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/09/2012/37

SEPTEMBER 26, 2012

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 Circulated 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 September 16, 2012 unanimously approved the reappointment of and remuneration payable to Mr. Raj Swaminathan as Director & Chief Operating Officer of the Company.

We are circulating to the shareholders as abstract and memorandum of the said reappointment and remuneration of Mr. Raj Swaminathan 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

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 September 16, 2012 unanimously approved the reappointment of and remuneration payable to Mr. Raj Swaminathan as Director and Chief Operating Officer of the Company for a term of three years i.e. from September 29, 2012 to September 29, 2015. 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 OF MR. RAJ SWAMINATHAN AS DIRECTOR AND CHIEF OPERATING OFFICER OF THE COMPANY

Mr. Raj Swaminathan has over 28 years of experience in IT and Financial Services Industry. He has done his MBA from XLRI after his graduation in Engineering. Prior to joining R Systems, Raj has had a distinguished 11 year career at GE where he was Vice President and CIO at GE-Countrywide, India and part of the senior Global Consumer Finance corporate IT team. Earlier in his career, Raj also headed the IT function at Standard Chartered Bank for the consumer, corporate banking and treasury businesses.

Mr. Raj Swaminathan joined the Board of the Company as director on September 29, 2006 for a term of three years. Since then he is continuously providing his guidance and support on the Board. He was further re-appointed for a term of three years i.e. w.e.f. September 29, 2009 to September 29, 2012. The present term of his appointment is about to be completed and considering his continued contributions and efforts towards the success of the Company, the Board on the approval and recommendation of the Remuneration Committee has reappointed him for a further term of three years i.e. w.e.f. September 29, 2012 to September 29, 2015. Presently Mr. Raj Swaminathan is heading the Indus operations of R Systems and his presence is crucial for the effective and efficient operations of the business.

Mr. Raj Swaminathan is not holding any office of director / member in other company's board / committee. As on the date of this notice he holds 15,000 equity shares of Rs. 10/- each in the Company.

Mr. Raj Swaminathan has been reappointed as Director and Chief Operating Officer of the Company for a period of three years i.e. w.e.f. September 29, 2012 to September 29, 2015 in accordance with the provisions of the Companies Act, 1956 and applicable R Systems policies on the following terms and conditions.

Monthly Salary Particulars	
	INR
Basic	186,600
HRA	93,300
Conveyance Allowance	800
Executive Allowance	136,937
Gross Per Month	**417,637**
Annual Allowances	
Leave Travel Assistance	119,996
Company's Contribution to Provident Fund	9,360
Gross Annual Allowances	**129,356**
Annual Reimbursements	
Medical Reimbursement	15,000
Petrol Reimbursement	144,000
Gross Annual Reimbursements	**159,000**
Gross Per Annum	**5,300,000**
In addition to the above, he will be eligible for the Group Mediclaim and Personal Accident Insurance as per Company policy.	
He will also be eligible for a performance incentive consisting of a fixed bonus of Rs. 1,100,000 paid pro rata for period of service in the year, at the end of each year and a variable bonus subject to a maximum of Rs. 1,000,000 per annum & subject to his being on the rolls of the Company at the time the same is declared. This incentive is discretionary and is based on the Company's performance in that financial year and also his own annual performance.	

In addition, as per the usual terms and conditions of his employment, he will be entitled for a maximum annual increment of 15% per annum at the discretion of the Managing Director and Chief Executive Officer and subject to the approval of the Remuneration Committee and the Board on the total cost to the Company effective on October 01, 2013 and October 01, 2014 and he will be entitled to the aforementioned minimum remuneration and annual increment as approved even in the case of absence or inadequacy of profits in any financial year during his tenure.

Apart from remuneration stated herein above, Mr. Raj Swaminathan has earlier also been granted 60,000 stock options under R Systems International Limited Employees Stock Option Scheme 2007 on July 11, 2007, out of which he has already exercised 45,000 options equivalent to 45,000 equity shares of Rs. 10/- each and the balance 15,000 options are in force.

MEMORANDUM OF CONCERN OR INTEREST

None of the directors except Mr. Raj Swaminathan so far as it relates to his own reappointment, is concerned or interested in the aforesaid terms and conditions of reappointment and remuneration.

The aforementioned terms and conditions of reappointment and remuneration were duly considered, approved and recommended by the Remuneration Committee at its meeting held on September 16, 2012. Following the approval and recommendations of the Remuneration Committee, the Board unanimously approved the reappointment and remuneration of Mr. Raj Swaminathan as Director and Chief Operating Officer of the Company at its meeting held on September 16, 2012.

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 and Central Government, wherever applicable.

In the event of absence or inadequacy of profits in any financial year during the tenure of aforesaid appointee, the Company shall pay him the remuneration as specified above.

The copy of the resolutions approved by the Remuneration Committee and the Board at their respective meetings held on September 16, 2012, 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.

BY ORDER OF THE BOARD
R SYSTEMS INTERNATIONAL LIMITED

CERTIFIED TRUE COPY

Sd/-

Place : Noida
Date : September 16, 2012

Vikash Kumar Tiwari
(Company Secretary & Compliance Officer)

For R SYSTEMS INTERNATIONAL LTD.

Company Secretary