

K2 SYSTEMS LIMITED

Report On Corporate Governance (Clause 49)

Name of the Company: K2 Systems Limited
Quarter ending on : 31.12.2011

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I		
(A) Composition of Board	49(IA)	YES	
(B) Non-executive Directors' Compensation & Disclosures	49 (IB)	YES	
(C) Other Provisions as to Board and Committees	49 (IC)	YES	
D) Code of Conduct	(49 (ID)	YES	
II. Audit Committee	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	YES	
(B) Meeting of Audit Committee	49 (IIB)	YES	
(C) Powers of Audit Committee 49 (IIC)	49 (IIC)	YES	
(D) Role of Audit Committee	49 II(D)	YES	
(E) Review of Information by Audit Committee	49 (IIE)	YES	
III. Subsidiary Companies	49 (III)	N.A	
IV. Disclosures	49 (IV)		
(A) Basis of Related Party Transactions	49 (IV A)	YES	"Will be Complied in the Annual Report"
(B) Disclosure of Accounting Treatment	49 (IV B)	YES	-Do-
(C) Board Disclosures	49 (IV C)	YES	-Do-
(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (IV D)	YES	-Do-
(E) Remuneration of Directors	49 (IV E)	YES	"Will be Complied in the Annual Report"
(F) Management	49 (IV F)	YES	-Do-
(G) Shareholders	49 (IV G)	YES	-Do-
V.CEO/CFO Certification	49 (V)	YES	-Do-
VI. Report on Corporate Governance	49 (VI)	YES	-Do-
VII. Compliance	49 (VII)	YES	-Do-

Place: Hyderabad
Date: 09.01.2012

For K2 Systems Limited

For K2 SYSTEMS LIMITED

Director

Director