



R SYSTEMS INTERNATIONAL LIMITED

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

Corporate Office: C - 40, Sector - 59, Noida (U.P.) - 201 307

Telephone: 0120 - 430 3500 Fax: 0120 - 258 7123

Website: www.rsystems.com Email: investors@india.rsystems.com

POSTAL BALLOT NOTICE

(Pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001)

Dear Shareholder(s),

NOTICE is hereby given pursuant to the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, that the following resolution is proposed to be passed as an Ordinary Resolution by way of Postal Ballot.

The Resolution along with the Explanatory Statement setting out material facts is as follows:

CREATION OF SECURITY AGAINST BORROWINGS PURSUANT TO SECTION 293(1)(A) OF THE COMPANIES ACT, 1956

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the “Act”) read with the Articles of Association of the Company, Listing Agreement entered into with the stock exchanges and other applicable provisions, consent of the Company be and is hereby granted to the Board of Directors (hereinafter referred to as the “Board”) of the Company to mortgage and / or hypothecate and / or create charge on all or any one or more of the movable and / or immovable properties or such other assets of the Company, wheresoever situated, both present and future, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of Banks, Financial Institutions, Non Banking Finance Companies (NBFC) or such other lenders or other investing agencies to secure any Asset Financing Facilities, Term Loans / Credit Facilities or otherwise, obtained / to be obtained from any of the aforesaid lenders, such security to rank in such manner as may be agreed to between the concerned parties and as may be thought expedient by the Board subject to the limits prescribed under Section 293(1)(d) of the Act.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise and execute with the Banks, Financial Institutions, Non Banking Finance Companies (NBFC) or such other lenders or other investing agencies, the requisite agreements, documents, deeds and writings for borrowing and / or creating the aforesaid mortgage and / or charge and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

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

**Sd/-
Suresh Kumar Bhutani
(Company Secretary & Compliance Officer)**

**Place : Noida
Date : April 10, 2010**

Notes :

1. An Explanatory Statement pursuant to Section 173(2) read with Section 192A of the Companies Act, 1956 in respect of the proposed business is annexed hereto.
2. The Company has appointed Mr. Sanjay Grover, Company Secretary in whole time practice as Scrutinizer for the purpose of the Postal Ballot exercise.
3. The Notice is being sent under certificate of posting to all the Members, whose names would appear in the Register of Members as on Friday, April 16, 2010.

4. A Member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self addressed Business Reply Envelope. Postage will be borne and paid by the Company. However envelopes containing Postal Ballots, if deposited with the Company in person or if sent by courier or by Registered Post at the expense of the shareholder will also be accepted. The envelope containing the Postal Ballot should reach the Scrutinizer not later than the close of working hours on Thursday, May 27, 2010.
5. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the Postal Ballot Forms and the result of the Postal Ballot shall be announced by the Chairman, or in his absence by any other person authorised by the Chairman, on Tuesday, June 01, 2010 at 4.00 P.M. at the Registered Office of the Company at B - 104A, Greater Kailash - I, New Delhi - 110 048 and the resolution will be taken as passed effectively on the date of announcement of the result by the Chairman or such other authorised person in his behalf, if the result of the Postal Ballot indicates that the requisite majority of the Shareholders had assented to the resolution. Members who wish to be present at the time of declaration of the result may be present at the venue.
6. The date of declaration of result shall be deemed to be the date of passing of the said Resolution.
7. Subsequently, result of the Postal Ballot will be published in at least one English and one vernacular newspaper circulating in the state of Delhi. The result of the postal ballot will also be displayed at website of the Company (www.rsystems.com).
8. Members are requested to carefully read the instructions printed on the back of the Postal Ballot Form before exercising their vote.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Creation of security against borrowings pursuant to Section 293(1)(a) of the Companies Act, 1956

As members are aware, your Company is exploring various opportunities for growth. With a view to meet the capital expenditure and other funds requirement for the said purposes, the Company would be required to borrow funds from time to time. To facilitate the borrowings / credit facilities, your Company has to mortgage and / or hypothecate and / or create charge on all or any one or more of the movable and / or immovable properties or such other assets of the Company from time to time. As per the provisions of Section 293(1)(a) of the Companies Act, 1956, the said mortgage and / or hypothecation and / or charge on all or any one or more of the movable and / or immovable properties or such other assets of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence requires approval from the shareholders of the Company.

As per the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal ballot) Rules, 2001, the above said approval is to be obtained by way of sending postal ballots to the Shareholders. Accordingly, this resolution is being proposed to seek your consent under Section 293(1)(a) read with section 192A of the Companies Act, 1956, by way of Postal Ballot as per the requirements of the Companies Act, 1956.

In consideration of the above, your directors recommend acceptance of the aforesaid resolution as Ordinary Resolution in the interest of the Company.

None of the directors of the Company is concerned or interested in the proposed resolution.

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

**Sd/-
Suresh Kumar Bhutani
(Company Secretary & Compliance Officer)**

**Place : Noida
Date : April 10, 2010**

INSTRUCTIONS

1. A member desiring to exercise his/her vote by Postal Ballot may complete this Postal Ballot form (no other form or photocopy thereof is permitted to be used for the purpose) and send it to the Scrutinizer in the attached self-addressed postage pre-paid envelope. Postage will be borne and paid by the Company. However envelopes containing Postal Ballots, if deposited with the Company in person or if sent by courier or by Registered Post at the expense of the shareholder will also be accepted.
2. The Postal Ballot form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per specimen signature(s) registered with the Company / Depositories) by the first named shareholder and in his/her absence, by the next named shareholder.
3. Duly completed Postal Ballot form should be sent to the Scrutinizer appointed by the Company **at the Corporate Office of the Company** not later than the close of working hours on **Thursday, May 27, 2010**. Postal Ballot form received after this date will be strictly treated as if the reply from the shareholder has not been received.
4. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders on Friday, April 16, 2010.
5. The right of voting by Postal Ballot shall not be exercised by proxy.
6. There will be only one Postal Ballot form for every folio irrespective of the number of joint shareholder(s).
7. In the case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot form should be accompanied by a certified copy of the board resolution / authorisation.
8. A member may request for a duplicate postal ballot form, if so required. However the duly filled in and signed duplicate postal ballot form should reach the Scrutinizer not later than the date specified at instruction number 3 above.
9. Members are requested to fill in the postal ballot form in indelible ink and not in any erasable writing mode.
10. Incomplete, unsigned or incorrect Postal Ballot forms will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot forms shall be final and binding.
11. The result of the Postal Ballot will be declared at the Registered Office of the Company as specified in the Notice. The result will thereafter be published in the newspaper(s) and posted on the Company's website for the information of the shareholders.