



## R SYSTEMS INTERNATIONAL LIMITED

Corporate Identity Number : L74899DL1993PLC053579  
[CMMI Level 5, PCMM Level 5, ISO 9001:2015 & ISO 27001:2013 Company]  
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REF: SECT/06/2023/03

JUNE 07, 2023

To, The Managing Director <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra – East, Mumbai – 400 051  NSE Symbol – RSYSTEMS	To, The General Manager <b>BSE Limited</b> Department of Corporate Services, Rotunda Building, 1 <sup>st</sup> Floor, Mumbai Samachar Marg, Fort, Mumbai - 400 001  BSE Scrip Code - 532735
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Dear Sir,

**SUB: DISCLOSURE UNDER REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

This is with reference to the Regulation 30 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we are pleased to inform you that, the Board of Directors in its meeting held on June 07, 2023, commenced at 09:00 A.M. and concluded at 09:24 A.M. has approved the acquisition of 100% (hundred per cent) equity shares of Velotio Technologies Private Limited, a company incorporated under the Companies Act, 2013, and having a business of outsourced information technology services including outsourced product development and digital product engineering services (“**Velotio**”).

Press release issued by the Company and Velotio is enclosed as “**Annexure A**”.

Further, in terms of SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 the requisite details of the acquisition in the prescribed format is attached herewith as “**Annexure B**”.

Thanking you

Yours Faithfully,  
For **R Systems International Limited**

**Bhasker Dubey**  
(Company Secretary & Compliance Officer)



## **Blackstone Portfolio Company R Systems Acquires Velotio, a Leading Product Engineering and Digital Solutions Company**

- Supports R Systems to deepen its product engineering capabilities in the technology, media, and healthcare verticals and expand India delivery footprint to Pune
- Co-founders of Velotio, Kalpak Shah and Chirag Jog, and the rest of the Velotio team, will join the combined business to drive its next phase of growth

**Noida, Uttar Pradesh, India & Pune, Maharashtra, India | June 7, 2023:** R Systems (NSE: RSYSTEMS; BSE: 532735), a leading digital product engineering company, today announced that it has signed definitive agreements to acquire Velotio, an India-based product engineering and digital solutions provider.

With a team of over 300 engineers, Velotio combines complex engineering, data expertise, cloud-native, and design capabilities to build innovative products for global customers, including NASDAQ-listed enterprises, and high-growth companies.

With this acquisition, Kalpak Shah (Co-Founder and CEO, Velotio), Chirag Jog (Co-Founder and CTO, Velotio), and the rest of the Velotio team will partner with R Systems to help scale Velotio's business, develop its engineering capabilities and accelerate its growth.

The Velotio leadership team brings decades of experience and deep-rooted knowledge of building complex engineering solutions that meet the rapidly growing needs of various industries.

Nitesh Bansal, Managing Director & Chief Executive Officer of R Systems, said: "We extend a warm welcome to Kalpak, Chirag, and the entire Velotio team to the R Systems family. This partnership with Velotio and its talented management team is a significant step towards R Systems' continued growth journey. Velotio's deep engineering capabilities within its focus verticals neatly complement our vertical presence and deepen our delivery capabilities in areas like Cloud, DevOps, Data Engineering, and Generative AI. We are also excited to expand our India delivery presence to Pune, a hub of product engineering talent. Velotio's attractive roster of customers and a very entrepreneurial management team are great additions to R Systems – they can help us expand our partnerships and deliver enhanced value to our customers."

Kalpak Shah and Chirag Jog, Co-Founders of Velotio, said: "We are excited to join the R Systems family in this next phase of growth for Velotio, our employees, and our customers. R Systems is an established player in the industry with a strong management team, marquee customers, and a global presence, which will provide a platform for us to create value at a larger scale. With our culture of attracting and nurturing top talent in the latest technologies and R Systems' extensive industry expertise and global presence, we are excellently positioned to help enable our customers on a strong growth trajectory. We also look forward to collaborating closely with Blackstone, one of the world's leading investors, as we look to build a scaled and fast-growing digital product engineering company."

Technology Holdings acted as Velotio's exclusive financial advisor. The acquisition is subject to customary closing conditions.

## **About Velotio**

Velotio is a product engineering and digital solutions provider working with high growth enterprises across the globe. With a team of 300+ engineers, we combine complex engineering, data expertise, cloud-native and design capabilities to build innovative products for customers across Technology, Media, Healthcare, and Enterprise SaaS verticals. We also help enterprises accelerate their digital transformation roadmap for a competitive edge with our strategy & consulting services.

We are recognized as a 'Top software development company' by Clutch and GoodFirms. We have been certified as a Great Place to Work® for two consecutive years and named one of India's Best Workplaces for Women.

## **About R Systems**

R Systems is a leading digital product engineering company that designs and builds next-gen products, platforms, and digital experiences, empowering clients across various industries to overcome digital barriers, put their customers first, and achieve higher revenues and operational efficiency.

We constantly innovate and bring fresh perspectives to harness the power of the latest technologies like cloud, automation, AI, ML, analytics, Mixed Reality, etc. Our 4,400+ technology expeditioners across 26 offices are driven to explore new digital paths, leaving no stone unturned in our quest to deliver business solutions that drive meaningful impact.

Our product mindset and engineering capabilities allow us to partner with the key players in the Tech industry, including ISVs (independent software vendors), SaaS companies, and product companies in Telecom, Media, FinTech, InsureTech, and HealthTech verticals.

## **Media Contacts:**

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**Annexure B**

**Disclosure under Reg. 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)**

Details of acquisition – Velotio Technologies Private Limited

Sl.No.	Particulars	Details
a)	Name of the target entity, details in brief such as size, turnover etc.;	<p>Velotio Technologies Private Limited (“<b>Velotio</b>”/ “<b>Target</b>”)</p> <p>The Turnover of the Target is INR 1,274 Million in financial year (“FY”) 2022-2023.</p> <p>Net worth of the Target is INR 328.6 Million as at March 31, 2023.</p>
b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”;	Not a Related Party Transaction.
c)	Industry to which the entity being acquired belongs;	IT services including outsourced product development and digital product engineering services
d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	With this acquisition, the Company will be able to deepen its product engineering capabilities in verticals such as technology, media, and healthcare and horizontals such as Cloud, DevOps, Data Engineering, and Generative AI. Further, it will also expand India delivery presence to Pune, a hub for product engineering talent.
e)	Brief details of any Governmental or regulatory approvals required for the acquisition;	None
f)	Indicative time period for completion of the acquisition;	Completion of the acquisition under the Share Purchase Agreement dated June 7, 2023 entered into between <i>inter alia</i> Velotio and the Company (“ <b>Share Purchase Agreement</b> ”) is subject to the fulfilment of the conditions precedent as set out under the Share Purchase Agreement.
g)	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash consideration

<b>h)</b>	Cost of acquisition or the price at which the shares are acquired;	<p>The total upfront consideration for 100% equity share capital of the Target shall be up to INR 2,788 Million subject to post-closing adjustments as set out in the Share Purchase Agreement.</p> <p>The existing shareholders of the Target also hold optionally convertible redeemable preference shares (“OCRPS”) of the Target and the Company may at a later stage, as may be approved by the Board, acquire such OCRPS, subject to the terms and conditions set out in the shareholders agreement dated June 7, 2023, entered into between Velotio, Company and the other shareholders.</p>
<b>i)</b>	Percentage of shareholding / control acquired and / or number of shares acquired;	100% equity share capital.
<b>j)</b>	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years’ turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>Velotio was incorporated on May 1, 2016 as a private limited company under the Companies Act, 2013. Velotio is in the business of providing outsourced information technology services including outsourced product development and digital product engineering services conducted by the Company from time to time.</p> <p>Velotio’s turnover for the past three years has been as follows:</p> <ol style="list-style-type: none"> <li>a. FY 2020-2021: INR 440 Million;</li> <li>b. FY 2021-2022: INR 828 Million; and</li> <li>c. FY 2022-2023: INR 1,274 Million.</li> </ol>