

Quarterly Compliance Report on Corporate Governance

Name of Listed Entity: R Systems International Limited
Quarter ending: March 31, 2017

| I. Composition of Board of Directors | | | | | | | | | |
|--------------------------------------|-------------------------------|---------------------------|--|---|-----------|------------|---|--|---|
| Title (Mr. / Ms.) | Name of the Director | PAN [§] & DIN | Category (Chairperson/ Executive/ Non-Executive/ Independent/ Nominee) [§] | Date of Appointment in the current term /cessation** | | Tenure* | No. of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations) [®] | Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations) | No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations) |
| | | | | Appointment [^] | Ceasation | | | | |
| Mr. | Satinder Singh Rekhi | 00006955 | Executive | April 27, 2014 | - | N.A. | N.A. [#] | 0 | 0 |
| Mr. | Lt. Gen. Baldev Singh (Retd.) | 00006966 | Executive | April 01, 2015 | - | N.A. | N.A. [#] | 2 | 0 |
| Mrs. | Ruchica Gupta | 06912329 | Independent - Non - Executive | June 29, 2016 | - | Five Years | 1 | 1 | 1 |
| Mr. | Kapil Dhameja | 02889310 | Independent - Non - Executive | June 29, 2016 | - | One Year | 1 | 1 | 1 |
| Mr. | Aditya Wadhwa | 07556408 | Independent - Non - Executive | June 29, 2016 | - | One Year | 1 | 1 | 0 |

[§] PAN number of any director would not be displayed on the website of Stock Exchange

[§] Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

^{*} To be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the listed entity in continuity without any cooling off period.

[®] Details are provided for directorship held as Independent Director only in listed entities including R Systems International Limited.

[#] Holding the position of Director in R Systems International Limited as mentioned above.

[^] Board of Directors of the Company appointed Mr. Kapil Dhameja and Mr. Aditya Wadhwa as Additional Directors in the capacity of Independent Director w.e.f. June 29, 2016 till the ensuing Annual General Meeting scheduled to be held on May 15, 2017. The Resolution for appointment of Mrs. Ruchica Gupta as Non-Executive Independent Director of the Company w.e.f. June 29, 2016 proposed vide Postal Ballot Notice dated July 29, 2016 has been approved by the shareholders of the Company with requisite majority on September 09, 2016. All the aforesaid directors satisfy the criteria of an Independent Director as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") and the Companies Act, 2013.

^{**} Date of appointment of directors is provided for their present term. The initial date of appointment all the directors of the Company are provided in **Annexure-A**.

| II. Composition of Committees | | | |
|--------------------------------------|--|----------------------------------|--|
| Sr. No. | Name of Committee | Name of Committee members | Category (Chairperson/Executive/Non-Executive/independent/Nominee) ⁵ |
| 1 | Audit Committee | Mrs. Ruchica Gupta | Chairperson - Independent - Non Executive |
| | | Mr. Kapil Dhameja | Independent - Non Executive |
| | | Mr. Aditya Wadhwa | Independent - Non Executive |
| | | Lt. Gen. Baldev Singh (Retd.) | Executive |
| 2 | Nomination & Remuneration Committee | Mrs. Ruchica Gupta | Chairperson - Independent - Non Executive |
| | | Mr. Kapil Dhameja | Independent - Non Executive |
| | | Mr. Aditya Wadhwa | Independent - Non Executive |
| 3 | Risk Management Committee (if applicable) | Not Applicable | Not Applicable |
| 4 | Stakeholders Relationship Committee | Mr. Kapil Dhameja | Chairperson - Independent - Non Executive |
| | | Mrs. Ruchica Gupta | Independent - Non Executive |
| | | Lt. Gen. Baldev Singh (Retd.) | Executive |

⁵ Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

| III. Meeting of Board of Directors | | |
|--|--|---|
| Date(s) of Meeting (if any) in the previous quarter | Date(s) of Meeting (if any) in the relevant quarter | Maximum gap between any two consecutive meetings (in number of days) |
| October 26, 2016 | February 10, 2017 | 106 |

| IV. Meeting of Committees | | | | |
|----------------------------------|--|--|--|--|
| A. Audit Committee | | | | |
| Sr. No. | Date(s) of meeting of the committee in the relevant quarter | Whether requirement of Quorum met (details) | Date(s) of meeting of the committee in the previous quarter | Maximum gap between any two consecutive meetings in number of days* |
| 1 | February 10, 2017 | Yes, Three out of Four Members were present | October 26, 2016 | 106 |

| B. Nomination and Remuneration Committee | | | | |
|---|--|--|--|--|
| Sr. No. | Date(s) of meeting of the committee in the relevant quarter | Whether requirement of Quorum met (details) | Date(s) of meeting of the committee in the previous quarter | Maximum gap between any two consecutive meetings in number of days* |
| - | - | - | - | N.A. |

| C. Stakeholders Relationship Committee | | | | |
|---|--|--|--|--|
| Sr. No. | Date(s) of meeting of the committee in the relevant quarter | Whether requirement of Quorum met (details) | Date(s) of meeting of the committee in the previous quarter | Maximum gap between any two consecutive meetings in number of days* |
| 1 | February 10, 2017 | Yes, All members were present | October 26, 2016 | N.A. |

* This information has to be mandatorily be given for audit committee. For rest of the committees giving this information is optional.

| V. Related Party Transactions | |
|--|---|
| Subject | Compliance status (Yes/No/NA)refer note below |
| Whether prior approval of audit committee obtained | Yes |
| Whether shareholder approval obtained for material RPT | N.A. |
| Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee | Yes |

Note

1. In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.
2. If status is "No" details of non-compliance may be given here.

VI. Affirmations

- 1 The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015. - Yes
- 2 The composition of the following committees is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
 - a. Audit Committee - Yes
 - b. Nomination & remuneration committee - Yes
 - c. Stakeholders relationship committee - Yes
 - d. Risk management committee (applicable to the top 100 listed entities) - **Not Applicable**
- 3 The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.- Yes
- 4 The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.-Yes
- 5 This report and/or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here.-Yes

Annexure-A

Initial Date of Appointment as Director of R Systems International Limited

| S. No. | Name of Director | Initial Date of Appointment | Date of Cessation |
|--------|------------------------------|-----------------------------|-------------------|
| 1 | Mr. Satinder Singh Rekhi | May 14, 1993 | - |
| 2 | Lt. Gen Baldev Singh (Retd.) | September 01, 1997 | - |
| 3 | Mrs. Ruchica Gupta | July 7, 2014 | - |
| 4 | Mr. Kapil Dhameja | June 29, 2016 | - |
| 5 | Mr. Aditya Wadhwa | June 29, 2016 | - |

Note:

Board of Directors of the Company appointed Mr. Kapil Dhameja and Mr. Aditya Wadhwa as Additional Directors in the capacity of Independent Director w.e.f. June 29, 2016 till the ensuing Annual General Meeting scheduled to be held on May 15, 2017. The Resolution for appointment of Mrs. Ruchica Gupta as Non-Executive Independent Director of the Company w.e.f. June 29, 2016 proposed vide Postal Ballot Notice dated July 29, 2016 has been approved by the shareholders of the Company with requisite majority on September 09, 2016. All the aforesaid directors satisfy the criteria of an Independent director as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") and the Companies Act, 2013.