kailash - I, New Delhi - 110 048

Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of the Target Company (R Systems International Limited) under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

1.	Date	January 16, 2012 as updated on March 02, 2012, August 05, 2012 and December 26, 2012.
2.	Name of the Target Company (TC)	R SYSTEMS INTERNATIONAL LIMITED
3.	Details of the Offer pertaining to TC	Mr. Bhavook Tripathi (Acquirer) vide Public Announcement dated December 15, 2011 and Detailed Public Statement dated December 22, 2011 has made an open offer to acquire 33,45,242 Equity Shares of Rs. 10/- each representing 26% of the paid up capital of the Target Company at a price of Rs. 150.75/- per share as revised by Supplemental Public Announcement dated March 13, 2012 and further revised vide letter dated December 26, 2012 by the acquirer.
4.	Name(s) of the acquirer and PAC with the acquirer	Mr. Bhavook Tripathi (As per declaration by the Acquirer in Draft Letter of Offer, no one is Person Acting in Concert with the Acquirer.)
5.	Name of the Manager to the offer	KJMC Corporate Advisors (India) Limited (Formerly KJMC Global Market (India) Ltd.), 168, Atlanta, 16th Floor, Nariman Point, Mumbai – 400 021; Telephone: +91 22 4094 5500, +91 22 22885201; Facsimile : +91 22 22852892; Email : rsil.offer@kjmc.com
6.	Members of the Committee of Independent Directors *(Please indicate the chairperson of the Committee separately)*	Mr. Raj Kumar Gogia, Mr. Suresh Paruthi, Mr. Gurbax Singh Bhasin and Mr. Anuj Kanish (as an alternate Director to Mr. Gurbax Singh Bhasin). (Mr. Raj Kumar Gogia is the Chairman of the Committee.)
7.	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	All the members of the Committee are non-executive Independent Directors of the Target Company and none of them holds any shares of the Target Company or have entered into other contract or relationship with the Target Company.
8.	Trading in the Equity shares/other securities of the TC by IDC Members	None of the IDC Members have done any trading in equity shares or other securities of the Target Company.
9.	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC Members have any contract or relationship with the Acquirer or hold any directorship or any equity share in acquirer.

10.	Trading in the Equity shares/other securities of the acquirer by IDC Members	None of the IDC Members have done trading in the shares or other securities of the Acquirer.
11.	Recommendation on the Open offer, as to whether the offer is fair and reasonable	The Committee of Independent Directors believes that the Open Offer is not fair and reasonable.
12.	**Summary of reasons for recommendation** *(IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder)*	The offer price of Rs. 150.75 per share, as revised by the Acquirer vide letter dated December 26, 2012 is not fair and reasonable for the following reasons: (i) The closing price per equity shares as on December 26, 2012 is Rs. 193.25 at NSE and Rs. 193.60 at BSE. Accordingly the offer price is at a discount of approximately 21.99% and 22.13% to the closing prices of the equity share of the Target Company on the NSE & BSE respectively (as on December 26, 2012). (ii) The book value of the Target Company as per books of accounts on consolidated basis on 30.09.2012 is Rs.156.16 per share, accordingly the offer price is at a discount of 3.46% (approx.) to the book value of the equity shares of the Target Company. *A copy of this Recommendation of IDC will be made available on Target Company's website i.e. www.rsystems.com under investor section.*
13.	Details of Independent Advisors, if any.	Nil
14.	Any other matter(s) to be highlighted	Nil

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the Takeover Code.

For R Systems International Limited

Place : Noida
Date : December 26, 2012

(Raj Kumar Gogia)

Chairman-Committee of Independent Directors