



R SYSTEMS INTERNATIONAL LIMITED

Corporate Identity Number : L74899DL1993PLC053579
[CMMI Level 5, PCMM Level 5, ISO 9001:2015 & ISO 27001:2013 Company]
C-40, Sector-59, NOIDA, Distt. Gautam Budh Nagar, U.P., India – 201 307

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Regd. Off.: GF-1-A, 6, Devika Tower,
Nehru Place, New Delhi- 110019

REF: SECT/10/2023/07

OCTOBER 16, 2023

To, The Managing Director National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Symbol: RSYSTEMS	To, The General Manager BSE Limited First floor, PJ Towers, Dalal Street, Mumbai 400 001 Scrip code: 532735
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Dear Sir,

SUB : CORPORATE DISCLOSURE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015- POSTAL BALLOT NOTICE

This is with reference to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**) and our letter dated October 11, 2023.

Please find enclosed herewith a copy of the Postal Ballot Notice sent to shareholders of R Systems International Limited (the "**Company**") dated October 16, 2023, along with the explanatory statement pursuant to the applicable provisions of the Companies Act, 2013 read with the SEBI Listing Regulations, for seeking approval of the shareholders of the Company on the resolutions as forming part of the Notice ("**Postal Ballot Notice**").

In compliance with applicable Regulations and circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India, the Company has dispatched the Notice along with Explanatory statement through electronic mode to all the members whose email addresses are registered/ available with the Company/ Depository Participants/ RTA as at Friday, October 13, 2023.

The Company has engaged the services of Link Intime India Private Limited ("**LI IPL**") to provide remote e-voting facility to its Members. The remote e-voting period shall commence on Tuesday, October 17, 2023 from 9.00 A.M.(IST) and will end on Wednesday, November 15, 2023 at 5.00 P.M. (IST). The e-voting module shall be disabled by LI IPL thereafter.

Voting rights of the Members shall be in proportion to the shares held by them in the equity share capital of the Company as on the cut-off date i.e. Friday, October 13, 2023. The detailed instructions for remote e-voting are provided in the Postal Ballot Notice.

The Postal Ballot Notice is also available on the website of the Company at <https://www.rsystems.com/investors-info/postal-ballot/> and on the website of LI IPL at <https://instavote.linkintime.co.in>.

This is for your information and record.

Thanking you.

Yours faithfully,

For R Systems International Limited

Bhasker Dubey
(Company Secretary & Compliance Officer)



R SYSTEMS INTERNATIONAL LIMITED
Corporate Identification No. L74899DL1993PLC053579
Registered Office: GF-1-A, 6, Devika Tower, Nehru Place, New Delhi 110019
Corporate Office: C - 40, Sector - 59, Noida (U.P.) - 201 307
Telephone: 0120 - 430 3500
Website: www.rsystems.com; Email: investors@rsystems.com

POSTAL BALLOT NOTICE
(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies
(Management & Administration) Rules, 2014)

Dear Shareholder(s)/ Member(s),

This Notice is hereby given to the Members of R Systems International Limited (“**Company**”/ “**R Systems**”), pursuant to Sections 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, (“**Companies Act**”) read with the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, Circular No. 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 read with other relevant circulars including General Circular No. 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023, (collectively the “**MCA Circulars**”) in relation to extension of the framework provided in the aforementioned General Circulars up to September 30, 2024, issued by the Ministry of Corporate Affairs (“**MCA**” and the circulars issued by MCA are collectively referred to as “**MCA Circulars**”) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI LODR Regulations**”), including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force and as may be enacted hereinafter, Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, and other applicable provisions of the Companies Act for seeking approval of the shareholders by way of special resolution for matter as considered in the Resolution appended below through postal ballot (“**Postal Ballot**”) by way of remote e-voting only.

The proposed resolutions along with the explanatory statements pursuant to Section 102 of the Companies Act and other applicable legal provisions, pertaining to the aforesaid resolution setting out the material facts and the reasons thereof, is also appended hereinafter. The proposed resolutions and explanatory statements are being sent to you for your consideration.

In terms of the requirements specified in the MCA Circulars, Company is sending this Postal Ballot Notice in electronic form only to those Members whose e-mail addresses are registered with the Depository Participants and the Company’s RTA (defined below). Accordingly, physical copy of the Notice along with postal ballot form and pre-paid business reply envelope are not being sent to the Members for this postal ballot.

The communication of the assent or dissent of the Members would only take place through the remote e-voting system.

In compliance with Regulation 44 of the SEBI LODR Regulations and pursuant to the provisions of Act, the MCA Circulars, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the postal ballot form physically. The Company has engaged Link Intime India Private Limited (“**LI IPL**” or “**RTA**”), its Registrar and Transfer Agent, for the purpose of providing remote e-voting facility to its members. The instructions for remote e-voting are mentioned in this Notice.

SPECIAL BUSINESSES

ITEM NO. 1

To consider and if thought fit, to pass the following resolution as a Special Resolution:

APPROVAL OF R SYSTEMS INTERNATIONAL LIMITED MANAGEMENT INCENTIVE PLAN 2023 FOR GRANT OF OPTIONS/ RESTRICTED STOCK UNITS TO THE ELIGIBLE EMPLOYEES OF THE COMPANY

“RESOLVED THAT pursuant to Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (**“Act”**) and rules made thereunder, and pursuant to the applicable provisions of Regulation 6 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**“SBEB & SE Regulations”**), Regulation 26 (6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) and other applicable provisions, if any, the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (**“FEMA Regulations”**) and other applicable provisions for the time being in force and as may be modified from time to time, and other laws, rules, regulations, circulars and guidelines of any / various statutory/ regulatory authority(ies) that are or may become applicable (collectively referred to as **“Applicable Laws”**), the memorandum of association and articles of association of R Systems International Limited (**“Company”**), and subject to any approvals, permissions and sanctions of any/ various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which term shall include the Nomination, Remuneration and Compensation Committee (**“NRCC”**)), the approval of the members of the Company be and is hereby accorded for the adoption of the R Systems International Limited Management Incentive Plan 2023 (**“Plan”**), for the benefit of the eligible employees of the Company, on such terms, conditions, price and manners as referred in the explanatory statement and/ or Plan including modification thereof.

RESOLVED FURTHER THAT the approval of the members of the Company, be and is hereby granted to the Board to create, grant, offer, issue and allot in one or more tranches under Plan, at any time to or for the benefit of the eligible employees of the Company, such number of employee stock options (**“Options”**) and restricted stock units (**“RSUs”**) (as the case may be) exercisable into not more than 8,000,000 (Eight million) equity shares of the paid-up equity share capital of the Company (subject to adjustments as may be required due to corporate actions or change in control), at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with Applicable Laws as may be prevailing at that time.

RESOLVED FURTHER THAT the said equity shares allotted pursuant to the exercise of the Options or RSUs, as the case may be, shall rank pari-passu in all respects with the existing fully paid up equity shares of the Company.

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded to the Board for formulating and determining the detailed terms and conditions of the Plan from time to time including but not limited to:

- (i) the quantum of Options and RSUs to be granted at various points in time, per employee and in aggregate;
- (ii) the conditions under which the Options and RSUs may vest in grantees and may lapse in case of termination of employment for misconduct;
- (iii) allocate and bifurcate the total number of Options and RSUs to be granted under the Plan, provided that upon exercise it does not exceed the maximum limit of 8,000,000 (eight million) shares, subject to any adjustment as may be required due to any corporate action or change in control of the Company.
- (iv) the exercise period within which the grantee can exercise the Options (except where the grantee has been granted RSUs which are subject to automatic exercise) and that the Options or RSUs would lapse on failure to exercise the same within the exercise period;
- (v) the specified time period within which the grantee shall exercise the vested Options and the vested RSUs in the event of termination or resignation;
- (vi) the right of a grantee to exercise all the vested Options (except where the grantee has been granted RSUs which are subject to automatic exercise) in him at one time or at various points of time within the exercise period;
- (vii) formulate the procedure for making a fair and reasonable adjustment to the number of Options/ RSUs, including adjustment to the number of Options/RSUs and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the NRCC:
 - (a) the number and price of Options and RSUs shall be adjusted in a manner such that total value to the Grantee of the Options and RSUs remains the same after the corporate action;
 - (b) the vesting period and the life of the Options and RSUs shall be left unaltered as far as possible to protect the rights of the grantee (s) who is granted such Options and RSUs;
- (viii) formulate a policy for the grant, vesting and exercise of Options or RSUs in case of grantees who are on long leave;
- (ix) the process for funding the exercise of Options/RSUs;
- (x) the procedure for buy-back of specified securities as per the Applicable Laws and in accordance with the terms of the Plan;
- (xi) frame rules, regulations and procedures (which rules, regulations and procedures shall be subject to the prior approval of the Board) and prescribe forms and issue, or authorise any person to issue, circulars or orders (pursuant to such rules, regulations and/or procedures) in relation to the Plan and may, from time to time, amend recall or replace such rules, regulations, procedures (any amendment to such rules, regulations

and procedures being subject to the prior approval of the Board, if so required by the Board), forms, orders and circulars;

- (xii) formulate the criteria for identifying employees to whom the Options/RSUs are to be granted, and such criteria shall be subject to the prior approval of the Board;
- (xiii) grant an extension of time for the exercise of the Options (other than RSUs which are subject to automatic exercise) upon a specific request made by the concerned grantee (subject to any restrictions applicable under Section 409A);
- (xiv) the re-allocation of unexercised, surrendered, expired and/ or forfeited Options/RSUs;
- (xv) the procedure for cashless exercise of Options/ RSUs, if allowed;
- (xvi) determine the method for contentment of any tax obligation arising in connection with the Options or RSUs or shares issued pursuant to Plan;
- (xvii) number of Options/ RSUs reserved, if any, for granting to employee(s) at a future date;
- (xviii) to frame rules to cover matters not specifically identified herein, which are fair and reasonable and the terms of the Plan; and
- (xix) to construe and interpret the terms and conditions or settle any doubts / queries in connection with the Plan.

RESOLVED FURTHER THAT, subject to the provisions of Section 67 of the Act read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Act and the rules notified thereunder, and pursuant to the SBEB & SE Regulations, and such other rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable, the approval of the members of the Company be and is hereby accorded to the Board, to provide for money and/or to provide loan/ financial assistance to its employees, not exceeding 5% (five percent) of the aggregate of the paid-up share capital and free reserves of the Company, to enable the employees to pay the exercise price for the vested Options/ RSUs and purchase the equity shares of the Company, on such terms and conditions as may be decided by the Board for the purpose of implementation of the Plan.

RESOLVED FURTHER THAT in accordance with the terms of the Plan and the memorandum of association and articles of association of the Company, the Board be and is hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the terms and conditions of the Plan, and subject to Applicable Laws prevailing from time to time, as it may deem fit.

RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the Plan and generally for giving effect to this resolution, the Board, be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard.”

ITEM NO. 2

To consider and if thought fit, to pass the following resolution as a Special Resolution:

APPROVAL OF R SYSTEMS INTERNATIONAL LIMITED MANAGEMENT INCENTIVE PLAN 2023 FOR GRANT OF OPTIONS/ RESTRICTED STOCK UNITS TO THE ELIGIBLE EMPLOYEES OF GROUP COMPANIES (INCLUDING SUBSIDIARIES AND ASSOCIATE COMPANIES) OF THE COMPANY

“RESOLVED THAT pursuant to Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (**“Act”**) and rules made thereunder, and pursuant to the applicable provisions of Regulation 6 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**“SBEB & SE Regulations”**), Regulation 26 (6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) and other applicable provisions, if any, the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (**“FEMA Regulations”**) and other applicable provisions for the time being in force and as may be modified from time to time, and other laws, rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred to as **“Applicable Laws”**), the memorandum of association and articles of association of R Systems International Limited (**“Company”**), and subject to any approvals, permissions and sanctions of any/ various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which term shall include the Nomination, Remuneration and Compensation Committee (**“NRCC”**)), the approval of the members of the Company be and is hereby accorded to the extend the benefits of the R Systems International Limited Management Incentive Plan 2023 (**“Plan”**), for the eligible employees of the group companies (including its subsidiaries/ associate company), on such terms, conditions, price and manners as referred in the explanatory statement and/ or Plan including modification thereof.

RESOLVED FURTHER THAT the approval of the members of the Company, be and is hereby granted to the Board to create, grant, offer, issue and allot in one or more tranches under Plan, at any time to or for the benefit of the eligible employees of the Company and group companies (including its subsidiaries/ associate company), in aggregate such number of employee stock options (**“Options”**) and restricted stock units (**“RSUs”**) (as the case may be), exercisable into not more than 8,000,000 (Eight million) equity shares (subject to any adjustments as may be required due to corporate actions or change in control of the Company), at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with Applicable Laws as may be prevailing at that time.

RESOLVED FURTHER THAT the said equity shares allotted pursuant to the exercise of the Options or RSUs, as the case may be, shall rank pari-passu in all respects with the existing fully paid up equity shares of the Company.

RESOLVED FURTHER THAT, subject to the provisions of Section 67 of the Act read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Act and the rules notified thereunder, and pursuant to the SBEB & SE Regulations, and such other rules, regulations, circulars and guidelines of any/ various

statutory/ regulatory authority(ies) that are or may become applicable, the approval of the members of the Company be and is hereby accorded to the Board, to provide for money and/or to provide loan/ financial assistance to its employees, not exceeding 5% (five percent) of the aggregate of the paid-up share capital and free reserves of the Company, to enable the employees to pay the exercise price for the vested Options/ RSUs and purchase the equity shares of the Company, on such terms and conditions as may be decided by the Board for the purpose of implementation of the Plan.

RESOLVED FURTHER THAT in accordance with the terms of the Plan and the memorandum of association and articles of association of the Company, the Board be and is hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the terms and conditions of the Plan, and subject to Applicable Laws prevailing from time to time, as it may deem fit.

RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the Plan and generally for giving effect to this resolution, the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard.”

ITEM NO. 3

To consider and if thought fit, to pass the following resolution as a Special Resolution:

APPROVAL OF THE GRANT OF OPTIONS/ RESTRICTED STOCK UNIT TO THE EMPLOYEE EXCEEDING 1% OF THE ISSUED CAPITAL OF THE COMPANY

“**RESOLVED THAT** pursuant to the Section 62 (1)(b) and other applicable provisions of the Companies Act 2013 (“**Act**”) read with the rules made thereunder (including statutory modification or re-enactment thereof) and pursuant to the applicable provisions of Regulation 6 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SBEB & SE Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and other applicable provisions, if any, the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (“**FEMA Regulations**”) and other applicable provisions for the time being in force and as may be modified from time to time, and other laws, rules, regulations, circulars and guidelines of any/ various statutory/ regulatory authority(ies) that are or may become applicable (collectively referred to as “**Applicable Laws**”), the memorandum of association and articles of association of R Systems International Limited (“**Company**”), consent of the member(s) be and is hereby accorded for the grant of employee stock options (“**Options**”)/ restricted stock unit (“**RSUs**”) to the below mentioned employee, during any 1 (one) year equal to or exceeding 1% (one percent) of the issued, subscribed and paid-up capital of the Company (excluding outstanding warrants and conversions) at the time of grant of Options/ RSUs, which in aggregate shall amount up to a maximum of 2,841,546 (two million eight hundred forty one thousand five hundred forty six) Options/ RSUs, in one or more tranches exercisable into not more than 2,841,546 (two million eight hundred forty one thousand five hundred forty six) equity shares of face value of Re.1/- (Rupee One only), implying up to 2.25% (two point two five percent) of the diluted equity share capital of the Company (subject to any adjustments as may be required due to corporate actions or change in control of the Company), in accordance with the

R Systems International Limited Management Incentive Plan 2023 (“**Plan**”), at the time of grant of Options/ RSUs, as the case may be:

Name and Designation of Eligible Employee	Number of Options/ RSUs to be granted	Percentage of the diluted equity share capital
Mr. Nitesh Bansal, Managing Director & Chief Executive Officer of the Company	2,841,546	2.25%

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include the Nomination, Remuneration and Compensation Committee (“**NRCC**”) or any other committee as may be decided by the Board) be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard, as it may, in its absolute discretion deem fit, without being required to seek any further consent or approval of the member(s).”

ITEM NO. 4

To consider and if thought fit, to pass the following resolution as a Special Resolution:

PROPOSED REMUNERATION OF MR. NITESH BANSAL, MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER OF THE COMPANY

“**RESOLVED THAT** in modification to the resolution passed by the members of the Company in the 29th Annual General Meeting of the Company held on June 21, 2023 and pursuant to the provisions of Sections 197, 198, 203 read with Schedule V, and/or any other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) and the rules made thereunder (including any statutory amendment, modification or re-enactment thereof for the time being in force), and pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), as per the remuneration policy of R Systems International Limited (“**Company**”) and as per the recommendation of the Nomination, Remuneration & Compensation Committee of the Company, and subject to such other statutory approvals as may be required in this regard, the remuneration of Mr. Nitesh Bansal (DIN: 10170738), Managing Director and Chief Executive Officer (MD & CEO) of the Company, be and is hereby approved and shall be valid and payable in the event the Company has inadequate profits (or no profits), calculated under Section 198 of the Act, for a period of 3 (three) years w.e.f. January 1, 2024, as set out below:

Employee stock options plans/ Restricted Stock Units	Mr. Nitesh Bansal will be entitled for upto 2,841,546 (two million eight hundred forty one thousand five hundred forty six) RSUs that can be converted to a maximum of 2,841,546 (two million eight hundred forty one thousand five hundred forty six) equity shares of face value of Re. 1/- (Rupee One only) of the Company under R Systems International Limited Management Incentive Plan 2023 and will be entitled to participate in various employee incentive plans, including any employee stock options plans, as may be announced by the Company from time to time, at the discretion of the Board.
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Others All other components of remuneration shall be the same, as approved by the resolution passed by the shareholders of the Company dated June 21, 2023, subject to periodic review.

RESOLVED FURTHER THAT the Board (including any committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution and the Board may, by a resolution delegate the aforementioned power to any director or any other principal officer of the Company on such conditions as the Board may prescribe.”

**By Order of the Board
For R Systems International Limited**

**Place : NOIDA
Date : October 16, 2023**

**Bhasker Dubey
Company Secretary & Compliance Officer**

Notes:

1. Explanatory Statements and reasons for the proposed resolutions stated herein above, pursuant to Section 102 read with Section 110 of the Companies Act, 2013 and Rules made thereunder are annexed hereto.
2. Pursuant to the MCA Circulars, R Systems International Limited (“**Company**”) is sending this postal ballot notice (“**Notice**”) only in electronic form to those Members whose e-mail addresses are registered with the Link Intime India Private Limited (“**LI IPL**” or “**RTA**”)/ Depository Participants.
3. The Notice is being sent to all the Members of the Company whose names appear on the Register of Members/ List of Beneficial Owners, as received from National Securities Depositories Limited (“**NSDL**”) and Central Depository Services (India) Limited (“**CDSL**”) on Friday, October 13, 2023.
4. In compliance with the provisions of Section 108 and Section 110 of the Companies Act, read with Rules 20 and 22 of the Rules, Regulation 44 of the SEBI LODR Regulations and the MCA Circulars, the Company is pleased to provide remote e-voting facility to its Members, to enable them to cast their votes electronically. The detailed procedure with respect to remote e-voting is mentioned in this Notice.
5. The remote e-voting shall commence on Tuesday, October 17, 2023 at 09:00 A.M. (IST) and shall end on Wednesday, November 15, 2023 at 05:00 P.M. (IST). During this period, Members of the Company holding shares in physical or electronic form on Friday, October 13, 2023 (“**Cut-Off Date**”), may cast their vote electronically. The remote e-voting module shall be disabled by LI IPL for voting thereafter.
6. This Notice has been placed on the Company’s website at www.rsystems.com and LI IPL e-voting website: <https://instavote.linkintime.co.in/> and will also be available on the websites of Stock Exchanges i.e., www.bseindia.com and www.nseindia.com.

7. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the said Cut-Off Date. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-Off Date will be entitled to cast their votes by e-voting.
8. The Company has appointed Mr. Devesh Kumar Vasisht of M/s. DPV & Associates LLP, Company Secretaries (Firm Registration No.: L2021DE009500) as scrutinizer (“**Scrutinizer**”) for conducting the postal ballot and e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairperson, or any other person authorised by him, after scrutiny of the votes cast, on the result of the e-voting on or before Friday, November 17, 2023. The Scrutinizer’s decision on the validity of votes cast will be final.
9. The Company has engaged LIPL, for the purpose of providing remote e-voting facility to its members.
10. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.rsystems.com and on the website of LIPL i.e. <https://instavote.linkintime.co.in/> immediately after the results are declared, and the same shall be communicated to the Stock Exchanges, where the Equity Shares of the Company are listed.
11. The Resolution, if passed by the requisite majority through postal ballot/ e-Voting, will be deemed to have been passed on the last date specified for e-voting i.e. Wednesday, November 15, 2023.
12. Members who have not registered/ updated their email address are requested to register/ update the same (i) in case of shares held in demat mode, as per the process advised by concerned Depository Participant’s; and (ii) in case of shares held in physical mode, by accessing the link https://web.linkintime.co.in/EmailReg/Email_Register.html.

13. Instructions for Remote e-Voting for shareholders are as under:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

A. Individual Shareholders holding securities in demat mode with NSDL:

1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting

services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

B. Individual Shareholders holding securities in demat mode with CDSL:

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

C. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form/ Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

- i. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- ii. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

*Shareholders holding shares in **NSDL form**, shall provide ‘D’ above

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **‘Favour/ Against’** (If you wish to view the entire Resolution details, click on the **‘View Resolution’** file link).
4. After selecting the desired option i.e. Favour / Against, click on **‘Submit’**. A confirmation box will be displayed. If you wish to confirm your vote, click on **‘Yes’**, else to change your vote, click on **‘No’** and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **‘Custodian/ Mutual Fund/ Corporate Body’**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **‘Custodian/ Mutual Fund/ Corporate Body’** login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on **‘Login’** under **‘SHARE HOLDER’** tab and further Click **‘forgot password?’**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on **“SUBMIT”**.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

14. Resolution passed by the members through postal ballot/ e-Voting shall be deemed to be passed as if it is passed at a general meeting of members.
15. All documents referred to in this Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the closure of the remote e-voting period. Members seeking to inspect such documents can send an email to investors@rsystems.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING A PART OF THE POSTAL BALLOT NOTICE

Items No. 1 and 2

The Company values employees who are committed to building a successful organization and in order to incentivize, reward and motivate the employees to contribute effectively towards the future growth and profitability of the Company, the Nomination, Remuneration and Compensation Committee (“**NRCC**”) and the Board of Directors (“**Board**”) of the Company in their meeting(s) held on October 11, 2023, have recommended/ approved, R Systems International Limited Management Incentive Plan 2023 (“**Plan**”) in terms of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SBEB & SE Regulations**”).

The Company intends to implement the Plan by way of grant of employee stock options (“**Options**”)/ restricted stock unit (“**RSUs**”) to the eligible employees with an objective to achieve sustained growth of the Company and create shareholder value by aligning the interests of the employees with the long-term interests of the Company; to attract, incentivize and retain key talent and as well as to motivate the employees to contribute to its growth and profitability; and to recognize and reward the efforts of employees and their continued association with the Company and its group companies (including the subsidiary Company(ies) and associate company(ies)).

In terms of Regulation 6 of SBEB & SE Regulations, for issue of equity shares to the employees of the Company, the approval of the existing members by way of special resolution is required. Further, separate special resolution is also required to be passed for grant of Options/RSUs to the employees of the group companies (including subsidiary(ies) and associate companies).

The salient features and other details of the Plan as required pursuant to Regulation 6(2) of SBEB & SE Regulations are as under:

1. Brief description of the Plan:

The Company aims to incentivize its employees through grant of Options/ RSUs. The Company values employees who are committed to building a successful organization. The objectives of the Plan are:

- (i) To incentivize, reward and motivate the employees to contribute effectively towards the future growth and profitability of the Company;
- (ii) To align the employees towards a common objective of creating value for the Company; and
- (iii) To induce the employees to remain in the service of the Company.

The Plan shall be operated and administered by the NRCC, which is constituted by the Board, in accordance with applicable laws and the terms set out under the Plan.

2. The total number of Options/ RSUs to be offered and granted:

A maximum of 8,000,000 (eight million) Options and/ or RSUs may be offered and granted under the Plan, which on exercise would entitle not more than 8,000,000 (eight million) equity shares of face value of Re. 1/- (Rupee One only) each of the Company, implying up to 6.3% (six point three percent) of the diluted equity share capital, subject to any adjustment as may be required due to any corporate action or change in control of the Company.

The NRCC has been entitled to allocate and bifurcate the total number of Options and RSUs to be granted under the Plan, provided that upon exercise it does not exceed the maximum limit of 8,000,000 (eight million) equity shares, subject to any adjustment as may be required due to any corporate action or change in control of the Company.

3. Identification of classes of employees entitled to participate and be beneficiaries in the Plan;

The following classes of employees/ directors shall be entitled to participate and shall be the beneficiaries under the Plan:

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) a director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group but excluding an independent director; or
- (iii) an employee as defined in sub-clauses (i) or (ii) above, of a group company including its subsidiary or its associate company, in India or outside India, but does not include—
 - A. an employee who is a promoter or a person belonging to the promoter group; or
 - B. a director who, either himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company.

4. Requirements of vesting and period of vesting:

The vesting criteria will be such as are specified for each grantee and conditions subject to which vesting shall take place as may be outlined in the grant letter:

- (i) Performance or milestone conditions (which may include investor exit related conditions, employee's performance, Company's performance, determined on the basis of revenue and profitability or any other performance condition the NRCC may decide at its discretion) as specified in grant letter for the Options or RSUs to vest.

- (ii) Time-based conditions (based on the grantee continuing to be an employee of the Company as on certain specified dates/periods as decided by the NRCC at its discretion) for the Options or RSUs to vest.

However, the Options and RSUs cannot vest less than 1 (one) year from the date of grant of an Option and RSUs (except in case of death and permanent disability) and may extend to a maximum period of 10 (ten) years from the date of grant, as may be determined by the NRCC, subject to applicable laws and as stated in the grant letter.

The vesting of Options/ RSUs granted to the employees may expire or lapse or forfeit or accelerate (as the case maybe) in the following circumstances:

- (i) Options (other than RSUs that are subject to automatic exercise) which have vested and not been exercised by the grantees within the relevant exercise period shall lapse immediately upon the expiry of such exercise period.
- (ii) Further, any particular vesting, as on a vesting date, shall be invalid (and the Options and RSUs subject to such vesting shall lapse) if the employee is not in service of the Company (and/or the relevant group, including subsidiary company/ associate company), either as a director or an employee, as relevant, as on the vesting date. However, the grantee can exercise the vested Options and vested RSUs as per the terms of the Plan and the grant letter.
- (iii) The NRCC may, in its absolute discretion, for any grantee or class of grantee(s), permit Options and RSUs to be vested and (subject to any limitations imposed by Section 409A of the Code as applicable to U.S. grantees only) exercised within an accelerated time and as per modified terms and conditions in accordance with the Plan. However, the Options and RSUs cannot vest less than 1 (one) year from the date of grant of an Option and RSUs, except in case of death and permanent disability.
- (iv) In case the leaver is categorised as a good leaver, then the NRCC may at its absolute discretion allow for accelerated vesting of unvested options or RSUs in accordance with the formulae provided in the grant letter or otherwise as maybe determined by the NRCC, and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).
- (v) In case a leaver voluntarily resigns from the Company due to good reason, then the NRCC may at its absolute discretion allow for accelerated vesting of unvested options or RSUs in accordance with the formulae provided in the grant letter or otherwise as maybe determined by the NRCC, and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).
- (vi) In case a leaver voluntarily resigns from the Company but not due to good reason, the NRCC may at its absolute discretion allow for accelerated vesting of unvested Options or RSUs and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).

- (vii) In case the leaver separates from the Company due to any other reason not specified in the Plan, the NRCC may at its absolute discretion allow for accelerated vesting of unvested Options or RSUs, and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).
- (viii) In the event of cessation of employment due to death or permanent disability, the vesting of Options and RSUs shall accelerate in full.
- (ix) In the event of cessation of employment categorised as a bad leaver; or (ii) a leaver is declared insolvent or bankrupt, then all outstanding Options and RSUs which have been granted (regardless of whether they have vested or not) to such leaver shall lapse.

5. Maximum period within which Options/ RSUs shall be vested:

The vesting period of the Options/ RSUs granted under the Plan shall not be less than a period of 1(one) year, and which may extend to maximum period of 10 (ten) years from the date of grant of such Options/ RSUs, or such other period as may be decided by NRCC, subject to applicable laws and stated in the letter of grant.

6. Exercise price or pricing formula:

- (i) Option exercise price: The exercise price shall be the lower of (i) 12 (twelve) months volume weighted average market price subject to a discount of up to 50% (fifty percent) or as may be determined by the NRCC at the time of grant (but not lower than the face value of shares); or (ii) the closing price of the shares on the trading day immediately preceding the date of the grant, subject to a discount of up to 50% (fifty percent) or as may be determined by the NRCC at the time of grant (but not lower than the face value of shares), being the price per option payable by an employee upon exercising an option which has been granted pursuant to the Plan, as set out in the relevant grant letter.
- (ii) RSU exercise price: The RSU exercise price shall be the face value of the shares as on the date of grant of RSUs.
- (iii) In the event of any corporate action (other than a bonus issue), the NRCC shall at its discretion make suitable and necessary adjustments to the exercise price, depending upon the circumstances, acting reasonably, in respect of vested and unvested Options and RSUs. The NRCC may adjust the Exercise Price in such a manner that the total value of Options and RSUs remains same after the corporate action.
- (iv) Further, the exercise price shall be in compliance with the accounting standards specified under the SBEB & SE Regulations, including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.

7. **Exercise period and process of exercise/ acceptance of offer:**

- (i) Exercise period while in employment: The exercise period shall be the time period as may be determined by the NRCC, but not exceeding 3 (three) years from the date of vesting in accordance with the vesting schedule and as specified in the grant letter, within which the grantee may exercise the right to apply for shares against the vested options. However, the above time period will not apply to the grantee who have elected for an automatic exercise of the vested RSUs (i.e. the Grantee will have to automatically exercise the vested RSUs).
- (ii) Exercise period in case of cessation of employment:
 - (a) **Good Leaver:** All Options and RSUs which have not vested as on the cessation date shall lapse and such leaver shall be entitled to exercise all vested options within 6 (six) months from the cessation date. Further, all the vested RSUs shall be subject to automatic exercise as per the terms of the Plan and the grant letter. However, the NRCC may at its absolute discretion allow for accelerated vesting of unvested options or RSUs in accordance with the formulae provided in the grant letter or otherwise as maybe determined by the NRCC, and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).
 - (b) **Voluntary resignation due to Good Reason:** All Options and RSUs which have not vested as on the cessation date shall lapse and such leaver shall be entitled to exercise all vested options within 6 (six) months from the cessation date. Further, all the vested RSUs shall be subject to automatic exercise as per the terms of the Plan and the grant letter or as maybe determined by the NRCC. However, the NRCC may at its absolute discretion allow for accelerated vesting of unvested Options or RSUs in accordance with the formulae provided in the grant letter or otherwise as maybe determined by NRCC, and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).
 - (c) **Voluntary resignation not due to Good Reason:** All Options and RSUs which have not vested as on the cessation date shall lapse and such leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date. Further, all the vested RSUs shall be subject to automatic exercise as per the terms of the Plan and the grant letter. However, the NRCC may at its absolute discretion allow for accelerated vesting of unvested Options or RSUs and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).
 - (d) **Death in the course of employment of the Company or her/his directorship:** The vesting of Options and RSUs shall accelerate in full and all the vested options and vested RSU shall be exercised by the legal heirs or nominees of the deceased leaver, within 6 (six) months of cessation date, failing which such vested options and vested RSUs shall mandatorily lapse.

- (e) **Permanent Disability:** The vesting of options and RSUs held by such Grantee shall accelerate in full and the grantee shall exercise within 6 (six) months of cessation date, failing which such vested options and RSUs shall mandatorily lapse.
- (f) **Bad leaver or in case the leaver is declared insolvent or bankrupt:** In case: (i) a leaver is categorized as a bad leaver; or (ii) a leaver is declared insolvent or bankrupt, then all outstanding Options and RSUs which have been granted (regardless of whether they have vested or not) to such leaver shall lapse.
- (g) **Any other reason not specified in a) to (f) above:** All the Options and RSUs which have not vested as on the cessation date shall lapse and such leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date. Further, all the vested RSUs shall be subject to automatic exercise as per the terms of the Plan and the grant letter. However, the NRCC may at its absolute discretion allow for accelerated vesting of unvested Options or RSUs, and the leaver shall be entitled to exercise all vested Options within 6 (six) months from the cessation date (subject to any limitations imposed by Section 409A of the Code).

It is clarified that the date of the termination of employment of a grantee shall be the date of termination of the employment specified by the Company in the letter of termination issued by the Company to such grantee.

Further, in the event grantee is transferred or deputed by the Company to a group company, including subsidiary company, or an associate company, the Options and RSUs granted to such grantee shall vest or be exercised as per the terms of grant under the Plan and as specified in the grant letter, even after such transfer or deputation.

(iii) Exercise process:

- (a) An amount equivalent to the exercise consideration shall be payable by the grantees at the time of exercise of the vested Options / RSUs. Further, if a Grantee elects or has been granted an RSU subject to an automatic exercise, then the shares that are exercisable against vested RSUs, shall be in accordance with the terms of the grant letter.
- (b) The grantees shall send one or more exercise notices to the Company, during the exercise period along with the payment of the exercise consideration, subject to the compliance with the formalities prescribed under the Plan.
- (c) The method of payment of the exercise consideration shall be determined by the NRCC and may include (i) grantee making the payment to the Company through normal banking channels, such as NEFT/RTGS or issuance of demand draft (ii) the Grantee's approval or consent to the Company to deduct such amount from her/his salary or other entitlements, due and payable; or (iii) any combination of the foregoing methods of payment, provided that any such mechanism at the relevant point is

allowed under applicable Laws. It is further clarified that subject to applicable laws, the Company may permit the empanelled stock brokers to make suitable arrangements to fund the grantee for payment of exercise price, the amount necessary to meet their tax obligations and other related expenses pursuant to exercise of Options/RSUs granted under the Plan and such amount shall be adjusted against the sale proceeds of some or all the shares of such grantee.

- (d) Upon receiving the exercise notice as applicable and in the event of automatic exercise of the vested RSUs, the NRCC shall consider the allotment of the shares to the grantee in its next board meeting.

8. The appraisal process for determining the eligibility of employees for the Plan:

The NRCC shall have the discretion, based on (i) the periodic appraisal of employee(s) and / or any team of the Company of which such Employee(s) is/are part of; (ii) subject to such employee(s) qualifying under the selection criteria, (which shall be decided from time to time by the NRCC or assessing the contribution of employee(s) towards the Company or such other criteria as maybe determined by the NRCC from time to time), and (iii) to select new hires, as an incentive to join and to act as a retention tool, if any, to determine whether employee(s) is/are eligible employee(s) and satisfy(ies) the eligibility criteria for the grant of Options and RSUs under the Plan.

9. Maximum number of Options/ RSUs to be offered and issued per employee and in aggregate, if any:

A maximum of 8,000,000 (eight million) Options and/or RSUs that may be offered and granted in aggregate under the Plan, which on exercise would entitle one to not more than 8,000,000 (eight million) equity shares of face value of Re. 1/- (Rupee One only) each of the Company, implying up to 6.3% (six point three percent) of the diluted equity share capital, subject to any adjustment as may be required due to any corporate action or change in control of the Company.

The maximum number of Options and/ or RSUs to be granted to an eligible employee under the Plan shall not exceed 3,000,000 three million Options/ RSUs, which on exercise would entitle not more than 3,000,000 three million equity shares having face value of Re. 1/- (Rupee One only) each of the Company.

10. Maximum quantum of benefits to be provided per employee under the Plan:

The maximum number of Options and/or RSUs that to be granted to an eligible employee under the Plan shall not exceed 3,000,000 three million Options and/or RSUs, which on exercise would entitle not more than 3,000,000 three million equity shares having face value of Re. 1/- (Rupee One only) each of the Company.

11. Whether the Plan is to be implemented and administered directly by the company or through a trust:

The plan is to be implement and administered directly by the Company. However, the Board has delegated NRCC to administer the plan in accordance with SBEB & SE Regulations.

12. **Whether the Plan involves new issue of shares by the company or secondary acquisition by the trust or both:**

The Plan involves only new issuance of shares of the Company.

13. **The amount of loan to be provided for implementation of the Plan by the Company to the trust, its tenure, utilization, repayment terms, etc.:**

The Company may make provision of money by way of loan or any other financial assistance to the employees which shall be utilized by the employees for the purpose of payment of exercise price and purchase of equity shares of the Company. Such amount will be in accordance with the provisions of Section 67, read with Regulation 16 of the Companies (Share Capital and Debentures) Rules, 2014.

14. **Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Plan:**

Not applicable.

15. **A statement to the effect that the company shall conform to the accounting policies specified in regulation 15:**

The Company shall conform to the applicable accounting policies prescribed under the SEBI Regulations, or such other policy (ies) as may be prescribed under any other law with respect to accounting for Options and RSUs, including the disclosure requirements prescribed therein.

16. **The method which the company shall use to value its Options/ RSUs;**

The Company shall follow the fair value method for the valuation of the Options and RSUs, or such other method as may be determined by the NRCC in accordance with the accounting policies specified under the SBEB & SE Regulations.

17. **Period of lock-in:**

Shares issued under the Plan shall not be subject to any transfer restrictions or lock-in restrictions.

18. **Terms & conditions for buyback, if any, of specified securities covered under these regulations.**

None.

The details required in the explanatory statement for the provision of such money/ providing financial assistance, under Section 67 of the Companies Act, 2013 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, are as follows:

- 1. The class of employees for whose benefit the Plan is being implemented and money is being provided for purchase of or subscription to shares:**

The class of employees who are beneficiaries under the Plan and as specifically stated in Clause 3 above (explanatory statement). The details regarding implementation of the Plan and money being provided are stated in Clause 13 above.

- 2. The particulars of the trustee in whose favor such shares are to be registered;**

Not applicable, as the Plan is directly being implemented by the Company (and not through the trust route).

- 3. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters / promoter group, directors or key managerial personnel;**

Not applicable, as the Plan is directly being implemented by the Company (and not through the trust route).

- 4. Any interest of key managerial personnel, directors or promoters in the Plan or trust and effect thereof:**

None of the key managerial personnel, directors and promoters are interested in the Plan except to the extent of Options/ RSUs as may be granted to them and to the extent of their shareholding of the Company.

- 5. The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:**

The Company shall make provision of money by way of loan or any other financial assistance to the employees which shall be utilized by the employees for the purpose of payment of exercise price and purchase of equity shares of the Company. Upon exercise of Options/ RSUs, the eligible employees, will be entitled to receive equity shares of the Company, in accordance with the Plan, subject to the provisions of the Companies Act, 2013, SBEB & SE Regulations and such other laws as may be applicable.

- 6. Details about who would exercise the voting rights and how in respect of the shares to be purchased under the Plan would be exercised:**

Employees who become shareholders of the Company upon exercise of the vested shares shall be entitled to exercise the voting rights independently.

The rationale for extending the options/ RSUs to employees of the group companies (including the subsidiary and/ or associate company) is to ensure uniformity and consistency in the

employee benefits schemes across the group and to promote a sense of belonging and loyalty among the employees of different entities.

As the Company's equity shares are listed on stock exchanges in India and are currently frequently traded on the leading stock exchanges in India, it intends to synergize the benefits across the group to incentivize the employees at group level along with aligning their interest with the success of the Company and attract and retain talent across the globe.

In addition to the above, as per Regulation 26(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), no employee including key managerial personnel or director or promoter of a listed entity shall enter into any agreement for himself/ herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of such listed entity, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution.

The Plan is proposed to be adopted by the Company and there is no agreement directly between (i) the employees, key managerial personnel or promoter and (ii) any shareholder or any other party and therefore the requirement of Regulation 26(6) of SEBI LODR Regulations is not directly applicable. However, as the vesting and exercise of some of the options/ RSUs may be subject to the majority shareholder exit linked conditions, the Company proposes to adopt the Plan only if a majority of the public shareholders voting have approved the Plan. One of the other objects of the Plan is to reward key employees of the Company and its group companies (including subsidiaries/associate companies) for their performance and their contribution in delivering strong returns and creating value with respect to the investments made by the promoter in the Company and to incentivize them in the future growth and profitability of the Company.

The draft copies of the Plan are made available at the registered office of the Company for inspection or can be inspected electronically by any shareholder during the voting period by writing an e-mail at investors@rsystems.com.

The Board recommends the resolutions set out in Item Nos. 1 and 2 of the Notice, for the approval of the members by means of special resolutions.

The Directors (excluding Independent Directors) or Key Managerial Personnel of the Company, may be deemed to be concerned or interested in the Resolution to the extent of the Options/ RSUs which may be granted to them under the Plan.

Items No. 3

As per Regulation 6(3)(d) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB & SE Regulations**"), a separate resolution is required to be passed if the benefits of the scheme are to be extended to identified employees, during any 1 (one) year, equal to or exceeding 1% (one per cent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of option.

The Company has identified that the below mentioned employee to whom it is necessary to grant option exceeding 1% (one per cent) in 1 (one) year as per the terms of the R Systems International Limited Management Incentive Plan 2023 (“Plan”):

No.	Name of the Employee	No. of Options/ RSUs to be granted	Percentage of the diluted equity capital
1.	Mr. Nitesh Bansal, Managing Director & Chief Executive Officer of the Company	2,841,546	2.25%

Mr. Nitesh Bansal is the Managing Director and Chief Executive Officer (MD & CEO) of the Company. As a seasoned industry veteran with 25 years of experience in digital and product engineering services, Nitesh has worked across multiple industry verticals and geographies.

Mr. Nitesh Bansal is pivotal for the success of the Company and to ensure the continuity of his service with the Company, the Company may grant employee stock option/restricted stock unit equal to or exceeding 1% (one per cent) in 1 (one) year to him.

The draft copies of the Plan are made available at the registered office of the Company for inspection or can be inspected electronically by any shareholder during the voting period by witting an e-mail at investors@rsystems.com.

The Board recommends the resolutions set out in Item No. 3 of the Notice, for the approval of the members by means of special resolutions.

Mr. Nitesh Bansal, MD & CEO of the Company is interested in the resolution. None of the other directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

Item No. 4

The members of the R Systems International Limited (“Company”) have approved the appointment and payment of remuneration to Mr. Nitesh Bansal, Managing Director & Chief Executive Officer (“MD & CEO”) of the Company, at the 29th Annual General Meeting of the Company held on June 21, 2023.

The Board has proposed to the members of the Company to approve the R Systems International Limited Management Incentive Plan, 2023 (“Plan”) and it is proposed to grant upto 2,841,546 (two million eight hundred forty one thousand five hundred forty six) employee stock options/ restricted stock units (“Awards”) to Mr. Nitesh Bansal, which on exercise will entitle him to up to 2,841,546 (two million eight hundred forty one thousand five hundred forty six) equity shares of face value of Re. 1/- (Rupee One only) each, as per the terms of the Plan, subject to obtaining approval of the shareholders of the Company.

The approval of the shareholders through special resolution is sought on the below mentioned remuneration of Mr. Nitesh Bansal, MD & CEO, effective for 3 (three) years commencing from January 1, 2024, in case the Company’s profit for the next three years are inadequate (or no profits) as per Section 198 of the Companies Act:

Employee stock options plans/ Restricted Stock Units	Mr. Nitesh Bansal will be entitled for upto 2,841,546 (two million eight hundred forty one thousand five hundred forty six) RSUs that can be converted to a maximum 2,841,546 (two million eight hundred forty one thousand five hundred forty six) equity shares of face value of Re. 1/- (Rupee One only) of the Company under R Systems International Limited Management Incentive Plan 2023 and will be entitled to participate in various employee incentive plans, including any employee stock options plans, as may be announced by the Company from time to time, at the discretion of the Board.
Others	All other components of remuneration shall be the same as approved by the shareholders at the 29 th Annual General Meeting held on June 21, 2023, subject to periodic review.

Details of which can be accessed at: <https://www.rsystems.com/wp-content/uploads/2023/06/Addendum-to-notice.pdf>

STATEMENT AS REQUIRED UNDER SECTION II, PART II OF THE SCHEDULE V OF THE COMPANIES ACT, 2013 WITH REFERENCE TO THE RESOLUTION AT ITEM NO. 04 OF THE NOTICE

I. GENERAL INFORMATION

A. Nature of Industry:

The Company is engaged in the business of providing software engineering, information technology related services and knowledge services.

B. Date or expected date of commencement of commercial production:

The Company is already in existence and is in operation since May 14, 1993.

C. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

D. Financial performance based on given indicators:

Financial performance of the Company for last 3 years is as follows:

(Rs. in million)

Particulars	Financial year ended		
	31.12.2022	31.12.2021	31.12.2020*
Total revenue	8,138.90	5,775.01	4,387.15
Profit before depreciation and tax	1,536.32	1,505.42	950.41
Less : Depreciation & amortisation	195.83	146.49	134.61
Profit before tax	1,340.49	1,358.93	815.80
Less : Current tax	296.55	245.27	149.86
Less : Deferred tax credit	-83.17	-43.81	-31.13
Profit after tax	1,127.11	1,157.47	697.07
Other comprehensive income/(loss)	4.37	0.71	-11.01
Total comprehensive income for the year	1,131.48	1,158.18	686.06
Statement of changes in Retained earnings			
Opening Balance	3,416.65	3,104.05	2,422.50
Adjustment on account of merger of RightMatch Holdings Limited	0.00	0.00	19.22
Adjustment on adoption of Ind AS 116	0.00	0.00	-10.49
Adjusted balance of Opening Retained Earnings	3,416.65	3,104.05	2,431.23[#]
Add: Profit for the year	1,127.11	1,157.47	697.07
Add: Other Comprehensive Income / (loss) for the year which will not be classified to Profit or Loss	4.37	0.89	-11.19
Less: Dividend Paid	768.97	677.66	0.00
Less: Dividend paid by RightMatch Holdings Limited	0.00	0.00	13.06
Less: Buy-back of shares (including tax on buy-back)	0.00	168.10	0.00
Closing Balance	3,779.16	3,416.65	3,104.05

* Hon'ble National Company Law Tribunal, New Delhi Bench, vide order dated February 01, 2021 approved the Scheme of Amalgamation between R Systems International Limited (Transferee Company) and Right Match Holdings Limited (Transferor Company) and their respective Shareholders and Creditors under Section 230 to 232 of the Companies Act, 2013.

[#] Opening retained earnings for the year ended Dec 31, 2020 includes Rs. 0.79 mn being accumulated other comprehensive loss related to the defined benefit plan (net of tax).

E. Foreign investments or collaborators, if any:

The Company has investments from non-residents and foreign bodies corporate and R Systems has made investments outside India. As on date this notice, BCP Asia II Topco II Pte Ltd., non-resident body corporate is the promoter of the Company. The Company also have following overseas subsidiaries:

- i. R Systems, Inc.
- ii. R Systems Technologies Limited
- iii. RSYS Technologies Limited
- iv. R Systems Computaris International Limited, further has six down subsidiaries.
- v. R Systems Consulting Services Limited, has six down subsidiaries.
- vi. R Systems (Singapore) Pte Limited, has one down subsidiary, which further has six step down subsidiaries.

II. INFORMATION ABOUT THE DIRECTOR

A. Background details:

Mr. Nitesh Bansal is a long serving veteran in the digital and product engineering services industry. He has 25 years of rich industry experience, including 23 years at Infosys where he held various leadership roles, most recently having served as SVP and Global Head of Engineering Services. Mr. Bansal has demonstrated leadership at scale and worked across various geographies including India, Europe and Americas. He is a Chartered Accountant and has pursued executive and leadership courses at INSEAD and Stanford Graduate School of Business.

B. Past remuneration:

The Company has paid Rs. 40.22 mn. to Mr. Nitesh Bansal (including one-time sign on bonus) from the date of his appointment i.e. May 30, 2023 till September 30, 2023, pursuant to the approval of the shareholders dated June 21, 2023.

C. Recognition or awards:

Mr. Nitesh Bansal has been awarded numerous times in his career. Mr. Nitesh Bansal has also served as a member of several prominent councils and advisory boards, including the Global Futures Council for Advanced Manufacturing at the World Economic Forum, the National ER&D Council of NASSCOM, the Industry Advisory Board of the Tauber Institute of Global Operations at the University of Michigan, the Advisory Committee of SAE India, the Suppliers Board of the Open Networking Foundation (ONF), the North American Manufacturers Association, and he also held the role of an external Advisor to the American Society of Mechanical Engineers (ASME).

D. Job profile and his suitability:

Mr. Nitesh Bansal is the Managing Director and Chief Executive Officer (MD & CEO) of the Company. As a seasoned industry veteran with 25 years of experience in digital and product engineering services, Nitesh has worked across multiple industry verticals and geographies. Mr. Nitesh Bansal is very pivotal for the success of the Company and to ensure the continuity of his service with the Company, the Company may grant employee stock option/restricted stock unit equal to or exceeding 1% (one per cent) in 1 (one) year to him.

E. Remuneration Proposed:

For achieving the Company's objectives, it is proposed by the Board of Directors, upon recommendation of the NRCC, that the proposed remuneration to Mr. Nitesh Bansal (as set out

below) shall be valid and payable even if the Company's profits are inadequate (or no profits) as per Section 198 of the Companies Act, for a period of 3 (three years), w.e.f January 1, 2024:

Employee stock options plans/ Restricted Stock Units	Mr. Nitesh Bansal will be entitled for upto 2,841,546 (two million eight hundred forty one thousand five hundred forty six) RSUs that can be converted to a maximum 2,841,546 (two million eight hundred forty one thousand five hundred forty six) equity shares of face value of Re. 1/- (Rupee One only) of the Company under R Systems International Limited Management Incentive Plan 2023 and will be entitled to participate in various employee incentive plans, including any employee stock options plans, as may be announced by the Company from time to time, at the discretion of the Board.
Others	All other components of remuneration shall be the same as approved by the shareholders at the 29th Annual General Meeting held on June 21, 2023, subject to periodic review. Details of which can be accessed at: https://www.rsystems.com/wp-content/uploads/2023/06/Addendum-to-notice.pdf

F. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

The proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparable qualification and experience.

G. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any:

Apart from the employment benefits as MD & CEO of R Systems, he does not have any pecuniary or other relationship with the Company, managerial personnel or other director.

III. OTHER INFORMATION

A. Reasons of loss or inadequate profits:

The Company has made a reasonable profit during the last financial year ended on December 31, 2022 and is continuously making profit as on date of this report.

Mr. Nitesh Bansal is a long serving veteran in the digital and product engineering services industry. He has 25 years of rich industry experience, including 23 years at Infosys where he held various leadership roles, most recently having served as SVP and Global Head of Engineering Services. Mr. Bansal has demonstrated leadership at scale and worked across various geographies including India, Europe and Americas. He is a Chartered Accountant and has pursued executive and leadership courses at INSEAD and Stanford Graduate School of Business. Given his deep industry experience and role as the MD & CEO of the Company, Mr. Nitesh Bansal is pivotal for the success of R Systems.

The proposed remuneration has been arrived at keeping in mind his experience and industry benchmarks for comparable executives. The said approval is sought to pay the proposed

remuneration to Mr. Nitesh Bansal even if the Company's profit for the next 3 (three) years are inadequate (or no profits) as per Section 198 of the Companies Act.

B. Steps taken or proposed to be taken for improvement:

R Systems management process involves taking continuous steps to improve performance through growth in revenues, managing costs and improving productivity. The financial strategy involves maintaining a secure financial position, managing risks and ensuring accurate and timely reporting of performance.

C. Expected increase in productivity and profits in measurable terms:

Barring unforeseen circumstances, R Systems expects to close the current financial year with improved sales and profitability.

IV. DISCLOSURES

Disclosures in the Board of Directors' report under the heading 'Corporate Governance' has been attached to the Annual Report in respect of the:

- i. All elements of remuneration package such as salary, benefits, stock options, pension etc. of all the directors;
- ii. Details of fixed component and performance linked incentives along with the performance criteria;
- iii. Service contracts, notice period, severance fees;
- iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Not Applicable. However, the Company shall provide the aforesaid details in the Corporate Governance Report for the financial year ending December 31, 2023.

As on the date of this notice, Mr. Nitesh Bansal, does not hold any equity shares of the Company. Apart from the employment benefits as MD & CEO of R Systems, he does not have any pecuniary or other relationship with the Company. Further, he does not hold any office of director/ member in other company's board/ committee except Velotio Technology Private Limited, subsidiary of the Company.

A brief profile of Mr. Nitesh Bansal including nature of his expertise and other disclosure as required under Secretarial Standard-2, issued by Institute of Companies Secretaries of India, is provided at "Annexure A" of this Notice.

The Board recommends the resolutions set out in Item No. 4 of the Notice, for the approval of the members by means of special resolutions.

Mr. Nitesh Bansal, MD & CEO of the Company is interested in the resolution. None of the other directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

**By Order of the Board
For R Systems International Limited**

**Place : NOIDA
Date : October 16, 2023**

**Bhasker Dubey
Company Secretary & Compliance Officer**

Annexure A

DETAILS PURSUANT TO SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of Director	Mr. Nitesh Bansal
Date of Birth	March 08, 1976
Qualifications	Mr. Nitesh Bansal is a Chartered Accountant and has pursued executive and leadership courses at INSEAD and Stanford Graduate School of Business.
Experience	Mr. Nitesh Bansal, a US national having 25 years of rich experience in IT Industry. Mr. Bansal has spent over 23 years at Infosys where he held various leadership roles, most recently served as the SVP and Global Head of Engineering Services.
Past Remuneration	The Company has paid Rs. 40.22 mn. to Mr. Nitesh Bansal from the date of his appointment i.e. May 30, 2023 till September 30, 2023, pursuant to the approval of the shareholders dated June 21, 2023.
Terms and conditions of Re-appointment	Not Applicable
Remuneration proposed to be paid	As mentioned in the Explanatory Statement
Date of first appointment on the Board	May 30, 2023
Directorship held in other Companies as on date	Velotio Technologies Private Limited, Subsidiary of the Company.
Membership/ Chairmanship in Committees of other companies as on date	Nil.
Number of shares held in Company [#]	Nil.
Relationships between Directors inter-se	Mr. Nitesh Bansal is not related to any other director of the Company.
No. of Board Meetings attended during the Financial year till date of this notice.	Mr. Nitesh Bansal was appointed on the Board of the Company on May 30, 2023. Since then, he has attended 4 out of 4 Board Meetings held during the year.