

DUE DILIGENCE REPORT FOR R SYSTEMS INTERNATIONAL LIMITED
[Pursuant to Regulation 10 (3) of the SEBI (Delisting of Equity Shares) Regulations, 2021]

To,
The Board of Directors

R Systems International Limited

In terms of Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ("**SEBI Delisting Regulations**"), we M/s. PI & Associates, (Firm Registration No.: P2014UP035400), Peer Reviewed Practicing Company Secretaries, have been appointed by the Board of Directors of R Systems International Limited (the "**Company**") having CIN L74899DL1993PLC053579 and registered office at GF-1-A, 6, Devika Tower, Nehru Place, New Delhi- 110019 on November 19 2022, to carry out the due diligence in accordance with Regulation 10(3) and other applicable provisions under the SEBI Delisting Regulations and issue a Due Diligence Report ("**DDR**") accordingly.

A. Background:

1. In terms of the Initial Public Announcement dated November 16,2022 ("**Initial Public Announcement**") issued on behalf of BCP Asia II Topco II Pte. Ltd. ("**Acquirer**") along with Blackstone Capital Partners Asia II L.P. ("**PAC**") , inter alia, the Acquirer has expressed his intention to :
 - (a) Acquire 5,71,73,476 (Five Crore Seventy One Lakh Seventy Three Thousand Four Hundred Seventy Six) fully paid up equity shares of the Company, having a face value of INR 1 (Indian Rupee One only) each, ("**Equity Shares**") representing 48.33 % of the paid-up capital held by the public shareholders of the Company (as defined in the Public Announcement); and
 - (b) to delist equity shares of the Company in accordance with Regulation 5A of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended ("**SEBI (SAST) Regulations**") read with the applicable provisions of SEBI Delisting Regulations, from National Stock Exchange of India Limited and BSE Limited (collectively, "**Stock Exchanges**").
2. The present Capital structure including the details of the Authorised, Subscribed, Issued, Paid up and Listed Equity share Capital of the Company is placed at **Annexure I**.
3. Shareholding Pattern of the Company as on November 24, 2022, is placed at **Annexure II**.
4. The distribution of public shareholding as on November 24, 2022, is as per **Annexure III**.
5. The list of top twenty-five public shareholders (other than the Acquirer) as on November 24, 2022, as per **Annexure IV**.



B. Verification:

1. On the basis of the information received from/furnished by the Board of Directors of the Company, as required under sub-regulation 2 of Regulation 10 of the SEBI Delisting Regulations, for the purpose of carrying out the due diligence, We have examined the following:
 - (a) The details of buying, selling, and dealing in the Equity Shares of the Company by the Acquirer or their related entities during two years before the date of Board Meeting (i.e., November 25, 2022) held to consider the Delisting Proposal (“**Review Period**”) including the details of the members of the promoter group and top twenty-five public shareholders, for the said period based on the following documents;
 - Trading data provided by BSE Limited and National Stock Exchange of India Limited
 - Disclosures filed under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, by the members of the promoter group for the Review Period
 - Disclosures filed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, by the members of the promoter group, and the concerned designated person for the Review Period
 - Beneficial Position (BENPOS) of the members of the Company during the Review Period.
 - Shareholding patterns filed with BSE Limited and National Stock Exchange of India Limited
 - Undertaking received from the Acquirer, PAC, promoters, and the Company.
 - (b) The details of off-market transactions of the persons mentioned above except top twenty-five public shareholders for the Review Period;
2. For the purpose of verifying the applicability and compliance of Securities Laws, we have identified the following regulations and their applicability:

Regulations	Acquirer and their related entities	Promoter group and top twenty-five Public Shareholders
The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) as amended from time to time	Not Applicable	Not Applicable
The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (SEBI PIT Regulations)	Not Applicable	Applicable



as amended from time to time		
The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST Regulations) as amended from time to time	Not Applicable	Applicable

C. Observation:

Basis review of the aforesaid information and documents, set out below is our analysis/ observations:

a) For Acquirer and their related entities:

- i. During the Review Period, the Acquirer and their related entities have not dealt with the equity shares of the Company , in any manner whatsoever.
- ii. As on date, the Acquirer holds NIL equity shares of the Company .

Note: For the purpose of determining the "related entities" as specified in regulation 10(2)(a) of the SEBI Delisting Regulations, the Acquirer has considered the definition of "Acquirers" given in Regulation 2(1)(b)(ii) of SEBI Delisting Regulations and other Promoters and Promoter Group persons / entities as given under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

b) For Promoter Group & PAC

- i. During the Review Period, members of promoter group & PAC as on November 24, 2022 has dealt in the equity shares of the Company in the manner provided as per **Annexure V**
- ii. The dealing by the promoter group with the equity shares of the Company during the Review Period is in compliance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- iii. The Acquirer has confirmed that neither they nor their related entities have any direct or indirect connection with the members of the promoter group.
- iv. The promoter group has confirmed that neither they nor their related entities or other members of the promoter group have any direct or indirect connection with the Acquirer, its related entities, and the top twenty-five public shareholders.

c) For Top Twenty-Five Public Shareholders:

- i. During the Review Period, top twenty-five public shareholders as on November 24, 2022 has dealt in the equity shares of the Company in the manner provided as per **Annexure VI**. The net bought by the top twenty-five public shareholders during the Review Period is (20,95,963) equity shares



- ii. The Acquirer has confirmed that neither they nor their related entities have any direct or indirect connection, with the top twenty-five public shareholders of the Company.

D. Certification:

On the basis of information and documents provided to us by the Company , promoter group, and Acquirer, We hereby certify that during the Review Period:

- i. During the Review Period, the Acquirer, PAC and related entities have not dealt with the equity shares of the Company except to the extent of the share purchase agreement dated November 16, 2022 executed between the Acquirer and the members of the promoter group
- ii. The buying, selling and dealing in the equity shares of the Company carried out by the members of promoter group is in compliance with the applicable provisions of Securities Laws;
- iii. The buying, selling and dealing in the equity shares of the Company carried out by the top twenty-five public shareholders is not subject to compliance with the applicable provisions of Securities Laws;
- iv. Various concepts viz. defraud, deceit, fraudulent, deceptive, manipulative are used in the SEBI Delisting Regulations. However, parameters/methodology for determining the same are not prescribed therein. By reading these terminologies, it can be construed that the Acquirer shall not directly or indirectly cause any loss to the public shareholders by adopting any malpractice.

Based on available information, we have checked whether the Acquirer or the Company has common registered office or directorship. We do not have any negative observation.

From the above details, we can conclude that the Acquirer has not;

- (a) Employed any device, scheme or artifice to defraud any shareholder or other person;
- (b) Engaged in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; and
- (c) Engaged in any act or practice that is fraudulent, deceptive or manipulative.

in connection with delisting of Equity Shares of the Company sought or permitted or exit opportunity given or other acquisition of Equity Shares made under the SEBI Delisting Regulations.

E. Assumption & Limitation of Scope & Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. We have not verified the correctness and appropriateness of information and documents provided by the Company and stock exchanges.
3. Wherever required, we have obtained the Management representation from the Company, Acquirer, PAC and members of the promoter group. In absence of publicly available information for related entities of Acquirer, we have relied on their declaration.
4. This DDR is based on due diligence of documents/ information shared by the Company for our review.



Our responsibility is to give report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion. We have followed the practices and processes as were appropriate to obtain reasonable assurance about the correctness of the information shared with us. The diligence was done on sampling basis, wherever required. We believe that the processes and practices we have followed provide a reasonable basis for our opinion.

5. We are not expressing any opinion on the Floor price and/or the price at which the shares would ultimately be delisted. We have assumed that the Acquirer/PAC would comply with the applicable provisions related to floor price. Further, we are not an investment adviser or tax advisor or a broker/dealer. This report should not be construed as investment/ disinvestment advise.
6. This DDR is solely for the intended purpose of delisting of equity shares of the Company and for your information and it is not to be used, circulated, quoted or otherwise referred to for any purpose other than Delisting purposes and as required under the Delisting Regulations.
7. Trading details are based on the data provided by the exchanges.

For PI & Associates
Company Secretaries



(Ankit Singhi)

Partner

FCS No.: F11685

CP No.: 16274

Peer Review No.: 1498/2021

UDIN: F011685D002210343

Date: November 25th ,2022

Place: New Delhi

CAPITAL STRUCTURE OF THE COMPANY**AUTHORISED CAPITAL**

Particulars	Number of shares	Nominal Value per share (in INR)	Total Authorised Capital (in INR)
Equity Shares	20,60,00,000	1	20,60,00,000

ISSUED CAPITAL

Particulars	Number of shares	Nominal Value per share (in INR)	Total Issued Capital (in INR)
Equity Shares	11,83,03,445	1	11,83,03,445

SUBSCRIBED CAPITAL

Particulars	Number of shares	Nominal Value per share (in INR)	Total Subscribed Capital (in INR)
Equity Shares	11,83,03,445	1	11,83,03,445

PAID UP CAPITAL

Particulars	Number of shares	Nominal Value per share (in INR)	Total Paid Up Capital (in INR)
Equity Shares	11,83,03,445	1	11,83,03,445

LISTED CAPITAL

Particulars	Number of shares	Nominal Value per share (in INR)	Total Listed Capital	Name of the Stock Exchange where listed
Equity Shares	11,83,03,445	1	11,83,03,445	BSE/NSE



SHAREHOLDING PATTERN

Category	No of Shares	Percentage
Promtoer & Promoter Group along with PAC	61,650,794	52.11
Public	56,652,651	47.89
Total	118,303,445	100.00



DISTRIBUTION OF PUBLIC SHAREHOLDING

Range of shareholding	No. of shareholders	% of shareholders	No. of shares held	% of total shares
1-500	33796	91.83	2,508,787	2.12
501-1,000	1579	4.29	1,272,687	1.08
1001-2,000	815	2.21	1,156,695	0.98
2001-3,000	196	0.53	491,535	0.42
3001-4,000	101	0.27	362,344	0.31
4001-5,000	71	0.19	338,340	0.29
5001-10,000	103	0.28	768,458	0.65
Above 10,000	124	0.34	49,753,805	42.06
Total	36,785	99.95	56,652,651	47.89



DETAILS OF TOP TWENTY-FIVE PUBLIC SHAREHOLDERS

Sr No	Shareholder's Name	Shares	Percentage to the total paid-up capital
1	Bhavook Tripathi	4,20,38,375	35.5344
2	Brahm Precision Materials Pvt Ltd	13,33,540	1.1272
3	Prabhakar Rao Mahabaleshwar Bantwal	10,16,010	0.8166
4	O'Neil Nalavadi	6,48,770	0.5484
5	Chandraprakash Tripathi	3,31,363	0.2801
6	Bt Capital Managers Private Limited	3,15,000	0.2663
7	Juzar Feroz Basrai	2,05,000	0.1733
8	Sunita Kantilal Vardhan	1,97,161	0.1087
9	Nand Sardana	1,95,790	0.1655
10	Mangaldeep Infratech LLP .	1,91,378	0.1618
11	Deepak Kishanrao Wagh	1,90,002	0.1606
12	Prashant Girdhardas Sampat	1,53,000	0.1293
13	Acadian Emerging Markets Micro-Cap Equity Master Fund	1,20,267	0.1017
14	Kelly Macneil	1,14,000	0.0964
15	Kunal Kumar	1,00,000	0.0845
16	Pramod Praphull Patil	1,00,000	0.0845
17	Hema Vishal Sukhani	89,678	0.0758
18	Chenna Reddy P.R	86,785	0.0734
19	City Of New York Group Trust	77,194	0.0653
20	Santosh Tripathi	60,831	0.0514
21	Padma Daruri	54,338	0.0459
22	Acadian Emerging Markets Small Cap Equity Fund Llc	52,349	0.0442
23	Dalip Singh Sethi	51,250	0.0433
24	Pace Stock Broking Services Pvt Ltd	50,592	0.0428
25	Rinku Bharat Gajani	50,000	0.0423



DETAILS OF TRADE BY PROMOTERS GROUP AND PAC

Name of shareholder	Category	Date of dealing	Number of shares	Nature of transaction
Mr. Baldev Singh	PAC	26/11/2020	2,500	Market sale
		27/11/2020	3,000	Market sale
		01/12/2020	4,838	Market sale
Dr. Satinder Singh Rekhi	Promoter	09/03/2021	44,14,245	Allotment as per Scheme of Amalgamation
Mrs. Harpreet Rekhi	Promoter	09/03/2021	4,414,244	Allotment Scheme of Amalgamation
Rightmatch Holdings Ltd.	Promoter	09/03/2021	88,28,489	Disposal, Extinguishment/ Cancellation as per Scheme of Amalgamation
Mr. Sartaj Singh Rekhi	Promoter group	12/10/2021	1,84,021	Tendered in Buy Back Offer of Company
Mr. Ramneet Singh Rekhi	Promoter group	12/10/2021	1,60,174	Tendered in Buy Back Offer of Company
Dr. Satinder singh rekhi	Promoter	12/10/2021	72,996	Tendered in Buy Back Offer of Company
Mrs. Harpreet Rekhi	Promoter	12/10/2021	50,476	Tendered in Buy Back Offer of Company
The Satinder & Harpreet rekhi family Trust (Trustee: Satinder Singh Rekhi & Harpreet Rekhi)	Promoter group	12/10/2021	1,15,438	Tendered in Buy Back Offer of Company



NET TRADE DETAILS BY TOP TWENTY-FIVE PUBLIC SHAREHOLDERS

Sl. No.	Names	Net Change
1.	Bhavook Tripathi	(2,053,587)
2.	Brahm Precision Materials Pvt Ltd	(6,00,134)
3.	Rinku Bharat Gajani	Nil
4.	O'Neil Nalavadi	Nil
5.	Chandraprakash Tripathi	(100)
6.	BT Capital Managers Private Limited	3,15,000
7.	Juzar Feroz Basrai	Nil
8.	Sunita Kantilal Vardhan	(8,824)
9.	*Nand Sardana	(1,934)
10.	Mangaldeep Infratech LLP	32,246
11.	Deepak Kishanrao Wagh	2
12.	Prashant Girdhardas Sampat	1,53,000
13.	Acadian Emerging Markets Micro-Cap Equity Master Fund	1,20,267
14.	Kelly Macneil	Nil
15.	Kunal Kumar	63,400
16.	Pramod Praphull Patil	Nil
17.	Hema Vishal Sukhani	(10,322)
18.	Chenna Reddy P.R	36,785
19.	City of New York Group Trust	77,194
20.	Santosh Tripathi	(825)
21.	Padma Daruri	4,338
22.	Acadian Emerging Markets Small Cap Equity Fund LLC	52,349
23.	Dalip Singh Sethi	Nil
24.	Pace Stock Broking Services Pvt Ltd	50,592
25.	Prabhakar Rao Bantwal	(3,25,410)
26.	TOTAL	(20,95,963)

**On account of buyback*

Note: In case of some shareholders, there is mismatch between trading data for last two year vis-à-vis the changes in beneficial position as per BENPOS on November 24, 2022 and November 20, 2022. In such cases, we have taken the difference between beneficial position as on aforementioned date, as the net change.

