



Press Release

Funds managed and advised by Motilal Oswal Venture Capital Advisors Private Limited invests in RT Outsourcing Services Limited

MUMBAI, October, 2007: Funds managed and advised by Motilal Oswal Venture Capital Advisors Private Limited (MOVCAPL) and its affiliates, have invested Rs. 310 million in RT Outsourcing Services Limited.

RT Outsourcing Services Limited (“RT”) provides integrated service support (defined as ‘Reverse Logistics’) for all kinds of electronics including computers, mobile phones and other consumer electronics like set top boxes, display devices, etc. It has a leadership position in the reverse logistics space, having presence across the country with more than 140 centres.

Investment in the company offers an opportunity to participate in the overall growth story of IT, Telecom and electronic devices market. As the share of organised retail spending increases in India, there would be an increased requirement of reverse logistics service providers. Globally, the worldwide hi-tech reverse logistics market size is US\$109 bn and is expected to be US\$ 150 bn by 2010. Going forward, it is expected that the reverse logistics market in India will increasingly become an organized play, and given the low cost of skilled labour in India, it can emerge as a global hub for reverse logistics off-shoring. RT has an early mover advantage and is well positioned to capture the opportunities, not just for Indian companies but also for global electronic product companies.

RT is also present in setting up and maintenance of banking and telecom infrastructure. The company is also focusing on growing its remote services business.

The Company has grown at a CAGR of 42% between FY04-FY07, and has been a profitable company since its inception in 1995.

As per Mr. Raamdeo Agrawal, Chairman of MOVCAPL, “There is tremendous growth expected in the consumer electronics market, especially for items like personal computer (PC), mobile phones, etc. Unlike other electronic devices,

PCs/mobile phones need constant service and support as they can crash, slow down and stop functioning. Thus, offering quality after sales service plays an influential part in PC/mobile phones sales growth. With the increasing share of organized retailing in India, there would be a huge demand for reverse logistics services.”

According to Mr. Shammi Moza, Managing Director of RT, “Growing world economies have opened unending opportunities for companies to reach customers from across the globe. The post sales support market has also grown widely and thrown open many challenges to provide excellent services while stressing to reduce the overall cost of support. Asian market in specific has seen enormous growth over the years owing to increase in purchasing power, opening up of economies, liberalization and many impacts that have gone for increasing the consumption of products and services. This investment from Motilal Oswal will further propel the growth for RT and an investment made by such a blue chip firm adds to our confidence in achieving super normal growth in years to come.”

FiNoble Advisors Private Ltd. acted as the exclusive financial advisors to RT on the transaction.

About Motilal Oswal Venture Capital Advisors Pvt. Ltd.

Motilal Oswal Venture Capital Advisors Pvt. Ltd. (MOVCAPL) is a wholly owned subsidiary of Motilal Oswal Financial Services Ltd. (MOFSL), a global, diversified financial services group with businesses in securities, commodities, investment banking and venture capital.

MOFSL has launched the India Business Excellence Fund (IBEF), a US\$ 100 mn India focused Private Equity Fund which will be managed by MOVCAPL. The latter believes that with the right strategy, management and operational assistance, IBEF's portfolio companies will be able to leverage their existing market position and create significant value over a period of 3-5 years.

Over the last 20 years, MOFSL has been successful in building a comprehensive equity research team, vast distribution network and deep corporate and institutional relationships. These coupled with the experience of successfully managing a business will be leveraged by IBEF to become a financial investor of choice for companies looking for private equity investments.